



January 13, 2010

Senator Max Baucus  
Chairman, Senate Committee on Finance.  
United States Senate  
Washington, DC 20510

Senator Charles E. Grassley  
Ranking Member, Senate Committee on Finance.  
United States Senate  
Washington, DC 20510

Dear Chairman and Ranking Member:

On December 9, 2009, the House of Representatives passed HR 4213 (the Tax Extenders Act of 2009). This legislation would extend numerous expiring federal tax provisions -- including an extension of the excise tax credit for natural gas when used as a transportation fuel (Section 403). We are writing to express our strong support for Section 403 of this legislation. These provisions are important to our economy and should be extended as soon as possible without a gap in coverage. Extending the effective dates of these expiring provisions would help continue the progress made by alternative-fuel vehicles in displacing gasoline and diesel. A delay in extending the tax credits for natural gas could cause hardship for many that rely on the tax credit, including municipalities, transit agencies, public utilities and others.

The American Gas Association (AGA), the American Public Gas Association (APGA), and NGVAMERICA strongly advocate using natural gas as a transportation fuel. The AGA represents 202 local energy utility companies that deliver natural gas to more than 65 million homes, small businesses, and industries throughout the United States. This represents 170 million Americans in 50 states. The APGA represents over 700 municipally and publicly-owned local distribution systems in 36 states. Public gas utilities are not-for-profit retail distribution entities that are owned by -- and accountable to -- the citizens they serve. NGVAMERICA is a national organization dedicated to the development of a growing, sustainable and profitable market for vehicles powered by natural gas or biomethane. NGVAMERICA represents more than 130 companies interested in the promotion and use of natural gas and biomethane as transportation fuels, including: engine, vehicle and equipment manufacturers; fleet operators and service providers; natural gas companies; and environmental groups and government organizations.

We appreciate your consideration of our request. If you have any questions, please do not hesitate to contact Paul Kerkhoven at 202.824.7363.

Sincerely,

American Gas Association  
American Public Gas Association  
NGVAMERICA

cc: Members of the Senate Finance Committee