

August 27, 2018

Alan Mayberry
Associate Administrator for Pipeline Safety
DOT/PHMSA/Office of Pipeline Safety
1200 New Jersey Ave. SE, PHP-30, E24-445
Washington, DC 20590

Dear Alan,

The American Gas Association (AGA)¹, American Petroleum Institute (API)², Interstate Natural Gas Association of America (INGAA)³, and American Public Gas Association (APGA)⁴ (jointly “the Associations”), are requesting that PHMSA modify its process for collecting user fees by either extending the payment timeline from 30 to 60 days or utilizing an electronic notification system for user fee payment requests.

Section 60301 of Title 49, United States Code, authorizes the assessment and collection of pipeline user fees to fund the pipeline safety activities conducted under 49 U.S.C. 60101 et seq. PHMSA currently sends operators two partial payment requests for user fees. Generally, the two partial payment notifications are sent via certified U.S. mail to operators within a few months of each other. PHMSA allows operators to submit an email requesting to receive the first partial payment notification electronically. However, the second payment notification is always sent to operators by certified mail. The use of traditional certified mail for one or both notifications exposes the user fee payment requests to delays given that the time it can take for the letter to reach the proper building, the correct department in the building, and the correct person in the department. While pipeline operators are committed to processing these fees as expeditiously as possible, some receive late fees for payments that are received outside of the 30-day

¹ The American Gas Association, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 73 million residential, commercial and industrial natural gas customers in the U.S., of which 95 percent — over 69 million customers — receive their gas from AGA members. Today, natural gas meets more than one-fourth of the United States' energy needs.

² API is the national trade association representing all facets of the oil and natural gas industry, which supports 9.8 million U.S. jobs and 8 percent of the U.S. economy. API's more than 625 members include large integrated companies, as well as exploration and production, refining, marketing, pipeline, and marine businesses, and service and supply firms. They provide most of the nation's energy and are backed by a growing grassroots movement of more than 25 million Americans.

³ INGAA is a trade association that advocates regulatory and legislative positions of importance to the interstate natural gas pipeline industry. INGAA is comprised of 27 members, representing the vast majority of the U.S. interstate natural gas transmission pipeline companies. INGAA's members operate nearly 200,000 miles of pipelines and serve as an indispensable link between natural gas producers and consumers.

⁴ APGA is the national, non-profit association of publicly-owned natural gas distribution systems. APGA was formed in 1961 as a non-profit, non-partisan organization, and currently has over 700 members in 37 states. Overall, there are nearly 1,000 municipally-owned systems in the U.S. serving more than five million customers. Publicly-owned gas systems are not-for-profit retail distribution entities that are 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. Although many APGA members are not operators of transmission pipelines, APGA has interest in pipeline user fees as customers of transmission pipelines.

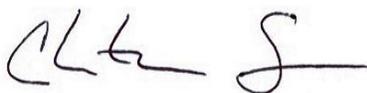
timeline. In some cases, the cycle continues to repeat itself as the late fees are mailed and processed using the same cumbersome manner as the original user fee request.

The Associations believe extending the timeframe for making a payment to 60 days or developing an electronic notification system will enable operators to have adequate time to process and submit their user fees to PHMSA. Furthermore, the Associations assume this change would alleviate a burden for PHMSA in generating and processing these late fee billings.

If PHMSA chooses to pursue electronic notification, PHMSA could make use of the existing operator portal that is used for submitting reports to PHMSA. State pipeline safety agencies have successfully implemented similar electronic user fee notification and payment systems within their state portals (for example, Railroad Commission of Texas).

Thank you for considering this request.

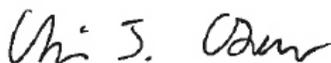
Respectfully,



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