

Future to Gas 101

**Case Studies and Lessons Learned
from State Advocates**

Oct. 23rd 2-3PM ET

Introduction

Kristen Soares



State Climate Policy
Network Manager

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State Climate Policy Network



Network of **15,000+**

- State and local elected officials
- NGO advocates
- Researchers
- State agency staffers
- Organizers and activists
- Business leaders

... working on state climate policy

www.climate-xchange.org/network

Pro Bono Policy Assistance

We specialize in state climate policy design and analysis.
Reach out to kristen@climate-xchange.org with your requests on:

- **Example states** and **model rules** for a given policy
- **Gap analysis** of your state's climate policy landscape
- **Connections** to other actors working on similar issues

Buy your tickets before Oct. 31st to be entered in our Early Bird Drawing for \$10,000!

Our Annual Fundraiser

As the federal government actively undermines the country's climate progress, the role of states is more critical than ever.

Help fund our programs:

- SCPN National Calls and Webinars
- State Climate Policy Dashboard
- Pro Bono Policy Assistance

We're celebrating 10 years of our fundraiser by hosting two raffles.

Help us at carbonraffle.org



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Future of Gas 101 Series: How States Can Shape Natural Gas Policy



Event 1: State Policy Basics

What is 'future of gas' (FOG)?

*What policy levers exist, and
what outcomes can they
achieve?*

—

With Building Decarbonization
Coalition and Switchbox

Event 2: Case Studies

*How have FOG policies and
proceedings played out?*

*What lessons can we learn
from other states?*

—

With NRDC and
Clean Heat Minnesota

Event 3: Expert Panel

*What questions do you have for
FOG experts?*

—

With our series speakers +
the People's Counsel for the
State of Maryland, Fresh Energy,
Groundwork Data

Future of Gas 101: Case Studies and Lessons Learned from State Advocates



Natalie Cook
Coalition Manager,
[Clean Heat Minnesota](#)



Madeline Semanisin
Illinois Policy Director,
Climate & Energy,
[NRDC](#)

Agenda

1. Case Study: Minnesota's Docket
2. Case Study: Illinois's Docket and Legislative Work
3. Q&A

Speaker

Natalie Cook



Coalition Manager

[Clean Heat Minnesota](#)

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October 23, 2025

Natalie Cook



Minnesota Climate Goals

- In 2022, Minnesota's Climate Action Framework set targets to reduce emissions 50 percent by 2030 (from 2005 levels) and achieve net-zero emissions by 2050.



Emissions from gas are increasing in Minnesota.

→ Recent MPCA data shows that emissions in the residential and commercial sectors are increasing.

GHG emissions 2005-2022

Residential

↑ 38% 

Largest sources:

- ▶ Natural gas
- ▶ Oil



GHG emissions 2005-2022

Commercial

↑ 48% 

Largest sources:

- ▶ Natural gas
- ▶ Air conditioning, refrigeration



Legislation passed in 2021

- Creation of the Future of Gas docket
 - Awaiting Line Extension Allowances Decision
- Natural Gas Innovation Act
- Separately, Gas Integrated Resource Plans framework was created



ABOUT CLEAN HEAT MN

A **people-centered coalition** to slash emissions from fossil gas that is used in our homes and buildings.

Our goal is to **fully decarbonize building gas use** quickly and equitably.



WE BELIEVE EVERYONE IN OUR STATE DESERVES:

- **Reliable energy with consistent prices** we can all afford.
- **Safe energy** that eliminates indoor air pollution.
- **Clean, Midwest-made energy** that leverages Minnesota innovation to curb pollution and tackle climate change.
- **Transparent, accessible, and equitable decision-making**, so that every Minnesotan can make their voice heard and see themselves in our shared vision for a clean energy future.
- **Tools and up-to-date information** on how to access safe, reliable and affordable energy.



GROUNDING THIS STUDY

Partnered with Synapse Energy Economics to model **HOW** we might achieve our climate goals in our homes (residential) and businesses (commercial sector) in a way that's

- **Feasible**
- **Equitable**
- **Cost-effective**



Synapse
Energy Economics, Inc.



