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Bill to protect consumer choice in water heaters moves to President's desk

WASHINGTON - The American Gas Association applauds swift action in the 119th Congress to protect consumer choice with the passage of a Congressional Review Act resolution through both chambers to roll back a Biden-era regulation to block the sale of instantaneous natural gas water heaters. The resolution introduced in the U.S. Senate by Sen. Ted Cruz (R-TX) and in the U.S. House of Representatives by Rep. Gary Palmer (R-AL) passed with bipartisan support. When signed by President Trump, the resolution will protect product availability and prevent rising costs for tens of millions of senior and low-income households and ensure consumer access to one of the most popular water heating options on the market today.

"This is a victory for working-class Americans and for the environment which benefits from the lower emissions of efficient, direct-use natural gas," **said AGA President and CEO Karen Harbert.**"President Biden's block on certain natural gas appliances was deeply flawed legally and practically. The water heater rule would have removed consumer choices, placed a disproportionate financial burden on seniors and low-income Americans and pushed financially vulnerable consumers toward less efficient electric products likely to raise their energy bills."

Maintaining consumer access to non-condensing and condensing instantaneous natural gas water heaters helps reduce overall energy consumption, lowering energy bills for American families and businesses who use these appliances. According to AGA's recently released study, <u>Building for Efficiency: Home Appliance Cost and Emissions Comparison</u>, efficient natural gas equipment can cut home greenhouse gas emissions by 40% by 2040.

The U.S. Department of Energy's own numbers showed that nearly 40% of customers affected by the Biden-era rule would have experienced a net cost increase over the appliance's lifespan, with some of the heaviest increases falling on seniors and low-income households. According to direct manufacturer pricing, the difference in average product price could have been as high as \$450 — nearly double the \$231 cited by DOE. By banning an entire product class of instantaneous natural gas water heaters, the rule would have forced many consumers to switch to electric resistance water heaters and would have resulted in significantly higher costs over the lifespan of the appliance and increased emissions.

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About the American Gas Association

The American Gas Association, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 79 million residential, commercial and industrial natural gas customers in the U.S., of which 94 percent — more than 74 million customers — receive their gas from AGA members. Today, natural gas meets more than one-third of the United States' energy needs.