July 19, 2013

U. S. Department of Transportation
Federal Highway Administration
Construction Contract Administration Docket

Re: Comments on Caltrans’ Request for Limited Waiver from “Buy America” Requirements to Utility Relocations

The American Gas Association (AGA), founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 71 million residential, commercial and industrial natural gas customers in the U.S., of which 92 percent — more than 65 million customers — receive their gas from AGA members. AGA is an advocate for natural gas utility companies and their customers and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international natural gas companies and industry associates. Today, natural gas meets almost one-fourth of the United States’ energy needs.

AGA appreciates the opportunity to submit comments on the waiver requested by the California Department of Transportation (Caltrans) from the Federal Highway Administration (FHWA) regarding provisions in the “Buy America,” Moving Ahead for Progress in the 21st Century Act, 23 United States Code Section 3(g). AGA strongly supports the limited waiver from provisions of “Buy America” for a subset of Pacific Gas & Electric (PG&E) utility materials necessary for the relocation project referred to as the “Cordelia I-80/I-680/State Route (SR) 12 Project” which is designed to reduce congestion, accommodate increases in traffic and address safety concerns.

The vast majority of materials used on this important highway project will meet “Buy America” requirements. The public safety and job benefits derived from advancing this project are in the public interest. In the letter from PG&E to Mr. Malcolm Dougherty, Director Caltrans, dated June 27, 2013, PG&E explained that many of the materials for the relocation project were obtained in good faith but cannot not be certified by PG&E, or the suppliers, that the iron or steel in those
materials is of United States origin. The waiver is needed by July 15, 2013 so that the relocation
of natural gas facilities can be completed before the onset of the winter heating season without
compromising safety and reliability of gas service.

AGA also believes it is important that the FHWA and Federal Transit Administration (FTA)
decide if “Buy America” requirements should be applied to utility relocation agreements and, if
necessary, provide a reasonable framework for utilities to comply without disrupting ongoing
projects. AGA believes this framework would need to include several key elements:

- Clarify the requirements.
- Allow a transition period.
- Apply timely, streamlined waivers where appropriate.
- Establish consistent requirements for utility relocations across transportation modes.
- Provide training and education.

Each of these issues were addressed in the letter to Mr. Anthony Foxx, Secretary of
Transportation, dated June 28, 2013, from AGA and other trade associations. Until this
framework is in place, AGA believes utility relocations should not be subject to “Buy America”
requirements. Given that utility relocations are very small projects in comparison to the larger
transportation projects at issue, the vast majority of the iron, steel and manufactured products
that will be used in transportation projects in the interim will be “Buy America” compliant.

In closing, AGA emphasizes its support for the application of “Buy America” requirements to
transportation projects. “Buy America” requirements help to promote American jobs by requiring
the use of American-made iron, steel, and manufactured products in transportation facilities and
vehicles built with federal funds. AGA is willing to work cooperatively with each of the modal
administrations to achieve a constructive resolution that promotes the goals of the “Buy
America” programs while also allowing transportation projects and the utility relocations
associated with them to move forward without delays.
If you need additional information, please feel free to contact me.

Respectfully submitted,

Philip Bennett
Managing Senior Counsel
Operations and Safety
American Gas Association

cc: Administrator Victor M. Mendez, Federal Highway Administration
    Administrator Peter M. Rogoff, Federal Transit Administration