



Weekly Update - September 10, 2009

APGA Calls for Feds to Support Natural Gas

In a September 4 press release, APGA called on the Obama Administration and Congress to address the economic and environmental cost-effectiveness provided by the direct use of natural gas when debate resumes on energy and climate change legislation this fall. Specifically, APGA detailed how greater direct use of natural gas will immediately increase the efficiencies of our nation's residential and commercial appliances and achieve significant reductions in greenhouse gases. APGA stated that failure to do so will lead to dysfunctional energy and environmental policies that will harm consumers, the economy and further hinder efforts to reduce greenhouse gas emissions. It was observed that recent initiatives provide or propose to provide hundreds of millions to support America's electric utility industry without like support for America's natural gas utility industry. To learn more and to view the press release, please go to APGA's website at www.apga.org/pressrelease.

FTC Bans Prerecorded Telemarketing Calls; But APGA GOAL Is Not Affected

As of September 1, prerecorded telemarketing calls are officially prohibited by the Federal Trade Commission. This new requirement is one of several amendments to the FTC's Telemarketing Sales Rule that was originally announced last year. Unless the telemarketer has obtained permission in writing from consumers who want to receive the calls, they can face penalties of up to \$16,000 per call. The FTC's rule changes do allow some "informational" recorded messages to continue as long as the message does not attempt to interest consumers in the sale of any goods or services. The APGA GOAL program, for example, uses automated calling only to determine the recipient's level of knowledge about natural gas safety and is not affected by the new FTC rule. The national "Do Not Call" registry also does not apply to informational calls such as APGA GOAL, however APGA makes every effort to remove persons who complain about GOAL calls from the calling list. Since these people are unlikely to complete the 4-5 minute survey, removing them from the calling list saves the utility the time and cost of the call.

And speaking of new rules, remember that 2010 is the fourth year since the public awareness regulations took effect, meaning that beginning in 2010 utilities must be able to show their state pipeline safety inspectors the results of an effectiveness assessment of its public awareness program. Over 170 utilities are using APGA GOAL as a simple, inexpensive method to satisfy this regulatory requirement. Utilities can sign up for GOAL at any time by logging on to www.apga.org and completing the enrolment form found under the "Services" tab.

For further information contact John Erickson, APGA Vice President, Operations 202-464-0834 or jerickson@apga.org.

We Need Your Input

APGA asks that you to take 2-3 minutes to answer three quick questions. This survey was first sent on September 2 and 41 systems have responded so far. We need all 724 APGA members to respond.

By year-end, a new website developed by a project team of gas industry commercial sales and marketing professionals will allow multi-faceted interaction with large national or key accounts across North America. The new site will provide fresh and rich content to this important customer group, promoting state-of-the-art natural gas end-use equipment and technologies.

The site will feature a natural gas utility look-up application based on postal zip codes. Because there is no such application available, APGA has agreed to assist the project team by collecting three pieces of information from its members: zip codes served, the URL of their website and a contact telephone number.

The short survey can be accessed via this link: <http://www.apga.org/NAsurvey>

Thank you for your help.

House Resources Chairman Introduces Bill Addressing Energy Access on Federal Lands

House Natural Resources Committee Chairman Nick Rahall from West Virginia released a plan this week intended to address access issues to energy supplies on federally-owned areas including natural gas, oil, wind, solar and other forms of energy. Rahall introduced a bill entitled the Consolidated Land, Energy, and Aquatic Resources Act (H.R. 3454) that would create a new Department of Interior agency to govern oil and gas leasing on federal lands and to overhaul the federal royalty system. The bill also includes measures to change the planning process for offshore energy development, address wind and solar programs, and boost funding for ocean conservation and land acquisition.

The legislation would create a new agency called the "Office of Federal Energy and Minerals Leasing" to handle onshore and offshore lease sales, inspection, enforcement and revenue collection. It would consolidate the oil and gas, wind, wave and solar programs now carried out by the Bureau of Land Management and the Dept. of Interior Minerals Management Service (MMS).

The bill would also eliminate the royalty-in-kind program, which allows producers to provide petroleum directly to MMS in lieu of royalty payments and would require onshore minimum royalty rates of 12.5 percent. The bill would also replace the current administrative process for onshore public-lands wind and solar projects with a commercial leasing program.

It would create new "diligent development" rules for onshore and offshore leases while imposing new fees on nonproducing leases. The definition of "diligent development" is left up to the U.S. Interior Secretary. The bill would also raise onshore rental rates and impose "best management practices" on new leases. It would eliminate federal reimbursement on interest accrued on overpayments made in error by lessees and increase penalties for inaccurate royalty reporting and payments.

