



# AMERICAN PUBLIC GAS ASSOCIATION

June 7, 2011

The Honorable John Sullivan  
United States House of Representatives  
434 Cannon House Office Building  
Washington, D.C. 20515

Dear Representative Sullivan:

On behalf of the American Public Gas Association (APGA), I commend you and Representatives Larson (D-CT), Boren (D-OK) and Brady (R-TX) for introducing the New Alternative to Give Americans Solutions Act, H.R. 1380. This targeted legislation will reduce our dangerous dependence on foreign oil, create much needed jobs, and will reduce emissions.

APGA is the national association for publicly-owned natural gas distribution systems. There are approximately 1,000 public gas systems in 36 states and over 700 of these systems are APGA members. Publicly-owned gas systems are not-for-profit, retail distribution entities owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities.

APGA has long recognized that the United States' dependence on foreign oil is one of the foremost threats to our nation both economically and militarily. The U.S. economy is dangerously dependent upon crude oil for stability and economic growth and in no area is this dependence more evident than in the transportation sector. Even slight increases in the price of gasoline can send shock waves throughout the economy, reduce consumers' purchasing power and spending, cause financial markets to tumble, and inhibit economic growth.

Moreover, it is on the foundation of our economic strength that our military might depends. The sad fact remains that the main sources of crude oil are outside the U.S. According to the Energy Information Administration, the U.S. imports approximately 51% of the oil it consumes (2009 data), meaning that America's economic prosperity (and therefore its military strength) is tied to purchasing crude oil from foreign countries, many of which have interests that are antithetical to our own. In short, the U.S. sends billions of dollars to potentially hostile nations, upon which it is dependent for its prosperity and ultimately its security.

H.R. 1380 allows the U.S. to reduce this dependence on foreign sources of crude oil by allowing consumers to cost-effectively utilize the burgeoning alternative that is the NGV. The bill provides timely, targeted incentives for the purchase of heavy-duty NGVs,

conversion of NGVs, installation of refueling infrastructure, among others that allows the U.S. to utilize its vast, secure, and domestically available natural gas resources to power its transportation fleet. In so doing, the legislation will aid consumers in the purchase of vehicles that obviate the need for imported oil, thereby reducing our oil dependence and increasing our national security.

Beyond the security benefits, H.R. 1380 also will create thousands of much needed jobs in a time where unemployment remains stubbornly at 9%. These critical incentives will provide manufacturing, construction, and installation jobs in building NGVs, refueling infrastructure and other components, all of which are essential to their deployment nationally. Moreover, passage of this legislation will spur private investment in these areas as well, and finally send the policy signal that the U.S. will begin the journey to end its dependence on crude oil.

H.R. 1380 is also noteworthy in that it provides significant emissions reductions helping to protect our environment. In a time when environmental protection must be balanced with the need for economic growth and job creation, this legislation provides real environmental benefits. Utilizing a model made available by the Argonne National Laboratory, NGVs provide significant emissions reductions as compared to regular gasoline vehicles on the order of:

- Carbon monoxide (CO) by 70 percent – 90 percent
- Non-methane organic gas (NMOG) by 50 – 75 percent
- Nitrogen oxides (NOx) by 75 – 95 percent
- Carbon dioxide (CO<sub>2</sub>) by 20 – 30 percent

It is because of these critical benefits that APGA strongly supports H.R. 1380 and urges the Congress to pass it as expeditiously as possible. I thank you in advance for your consideration and look forward to working further with you on natural gas issues.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bert Kalisch".

Bert Kalisch  
President & CEO