



Is natural gas free?

I read with interest Brian Lilley’s story, “[Ford makes natural gas, high-speed Internet pledges to rural Ontario](#)” printed January 21, 2020, specifically Premier Doug Ford’s announcement that the Ontario Energy Board will be taking applications for the expansion of natural gas in rural areas.

First, I am trying to understand what calculations the premier used when he stated that “switching to natural gas can save a household up to \$2,500 a year in heating costs”. Based on a typical 2,000 sq. ft home heating energy requirement of 75 million BTUs per year, the Canadian Propane Association calculated the following:

Fuel used to heat a 2,000 sq./ft Ontario home	Fuel type (litres)	
	Propane	Heating oil
Relative volume to achieve required BTUs - per kilolitres*	3.256	2.974
Total litres	3256	2974
Cost per litre (calculated average price)	0.607	1.021
Annual heating cost	\$1,976	\$3,036

*Based on a furnace efficiency of 95% for propane and 70% for heating oil.

So, if the annual heating cost is \$1,976 for an average home, how can rural Ontarians **save** up to \$2,500 per year in heating costs? Is natural gas free?

The government must use realistic and accurate data in its calculations. Yes, natural gas is part of the solution to lowering greenhouse gas emissions and providing affordable energy to Ontarians – but so is propane. And yes, the cost of natural gas is often less than propane. But there are other expenditures that need to be considered.

The infrastructure cost to expand natural gas in many areas, considered uneconomic until recently, is now subsidized by natural gas customers through a \$1 surcharge per month and an additional surcharge to new customers. Whereas propane is available here and now, without government subsidy and without customers having to dig into their wallets to build expensive networks. The cost to expand uneconomic natural gas distribution networks comes at a price, paid by natural gas customers. Sound familiar? Some electricity customers would argue it does...

And let’s not forget that propane is distributed by local companies who provide many jobs and who support their home communities. Recognized for its low emissions and environmental impact, propane is one of the cleanest and most versatile Canadian fuels in existence. Propane is perfect for applications as diverse as heating commercial and residential buildings, fuelling vehicles, drying crops and powering industrial processes.

Access to reliable, cost-effective and low-emission energy is important for rural communities in Ontario. Local propane suppliers are here to talk and help your readers choose energy options that are best for them and future generations. They should get in touch with their local companies to find out more.

Nathalie St-Pierre
CPA President & CEO