FINDINGS

**BOTH COSTS AND EMISSIONS
ARE LIKELY TO BE LOWER IF
MINNESOTA FULLY
ELECTRIFIES HEAT.**

**GAS USAGE MUST DECREASE
DRAMATICALLY TO REACH NET
ZERO.**

**AGGRESSIVE ADOPTION OF AIR
SOURCE HEAT PUMPS IS A KEY,
IMMEDIATE STRATEGY**

**ELECTRICITY DEMAND WILL
INCREASE SUBSTANTIALLY —
BUT THE INCREASE IS
MANAGEABLE, AND WE'VE DONE
IT BEFORE**



Rate Cases in 2024

Your utility rates pay for
Minnesota utilities membership
to the American Gas Association

That means you're paying for the
American Gas Association to
undermine clean energy efforts.

It's time for Minnesota to stop this.

SIGN ON TO STOP AGA DUES



DID YOU KNOW?

Your utility rates pay for
**Minnesota utilities membership to
the American Gas Association.**

**That means we're paying for
lobbying by the fossil fuel industry.**

It's time for Minnesota to stop this.

[SIGN ON AT THE LINK](#)



MEMBERSHIP DUES CUT IN HALF

Membership dues collected from ratepayers
to the American Gas Association are half of
what CenterPoint requested.

**Membership dues to other "pro-gas"
trade associations, like the Minnesota
Blue Flame Gas Association, would be
completely removed from customers'
bills under the agreement.**



Now Underway

- Line Extension Allowances
 - 17 members filed organizational comments.
 - Over 30 community members submitted individual comments.
 - 33 parties filed a joint letter to support ending LEAs. This letter included state agencies, local governments and local and national organizations.



Bringing Voices into Formal Comments



"I noticed a difference
in my asthma
symptoms."

-Mary (St.Paul)

"Low-income and BIPOC communities bear the brunt of these impacts — smaller spaces, poor ventilation, older appliances — yet we pay for infrastructure we didn't ask for."

"We ask the Commission to stop subsidizing new gas lines and instead invest in equitable electrification: heat pumps, induction stoves, and weatherization for all."



"Gas line extension subsidies lock our communities into decades of fossil fuel dependency, higher bills, and serious health risks — especially for children."

"Our homes showed higher indoor air pollution from gas stoves than pollution levels recorded next to highways or oil refineries."





THANK YOU



Speaker

Madeline Semanisin



**Illinois Policy Director,
Climate & Energy**

[NRDC](#)

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Future of Gas Case Study: Illinois

State Climate Policy Network FOG Webinar Series, October 2025

Madeline Semanisin (She/Her), IL Policy Director, Climate and Energy
Natural Resources Defense Council

Agenda

- Background
 - Regulatory
 - Future of Gas Workshop
 - State Legislator
 - Clean and Healthy Buildings Act
 - Lessons Learned
 - Questions
-

Reason for a Future of Gas Workshop

- **Climate**

Around 20% of IL emissions come from buildings

- **Cost + Consumer Protections**

IL gas utilities have some of the highest fixed charges in the Midwest.

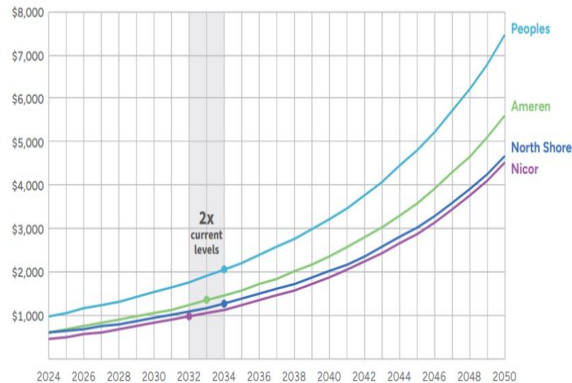
- **Public Health**

Recent research suggests that roughly 20% of current childhood asthma is attributable to gas stove use in IL

Unmanaged Transition

Scenario 1: Business-as-usual CapEx with moderate customer decline

Figure 5.11: Annual revenue requirement per customer with BaU CapEx and moderate customer departure



Source: Dorie Seavey, et al. The Future of Gas in Illinois. Building Decarbonization and Groundwork Data, May 2024.
<https://buildingdecarb.org/resource/the-future-of-gas-in-illinois>.

