



**Distribution Contractors Association**  
**Position Paper**  
**Energy Policy: Natural Gas Development**

It is clear that America has enough natural gas to help meet its growing energy needs for generations to come. However, many parts of the country do not have the necessary pipeline infrastructure to meet the rising demand – a large amount of pipeline infrastructure must be built to achieve that capacity. DCA supports sound policy proposals that provide ample opportunity for extraction, production and transportation of natural gas from conventional and unconventional sources.

**A Strong Economic Driver**

According to IHS Global Insight, gas pipeline projects create high-paying jobs, generate significant economic activity and expand the local tax base. Over 625,000 workers are employed to explore, produce, transport and distribute natural gas, and industry studies have indicated that every \$1 billion invested in underground infrastructure creates up to 28,000 jobs and significantly increases demand for products and services in other industries.

Current exploration and production driving the unconventional gas phenomenon supports 1.7 million jobs across a broad chain of supply, and could support 3 million jobs by 2020. In 2012, gas production and transportation added \$62 billion to federal and state government revenues, a number that could rise to \$111 billion by 2020.

**Unfounded Opposition to Hydraulic Fracturing**

Natural gas production is both good for the environment and the economy. However, several environmental groups strongly oppose extracting this precious resource because of a drilling technique known as hydraulic fracturing ("fracking"). Fracking has helped stimulate the energy sector and the U.S. economy in general.

Policymakers of all stripes, including President Obama, have stated that the natural gas boom creates jobs, reduces greenhouse gas emissions and lowers the utility bills of everyday Americans. Natural gas is used by many power plants to create electricity and burns more cleanly than other fuel sources. Increased use of natural gas results in fewer greenhouse gases released into the atmosphere, thereby helping to reduce global warming. Further, making the most of our natural gas could produce long-term energy independence and drive down energy costs at home and at the pump. Recognizing this, fracking has clear economic benefits to the nation with minimal environmental dangers.

**Pipeline Permitting Reform Needed**

Important pipeline projects are often mired with extended reviews while acquiring federal and state permits, grants of rights-of-way and approvals from various federal, state and local agencies. These delays often result in missed in-service dates and increased project costs, and hamper the vast economic benefits that accompany pipeline construction.

DCA supports legislative reforms to this problem, such as the Natural Gas Pipeline Permitting Act, which would direct the Federal Energy Regulatory Commission (FERC) to approve or deny applications for natural gas pipeline projects no later than 12 months after providing public notice of an application. It also would require that federal agencies with a stake in the permitting process approve or deny the permit within 90 days (or 120 days if a 30 day extension is granted), after FERC issues its final environmental document relating to the project. If the agency does not approve or deny the permit within that timeframe, the permit will be automatically approved.