



NEFI Now!

The Latest News & Information Vital To NEFI Members

After Grid Warning, a Call for Moratoriums on Electric Heat Pumps

Today, NEFI and its state association partners delivered a [letter](#) to the governors of the six New England states, demanding a moratorium on utility-funded conversions to electric and natural gas heating systems.

The letter cited recent warnings by electric grid operator ISO New England that the region is at **"heightened risk"** of power outages this winter as a result of constrained natural gas supplies and increasing use of electric heat pumps. Pointing to the catastrophe that occurred in Texas earlier this year, fuel dealers argued that wintertime power outages would disproportionately harm their states' most vulnerable groups such as low- or no-income households, and that heating system conversions only make the problem worse.

In calling for a moratorium on electric and natural gas conversions, fuel dealers raised the following issues with their governors:

- As in Texas, most of New England's electricity comes from natural gas, not renewables
- Fuel dealers do not oppose their states' net-zero emission goals and have committed to reduce emissions 15% by 2023, 40% by 2030, and to achieve net-zero by 2050 using blends of renewable liquid heating fuels
- Texas's 4.5 million power outages led to over 700 deaths
- Liquid heating fuel offers a quicker, more reliable path to net-zero emissions than electric heat pumps or natural gas, while also helping the grid keep the lights on for 15 million New Englanders during extended periods of extreme cold
- In Texas, 96% of homes are heated by electricity or natural gas

"We can all agree that Texas's recent tragedy is not the future that New Englanders want to see, yet that is exactly where our region is headed, as all six of our states have utility-funded programs in place promoting the installation of heating systems that threaten to further constrain our critical energy infrastructure," said the letter, which was signed by the National Energy & Fuels Institute, Connecticut Energy Marketers Association, Energy Marketers Association of New Hampshire, Energy Marketers Association of Rhode Island, Maine Energy Marketers Association, Massachusetts Energy Marketers Association and Vermont Fuel Dealers Association. The groups will hold a press conference on the matter this afternoon.



**Click here to read our
letter to the six
New England governors**



December 15, 2021

The Honorable Ned Lamont
Governor of Connecticut
210 Capitol Avenue
Hartford, CT 06106

The Honorable Janet Mills
Governor of Maine
1 State House Station
Augusta, ME 04333

The Honorable Charlie Baker
Governor of Massachusetts
24 Beacon Street, Room 280
Boston, MA 02133

The Honorable Chris Sununu
Governor of New Hampshire
107 North Main Street #208
Concord, NH 03301

The Honorable Dan McKee
Governor of Rhode Island
82 Smith Street
Providence, RI 02903

The Honorable Phil Scott
Governor of Vermont
109 State Street, Pavilion
Montpelier, VT 05609

Do Not Let Texas's Tragedy Be Repeated in New England

Dear Governor:

On December 6, New England's electric grid operator warned that your state is at "heightened risk" of power outages this winter.¹ According to ISO New England President Gordon van Welie, "controlled power outages" would most likely occur during an extended period of extreme cold, when, for millions of local residents and their families, working home heating equipment is not a luxury but an absolute necessity.

"The almost 15 million people that live in this region need to understand that we are in a precarious position when it gets into extended extreme weather, particularly cold weather," van Welie said. "This problem is not going to go away. It's going to gradually get worse as a result of us needing to reduce the use of fossil fuels and because extreme weather I think is going to be a big variable in the equation."²

We write you today on behalf of the thousands of home heating providers who are responsible for keeping well over 5 million of those nearly 15 million people warm and safe by servicing their heating equipment and delivering heating oil, propane, and renewable liquid heating fuels like biodiesel-blended Bioheat Fuel.³ To our members, those millions of people are not ratepayers — they're neighbors, friends and family.

For their health and safety, as well as that of all New Englanders, we call on you to issue a moratorium on utility-funded conversions to natural gas and electric heating systems.

As we recently saw in Texas, wintertime power outages would disproportionately devastate the most vulnerable groups among our states' populations: seniors, infants, people with severe health conditions, and especially, low- or no-income households. It was less than 10 months ago that Texas's own "controlled power outages" led to the deaths of more than 700 people.⁴ During that catastrophe, 4.5 million Texas homes and businesses — about 69% — lost power, along with access to basic necessities like clean drinking water.⁵ If even half that percentage were to lose power in New England, more than 5 million would be forced to go without heat or hot water during dangerous freezing conditions.