Rahall plans to hold two hearings next week on the legislation and indicated that he is hopeful that some of the provisions can be included if the Senate and House come together late this year or early next year in a conference on an energy and climate bill. He said that his bill could be germane in House-Senate energy and climate negotiations if the Senate's Gulf of Mexico proposal to expand access passes the chamber.

The Senate energy bill (S. 1462) passed by the Senate Energy & Natural Resources Committee in May includes a provision that would greatly pare back the no-leasing buffer around Florida's gulf shores, upending a 2006 compromise that provided Florida a buffer of 100 to roughly 235 miles, depending on the area, until mid-2022. Rahall opposes the Senate's Gulf of Mexico leasing plan.

If you have questions about this article please contact Nate Hill at 202-464-2742 or nhill@apga.org.

PHMSA Vacancy Announcement - Trade Associations

The U.S. Department of Transportation is advertising two senior positions within its Pipeline and Hazardous Materials Safety Administration (PHMSA): **Deputy Associate Administrator for Policy and Programs** and **Deputy Associate Administrator for Field Operations**. There is a very short recruitment period, and PHMSA intends to move expeditiously to hire these critically needed positions. The announcements are open September 9 - 24, 2009.

Please click on the links below to review the vacancy announcements for the Deputy Associate Administrator for Field Operations and the Deputy Associate Administrator for Policy and Programs in the Office of Pipeline Safety.

Deputy Associate Administrator for Field Operations

Searching for a leader with proven-team building and professional skills to be the Deputy Associate Administrator for Field Operation a federal agency focused on becoming a model for government performance and efficiency. This position is located in the U.S. Department of Transportation (DOT), Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS). The mission of the Office of Pipeline Safety is to ensure the safe, reliable and environmentally sound operation of the nation's pipeline transportation system which delivers two-thirds of America's energy supply. OPS improves the overall performance of

the national pipeline system by enhancing its integrity. The Deputy Associate Administrator for Field Operations is responsible for overseeing and managing the day-to-day field operations/activities of OPS and assists the Associate Administrator with high-level program planning and administration associated with OPS field operation mission and program responsibilities. Program impact on public safety, the environment and the regulated industry is significant. Works in consultation with other Federal, state and local agencies to build the capability to plan for, and support, new energy infrastructure needed for U.S. economic growth. Develops strategic plans for pipeline safety and environmental programs and initiatives. Administers regulatory programs, including a federal/state partnership in pipeline inspection and enforcement. Works with industry, other stakeholders, and the research community to advance and apply 21st century innovations and technology to mission issues.

<http://jobview.usajobs.gov/GetJob.aspx?JobID=83279388>

Deputy Associate Administrator for Policy and Programs

Searching for a leader with proven-team building and professional skills to be the Deputy Associate Administrator for Policy and Programs in a federal agency focused on becoming a model for government performance and efficiency. This position is located in the U.S. Department of Transportation (DOT), Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS). The mission of the Office of Pipeline Safety is to ensure the safe, reliable and environmentally sound operation of the nation's pipeline transportation system which delivers two-thirds of America's energy supply. OPS improves the overall performance of the national pipeline system by enhancing its integrity. The Deputy Associate Administrator for Policy and Programs is responsible for administering policies and programs, performing high-level program planning, and providing executive direction for carrying out OPS's mission and program responsibilities. Program impact on public safety, the environment and the regulated industry is significant. Works in consultation with other Federal, state and local agencies to build the capability to plan for, and support, new energy infrastructure needed for U.S. economic growth. Develops strategic plans for pipeline safety and environmental programs and initiatives. Administers regulatory programs, including a federal/state partnership in pipeline inspection and enforcement. Works with industry, other stakeholders, and the research community to advance and apply 21st century innovations and technology to mission issues.

<http://jobview.usajobs.gov/GetJob.aspx?JobID=83278883>

Weekly Storage Report

Here is the weekly EIA Summary Report issued Thursday, September 10, 2009. A 69 Bcf **increase** has been reported.

EIA Storage Report Highlights for **Friday, September 4, 2009:**

Summary

Working gas in storage was 3,392 Bcf as of Friday, September 4, 2009, according to EIA estimates. This represents a net increase of 69 Bcf from the previous week. Stocks were 495 Bcf higher than last year at this time and 503 Bcf above the 5-year average of 2,889 Bcf. In the East Region, stocks were 163 Bcf above the 5-year average following net injections of 55 Bcf. Stocks in the Producing Region were 269 Bcf above the 5-year average of 830 Bcf after a net injection of 13 Bcf. Stocks in the West Region were 72 Bcf above the 5-year average after a net addition of 1 Bcf. At 3,392 Bcf, total working gas is above the 5-year historical range.

http://www.eia.doe.gov/oil_gas/natural_gas/ngs/ngs.html