

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Certification of New Interstate Natural Gas Facilities)

Docket No. PL18-1-000

**COMMENTS OF THE
INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA**

Pursuant to the April 19, 2018, Notice of Inquiry, issued by the Federal Energy Regulatory Commission (“Commission”) in the above-referenced docket, the Independent Petroleum Association of America (“IPAA”) hereby respectfully submits the following comments on Certification of New Interstate Natural Gas Facilities. IPAA urges the Commission to retain its policies that have served the regulated community and the public by approving construction of pipelines that have allowed for increased consumption of natural gas while reducing greenhouse gas emissions.

I. EXECUTIVE SUMMARY

IPAA strongly urges the Commission to continue with its policy to approve interstate natural gas pipelines found to be in the public convenience and necessity, as defined under Section 7 of the Natural Gas Act (NGA). As the Commission noted, “[T]he public interest that the Commission must protect always includes the interest of consumers in having access to an adequate supply of gas at a reasonable price.”¹

¹ *Tejas Power Corp. v FERC*, 908 F.2d 998, 1003 (D.C. Cir. 1990)

II. BACKGROUND

In an April 25, 2018, *Federal Register* notice, the Commission sought comment on whether, and if so how, it should revise its approach under its currently effective policy statement. The Commission subsequently extended the deadline for comments to July 25, 2018.

III. OUR NATION NEEDS ACCESS TO ITS ABUNDANT NATURAL GAS SUPPLIES

IPAA's mission is to advocate for America's exploration and production segment of the oil and natural gas industry. Our goal is to ensure that members can develop and produce energy, which requires a robust, safe transportation system to deliver that energy to market. The Commission has succeeded in fostering that robust transportation system for interstate natural gas pipelines, which has changed dramatically since the inception of the Policy Statement, as natural gas production has increased dramatically and in areas that historically were consumers, not producers, of natural gas.

The United States is leading the world in natural gas production, producing 78.9 billion cubic feet per day in 2017. Even as natural gas production has increased, the United States has reduced its carbon footprint more than any other nation in the world. Energy-related carbon emissions in the United States hit a 25-year low in 2017, a fact that can be directly linked to increased natural gas use for power generation. Electricity generation has turned increasingly to natural gas as a preferred means of generating power, with benefits of reduced emissions, efficiency, a critical companion to increased reliance on renewable energy, and reduced costs to electricity consumers.

Owing to this increased use of clean, affordable natural gas, the United States is expanding its economy, creating new American manufacturing jobs, and protecting the environment by using energy more cleanly and efficiently than ever before. Today, as the world's leading energy superpower, the United States is now in the unique position to export this clean, reliable energy source to our friends and allies and improve life for people and developing nations around the world.

IPAA members have encouraged this demand with technology that has tapped America's abundant natural gas reserves, and they continue with efforts to meet this demand in a safe manner.

IV. COMMISSION'S ROLE vs ROLE OF STATE REGULATORS

IPAA points to the Commission's statement in its Order on Remand Reinstating Certificate and Abandonment Authorization in Florida Southeast Connection, LLC; Transcontinental Gas Pipe Line Company, LLC; and Sabal Train Transmission, LLC (Docket Nos. CP14-554-002, CP15-16-003, and CP15-17-002: "The Commission believes that it is for Congress or the Executive Branch to decide national policy on the use of natural gas and that the Commission's job is to review applications before it on a case-by-case basis."

To the extent that there are concerns with the manner in which natural gas is produced, that role is appropriately delegated to regulators with jurisdiction over that production. By statute (Section 1(b) of the NGA), the Commission lacks jurisdiction over natural gas production. Regarding questions of appropriate end-use consumption of natural gas by local distribution companies and electric utilities, those determinations largely are within the scope of state regulators. The signals of the consuming public drive the applications by interstate pipeline companies to build new facilities or expand existing lines. The task before the

Commission is to carefully review these applications, ensuring protection of captive customers and avoiding unnecessary environmental and community impacts.

V. OBJECTIONS TO NATURAL GAS PIPELINES

The full chain of the natural gas industry stands behind its product, with the Natural Gas Council (“NGC”) indicating its strong support for the soundness of the Commission’s existing Policy Statement. In a letter submitted concurrently in this docket, the NGC encourages the Commission to recognize and preserve the benefits that have resulted from the Policy Statement. All too often, opposition to natural gas pipelines is not about the Commission’s role under the NGA, but as a means to halt production of fossil fuels, exceeding the scope of the Commission’s jurisdiction. As described above, natural gas is a key component to achieving the goal of reduced emissions. As the United States looks for ways to transition to a low-carbon energy future, clean natural gas should remain a key component of this solution. This solution cannot be achieved without the consistent approach to interstate pipeline reviews that the Commission has successfully accomplished.

WHEREFORE, for the foregoing reasons, IPAA respectfully requests that the Commission retain its existing policies and continue to expeditiously and thoroughly process interstate pipeline projects subject to its jurisdiction.

Respectfully submitted,

INDEPENDENT PETROLEUM ASSOCIATION OF
AMERICA

/s/ Susan W. Ginsberg

Susan W. Ginsberg
Vice President, Crude Oil and Natural Gas
Regulatory Affairs
Independent Petroleum Association of
America
1201 15th Street, N.W., Suite 300
Washington, D.C. 20005
Tel: (202) 857-4728
E-mail: sginsberg@ipaa.org

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