As of December 8, 2021, approximately 57% of our region’s power comes from natural gas.⁶ ISO New England concedes that increasing natural gas prices and worsening supply constraints put our region at greater risk of power outages. In the event of prolonged cold weather, Peter Brandien, vice president of system operations and market administration for ISO New England, advises people to “turn down your thermostats so that you’re not using as much electricity or gas to heat your homes.”⁷

The situation is similarly concerning for NYISO, the operator of New York’s grid, which is interconnected with New England’s power system. “The latest study demonstrates that our reliability margins are thinning to concerning levels...” said Zach Smith, vice president of system and resource planning for NYISO. “We have to move carefully with the grid in transition in order to maintain reliability and avoid the kind of problems we’ve seen in other parts of the U.S.”⁸

Consider that some 9.6 million Texas homes — 96% — are heated by electricity or natural gas. This includes 6.1 million electric heating systems (61%) and 3.5 million running on natural gas (35%).⁹ We can all agree that Texas’s recent tragedy is not the future that New Englanders want to see, yet that is exactly where our region is headed, as all six of our states have utility-funded programs in place promoting the installation of heating systems that threaten to further constrain our critical energy infrastructure.

Knowing all this, how can our states justify encouraging more residents to convert to natural gas and electric heat pumps?

Make no mistake: our companies do not oppose their states’ net-zero emission goals; on the contrary, we share them. We have committed to reduce emissions 15% by 2023, 40% by 2030, and to achieve net-zero by 2050 using blends of renewable liquid heating fuels. Two of our states — Rhode Island and Connecticut — have passed laws requiring heating oil dealers to deliver increasingly higher blends of biofuels, culminating at 50%. Additionally, Massachusetts regulations provide incentives for companies that deliver blends of 10% or higher.¹⁰ New Hampshire has a law protecting consumers’ energy choice, thereby prohibiting bans on biofuel-compatible heating equipment or requirements for residents to convert to electric heat pumps or natural gas systems.

Heating oil dealers fought for these laws because we too recognize the importance of removing greenhouse gases and particulate matter emissions from the atmosphere to protect our planet and our communities for future generations.¹¹ We also recognize that our clean-energy solution — renewable liquid heating fuel — offers a quicker, more reliable path to net-zero emissions than electric heat pumps that depend on a natural gas-fueled power grid, or natural gas heating systems that further constrain the grid while emitting harmful and highly explosive methane.¹²

On top of all this, as our grid operators know, liquid heating fuel has more power generating potential, as measured by stored energy density, than virtually every other energy source used today.¹³ That is why power plants turn to fuel oil as a source of backup generation when natural gas supplies are severely constrained.

Our product delivers more heat at lower emissions with greater power generating potential, and yet State utility commissions have decided to facilitate policies reliant on monopolies that have been unsuccessful at meeting the region's demand for natural gas and electricity.

Enough is enough. We cannot stand idly by while dangerous electrification policies and system conversions put our neighbors and communities at risk. Given what happened in Texas and the warnings from ISO New England, our states should immediately abandon efforts to convert homes to natural gas or electric heating. The lives of our states' residents — your constituents — may very well depend on it.

Sincerely,

Connecticut Energy Marketers Association
Energy Marketers Association of New Hampshire
Energy Marketers Association of Rhode Island
Maine Energy Marketers Association
Massachusetts Energy Marketers Association
National Energy and Fuels Institute
Vermont Fuel Dealers Association

¹ Singer, Stephen. "Power grid faces 'heightened risk': New England system operator warns of outages if long cold snap hits." *Hartford Courant*, December 6, 2021, p1.

² Ibid.

³ U.S. Census Bureau, American Community Survey, 2019.

⁴ Aldhous, Peter; Lee, Stephanie M.; Hiriji, Zahra. "The Graveyard Doesn't Lie: The Texas Winter Storm And Power Outages Killed Hundreds More Than The State Says." BuzzFeed News, May 26, 2021.

⁵ Ibid.

⁶ ISO New England Real-Time Maps and Charts, December 8, 2021.

⁷ Maher, Emily. "How a long, cold winter could put strain on New England's power system." WCVB Boston, December 6, 2021.

⁸ Rulison, Larry. "Can N.Y.'s electrical grid handle major energy shift going forward?" Times Union, Albany, NY, December 3, 2021.

⁹ U.S. Census Bureau, American Community Survey, 2019.

¹⁰ In Connecticut, HB6412: An Act Concerning a Low-Carbon Fuel Blend of Heating Oil requires 5% advanced biofuel by July 1, 2022, 10% in 2025, 15% in 2030, 20% in 2034 and 50% in 2035. In Rhode Island, H1532A: An Act Relating to Health and Safety – Biodiesel Products requires 5% biodiesel or renewable diesel currently, 10% biodiesel or renewable diesel by July 1, 2023, 20% in 2025 and 50% in 2030. In Massachusetts, under 225 CMR 16.00: Alternative Energy Portfolio Standard (APS), businesses selling heating oil containing at least 10% eligible liquid biofuel may earn Alternative Energy Credits.

¹¹ According to studies by Kearney and IHS Markit, a blend of 20% biodiesel reduces carbon emissions by at least 15% compared to unblended heating oil. Pure biodiesel, or B100, can reduce emissions by up to 89%, according to the Oregon Department of Environmental Quality. Additionally, cellulosic biofuels such as ethyl levulinate (EL) are capable of delivering net-negative carbon emissions.

¹² Heating Fuel Carbon Calculator, National Oilheat Research Alliance

¹³ U.S. Energy Information Administration