



AMERICAN PUBLIC GAS ASSOCIATION

May 27, 2010

The Honorable Harry Reid
Majority Leader
U.S. Senate
Washington, D.C. 20510

Dear Majority Leader Reid:

On behalf of the American Public Gas Association (APGA), I want to express support for the Clean Energy Infrastructure for Rural Communities Act of 2010 you recently introduced.

APGA is the national association for publicly-owned natural gas distribution systems. There are approximately 1,000 public gas systems in 36 states and almost 720 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.

Your legislation would provide critical federal financial assistance to communities interested in obtaining natural gas service. Increasing the direct-use of affordable and reliable natural gas provides many benefits including the reduction of greenhouse gas emissions. Natural gas is the cleanest, safest, and most useful of all fossil fuels. APGA has maintained that national policy should facilitate the direct-use of natural gas instead of other more carbon-intensive fuels where appropriate. For example, using gas-fired water heaters for homes instead of electric resistance water heaters immediately reduces greenhouse gas emissions by one-half to two thirds. Simply put, increasing the direct-use of natural gas is the surest, quickest and most cost-effective avenue to achieve significant reductions in greenhouse gases.

While the direct-use of natural gas has many benefits, many communities, particularly small and rural areas, lack the resources and ability to develop the needed infrastructure to supply natural gas service to their residents. In many cases, the size and location of these communities make them unattractive investments to for-profit entities. Thus, the only option small and rural communities have to obtain natural gas service is if they provide it themselves. It is for this reason that many public gas systems were established during the last century. Providing financial assistance to these communities will give them the tools they need to establish a natural gas system to the benefit of their community, businesses and residents.

APGA looks forward to working with you towards the passage of this important legislation.

Sincerely,

Bert Kalisch
President & CEO