Table 5.2: Modeling scenario descriptions

CapEx With Customer Departures	Customer count	
	Moderate decline 50% reduction by 2050	High decline 90% reduction by 2050
Business-As-Usual (6% annual increase)	Scenario 1	Scenario 2
Flat (at 2024 levels)	Scenario 3	Scenario 4
Declining (in line with customer departures)	Scenario 5	Scenario 6

Illinois Clean Jobs Coalition

The Illinois Clean Jobs Coalition (ICJC) is made up of more than 200 climate groups, healthcare professionals, environmental justice champions, businesses, community leaders, labor unions, consumer advocates, faith-based and student organizations.



Future of Gas Workshop

FOG Status

Timeline: Originally supposed to wrap up summer of 2025. ICC staff revised the plan to extend until Feb. 2026

Phase 1: Neutral Fact Finding

- All relevant topics relating to the future of gas and decarbonizing the State's gas distribution systems.

Phase 2: Positions Identified and Pilots

- 2A: Explore Decarbonization Pathways
- 2B: Decarbonization Pathway Working Groups
- 2C: Legislative and Regulatory Solution

Final Report: February 2026

Future of Gas Proceeding

“The proceeding shall discuss, at a minimum, the following categories of issues:”

- Potential for decarbonization of the existing gas system, including identification of technical constraints, hard to decarbonize end-uses, and methodologies for achieving decarbonization;
- If decarbonization requires a shift to electric distribution, the timing of such a shift;
- The role and scope of energy efficiency retrofits, for both residential and Commercial and Industrial end-users, to facilitate decarbonization;
- Cost considerations, including the protection of non-first movers from bearing a disproportionate cost of the remaining gas system;

FoG issues, continued

- **Stranded assets** of the gas distribution system and planning methods to mitigate the issue, including non-pipeline alternatives;
- Evaluation of strategies for identifying and managing infrastructure that is nearing the end of its useful life or is no longer used and useful;
- The need for future **integrated systems planning between gas and electric** systems;
- The need for line extensions (for both mains and services) on the gas distribution system in the future and the need for a rulemaking to modify existing codified **line extension allowances**;
- The ability, costs, and timing of **ramping up the electric distribution system to meet expanding load**;

FoG still continued

- Additional **electric distribution infrastructure needed**, and interaction with existing electric multi-year rate and spending plans;
- Potential **uses for any existing gas infrastructure which may not be needed** after the transition;
- The **effects of federal and state public policy** that supports electrification on the gas system;
- **Legislative and regulatory changes needed** to effectuate any needed transition;
- Issues unique to propane and other liquid fuel customers; and
- Other issues determined by the Staff to be necessary for the most thorough discussion possible."

FoG still continued

- Additional **electric distribution infrastructure needed**, and interaction with existing electric multi-year rate and spending plans;
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- The **effects of federal and state public policy** that supports electrification on the gas system;
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- Other issues determined by the Staff to be necessary for the most thorough discussion possible."

NRDC Advocates For...

Phase 2B: Pathways Working Group

- **Electrification**
 - Any pathway to meeting Illinois' climate targets in an affordable manner will require significant levels of building electrification
- **Energy Efficiency**
 - Energy efficiency is a key pillar of Illinois' energy policy for decarbonizing the gas and electric sectors.
- **Low Income Protections**
 - Protect against stranded assets
- **Limiting Gas Expansion**
- **Green H2**
 - Reserved for "hard to electrify" end uses

