

under the accelerated projection. This market includes electric utilities as well as independent (non-utility) power producers. Most of the rise in power plant gas demand is linked to wider use of combined-cycle technology, which captures the waste heat produced by the generator's large gas turbines and uses it to produce more electricity.

Demand is actually a little lower under the accelerated projection than in the current projection. The accelerated projection forecasts that slightly less new generating capacity will be required because: The operating lives of some coal-fired and nuclear-powered generating plants will be extended, some new coal-fired plants will be built, distributed generation will account for 20 percent of added generation capacity and renewable sources of energy will generate more electricity in 2020 than today.

#### THE NGV MARKET

"Fueling the Future" sees gas consumption in the transportation sector increasing to 2.8 quads by 2020. More than 1.5 quads of this growth is attributed to natural gas vehicles (NGVs) although the study points out that widespread use of NGVs will hinge on the success of on-going efforts to increase their driving range and make the vehicles more economically competitive, including bringing down the purchase price.

Natural Gas Vehicle Coalition President Richard Kolodziej reports that roughly 80,000 NGVs travel U.S. roads today, mainly as fleet vehicles. The industry's strategy, he says, is "to pursue the high fuel-use fleet market, which includes transit and school buses, trash trucks, urban delivery vehicles, airport shuttles and taxis."

Kolodziej also notes that the national transportation-related environmental focus until recently has been on reducing the automotive emissions that contribute to smog. "There is now a growing focus on diesel fuel because of concerns about the health effects of particulates and other air toxins," says Kolodziej. "Studies are showing that diesel vehicles have a disproportionate impact on air quality with respect to carcinogenic toxins." The shift in emphasis is improving the prospects for natural gas in the truck and bus markets. In the past two years alone, between 17 and 20 percent of all new transit buses that have been ordered have been fueled by natural gas, he says.

#### OTHER OPTIMISTIC OUTLOOKS

Reality check: Is the American Gas Foundation's accelerated scenario too optimistic? Not especially when compared with some other recent projections. While the other forecasts may use different parameters to arrive at their conclusions and look only as far

as 2015, they all reach basically the same conclusion: Gas use will rise substantially in the early years of the new century.

In contrast with GRI's and the National Petroleum Council's recent studies, the American Gas Foundation's study is a bit more optimistic, predicting a slightly higher potential for demand. It also projects market growth differently—attributing potential higher demand coming more from end-use applications in the residential and commercial sectors rather than from electricity generation. The foundation is also more optimistic that technology in the natural gas industry—from exploration and production through transmission, distribution and end use—will continue to advance at a pace similar to that in the 1990s.

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#### ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER (Mr. BROWNBACK). Under the previous order, the Senate stands in adjournment until 9:30 a.m. tomorrow.

Thereupon, the Senate, at 7:09 p.m., adjourned until Thursday, March 9, 2000, at 9:30 a.m.