

July 25, 2018

The Honorable Kevin J. McIntyre Chairman Federal Energy Regulatory Commission 888 First Street NE Washington, DC 20426

Re: Docket No. PL-18-1-000, Certification of New Interstate Natural Gas Facilities

Dear Chairman McIntyre:

We are writing you on behalf of the Natural Gas Council (NGC) to express our views in connection with the referenced Notice of Inquiry (NOI) issued by the Federal Energy Regulatory Commission (Commission), in Docket No. PL18-1-000. Formed in 1992, the NGC unites all sectors of the natural gas industry to work together toward common goals.

The five members of the council – the American Gas Association, the American Petroleum Institute, the Independent Petroleum Association of America, the Interstate Natural Gas Association of America and the Natural Gas Supply Association -- collectively represent nearly all companies that produce, transport and distribute natural gas consumed in the United States. While each of our respective associations will file comments in response to the Commission's NOI, we believe that it is important to share with you the collective sentiments of the nation's natural gas value chain.

Newly-accessible domestic natural gas supplies have given the United States an energy advantage. This abundance has resulted in lower consumer energy costs, reduced greenhouse gas emissions, a domestic manufacturing renaissance and the opportunity to create balance of trade and geopolitical benefits via natural gas exports.

The ability to expand and modify natural gas pipeline infrastructure in a timely, efficient and predictable manner is critical to capitalizing on our domestic natural gas abundance and reliably serving demand. The United States' network of over 300,000 miles of natural gas transmission pipelines is the envy of the world. Nonetheless, shifts in the sources of natural gas supply and the evolution of natural gas markets create the need to expand and modify this infrastructure. Much of the newly-accessible shale gas is found in locations that have not in recent history been the centers of energy production. Consequently, new pipelines are needed to bring consumers the benefits of this abundant and affordable natural gas.

Furthermore, natural gas infrastructure bottlenecks still exist. The most apparent example is New England. Despite being 300 miles from some of the largest natural gas resources in the world, New England relies on imported liquefied natural gas to keep the lights on and homes warm. Why? Most experts agree that the problem is a lack of natural gas pipeline capacity between the Mid-Atlantic/Northeast region and New England.

The currently effective policy statement on the certification of new natural gas pipeline facilities (Certificate Policy Statement) has provided a durable framework for analyzing applications to construct new interstate natural gas pipeline facilities in a reasoned, consistent and predictable

manner. This durability is attributable to the enduring goals the Commission sought to achieve in the Certificate Policy Statement, which included fostering competitive markets, protecting captive customers, and avoiding unnecessary environmental and community impacts while serving increased natural gas demand. As administered by the Commission, the Certificate Policy Statement has achieved its stated goals.

In the broader context, the Commission's policies implementing section 7 of the Natural Gas Act have furthered Congress' intent in decontrolling natural gas at the wellhead by creating the infrastructure needed to support competitive natural gas markets. Additions to our nation's interconnected natural gas pipeline network have increased access to competitive natural gas supplies and have resulted in more affordable energy and energy-based products for American consumers.

The fundamental architecture of the Certificate Policy Statement is consistent with the Natural Gas Act and remains sound. While modernizing and streamlining certain elements of the Commission's review process may be appropriate, wholesale changes to the Certificate Policy Statement are unnecessary and likely would be counterproductive. We trust the Commission's review will recognize and preserve the benefits that have resulted from the Certificate Policy Statement. Any contemplated changes to the Certificate Policy Statement should not lose sight of these benefits and the ongoing role of pipelines in realizing the potential created by our nation's energy advantage.

Respectfully,

The Natural Gas Council

Dene 12 higgins

Dena Wiggins, President and CEO Natural Gas Supply Association

Dave McCurdy, President and CEO American Gas Association

Michael J. Sommers, President and CEO American Petroleum Institute

Barry Russell, President and CEO Independent Petroleum Association of America

Don Santa, President and CEO Interstate Natural Gas Association of America

Cc: The Honorable Neil Chatterjee The Honorable Richard Glick The Honorable Cheryl A. LaFleur The Honorable Robert F. Powelson

> www.NaturalGasCouncil.org Twitter @NatGasCouncil