



July 8, 2013

The Honorable Fred Upton
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Henry Waxman
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Ed Whitfield
Chairman
Energy and Power Subcommittee
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Bobby Rush
Ranking Member
Energy and Power Subcommittee
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chairmen Upton and Whitfield and Ranking Members Waxman and Rush:

The Gas Processors Association (GPA), a non-profit trade organization made up of 127 midstream energy companies that own and operate 290,000 miles of pipelines and related facilities, strongly supports H.R. 1900, the "Natural Gas Pipeline Permitting Reform Act." GPA member companies gather, treat, process, and store natural gas; transport, store and fractionate natural gas liquids (NGLs); and provide gathering and storage of crude oil across all of the major basins in the U.S.

This legislation amends the Energy Policy Act of 2005, which granted the Federal Energy Regulatory Commission (FERC) the authority to establish a schedule for other federal agencies to issue pipeline permits without giving FERC the authority to enforce the schedule. H.R. 1900 would give FERC the ability to enforce natural gas pipeline permit deadlines at other federal agencies. Specifically, permits would be approved automatically if the permitting agency failed to act by the FERC-established deadline.

H.R. 1900 recognizes that the shale technology revolution has had a dramatic impact on the Midstream energy sector as new infrastructure will be required to move natural gas from the regions where production is growing dramatically to areas where demand is expected to increase. The development of shale oil and gas reserves will require hundreds of billions of dollars of new Midstream infrastructure to insure oil and gas reserves are produced safely, effectively and efficiently. Shale development has been fueling the U.S. economy over the last several years and is positioning the U.S. to achieve its goal of energy security.

While H.R. 1900 addresses the permitting process for interstate pipelines, we also need to address permitting of intra-state pipelines, such as gathering systems that bring raw natural gas from the production wells to gas processing plants. These intrastate pipelines are not within the jurisdiction of FERC, although they typically have to have many of the same permits for the Coastal Zone Management Act (National Oceanic and Atmospheric Agency), the Clean Water Act (enforced by the Environmental Protection Agency with permits issued by individual states and the Army Corps of Engineers); and the Endangered Species Act (enforced by the U.S. Fish and Wildlife Service).

Extended permitting processes delay needed infrastructure which lead to increased safety risks, unnecessary emissions and lost economic value. This is evidenced by the amount of natural gas flaring presently taking place in key producing basins as a result of infrastructure delays. Permits that used to take 30 to 60 days now take up to 18 months, and major projects that were formerly executed within 12 months now take up to 3 years.

Expediting infrastructure capabilities is in the best interests of the American public. Appropriate permitting practices and effective enforcement will promote new investment, which will allow this country to reduce emissions, increase the demand for equipment and labor, promote energy security, increase U.S. exports, and improve the U.S. trade deficit.

The Gas Processors Association strongly supports the passage H.R. 1900. At the same time, we encourage the Committee to look at these other permitting issues to accelerate the development of the infrastructure necessary to get these new natural gas resources to the market.

Respectfully Submitted,

A handwritten signature in black ink that reads "Jeff Applekamp". The signature is written in a cursive, flowing style.

Jeff Applekamp
Director, Government Affairs
Gas Processors Association