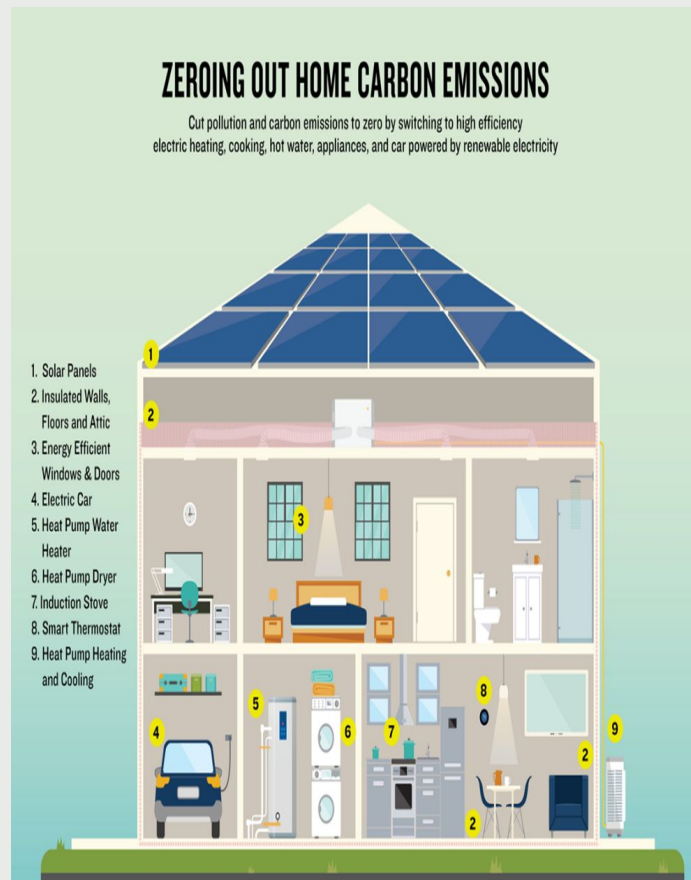
Phase 2B: Pilots Working Group

- **LMI Whole Home Decarbonation**
 - Exploring solutions on how to scale whole home building decarization with battery storage in low income communities.
- **NPA**
 - Service line
 - Capacity expansion

Clean and Healthy Buildings Act

Clean Heat Standard

- Clean Heat Standard
 - 100% clean buildings by 2050 through declining emission caps
 - Emission caps would be enforced through the gas utilities, who would have to report their emissions each year and face penalties if they do not
 - Requires increased emissions reductions in equity investments eligible communities
- Clean Heat Pathways Study
 - Requires the ICC to conduct a proceeding to explore the pathways for gas utilities to meet the Clean Heat Standard through decarbonization
 - Requires the ICC to seriously consider electrification as an alternative to gas to meet Illinoisans' heating needs



Long Term Gas Planning

- Gas System Audit
 - Independent assessment of the gas distribution system:
 - Capital spending
 - Emission reductions
 - Safety
- Biennial Gas Infrastructure Plans
 - Align gas system investments programs with the State's Clean Heat Standard
 - Requires scenario and sensitivity analysis
 - Requires the utilities to provide the results of non-pipeline alternative analysis

**PASS THE
CLEAN AND
HEALTHY
BUILDINGS
ACT!**

Gas Energy Efficiency Standards

- **Expand Energy Efficiency Requirements**

- Must implement cost-effective energy efficiency measures with total annual savings ramping up each year until they achieve at least 1% of such sales in 2027
- Installing new gas furnaces will not count towards this goal

- **Efficiency Programs**

- At least 50% of the budget for EE programs must be met with efficient upgrades to the building envelope (e.g. air sealing and insulation)
 - 20% of the EE budget shall be spent on EE measures for income-qualified households
 - Requires funding to address health and safety issues in income-qualified homes
 - File plans with the Commission detailing progress on new EE standards
 - Increases outreach requirements
 - Gas utilities shall report annually to the Commission and General Assembly on hiring, contracting, job training, and contractor demographics
-

Equity + Accessibility

- **State Navigator**

- The Illinois Department of Commerce & Economic Opportunity oversees and implements a statewide resource to assist building owners and renters with accessing electrification services and energy efficiency services and programs, funding, and other assistance that will result in aiding gas utilities compliance with the Clean Heat Standard.
- Dedicates at least 40% of the total funding for the navigator program to deploy electrification services, energy efficiency measures, renewable energy, and other related upgrades in equity investment eligible communities.

- **Shut Off Protections**

- Ceases disconnection activity for 60 days to allow the customer to apply for and establish eligibility for said energy assistance.

FOG Challenges



Questions and Answers

Thank you.

Madeline Semanisin
msemanisin@nrdc.org

Q&A

Thank you for joining!

**Reach out to
kristen@climate-xchange.org with any
additional questions!**

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