

Energy Supply Chain Industries and Workers Urge Energy Policies Supporting Jobs and Growth

January 28, 2016

Honorable Lisa Murkowski, Chairman
Committee on Energy and Natural Resources
United States Senate
Washington, DC 20510

Honorable Maria Cantwell, Ranking Member
Committee on Energy and Natural Resources
United States Senate
Washington, DC 20510

Dear Chairman Murkowski and Ranking Member Cantwell:

As you address the urgent challenges and opportunities of the nation's energy complex during the final session of the 114th Congress, the undersigned labor and industry organizations urge you to take full account of the impacts of energy policy on America's workers, small businesses and larger corporations throughout the vast energy supply chain.

The supply chain is comprised of workers and businesses providing construction, capital equipment, production services, materials and supplies, logistics, professional services and technology which support crude oil and natural gas operations. The supply chain includes over 120,000 mostly smaller companies in sixty core American industries, and well over one million workers. They exist in all fifty states.

For every worker employed in energy production, **three** more have jobs in the supply chain, many of which are in states with little or no energy production. While the recent massive job losses in the energy producing sector have been well reported, there is very little awareness of the even greater loss of jobs down through the energy supply chain. We estimate that over 500,000 of these jobs have been lost as a result of the energy market contraction that began in late 2014.

These are well-paying jobs in America's mainstream trades and professions, such as construction workers, equipment operators, factory and warehouse workers, truck drivers, machinery and engine technicians, technical and industrial maintenance and operations workers, welders and ironworkers, machinists, administrative workers, and those in professions such as engineering, scientific, architectural, information technology and finance.

Many of these losses result from policies that limit job opportunities and investments in energy operations. Areas of concern include slow processing of licenses to export liquefied natural gas, limited access to and unnecessary restrictions on producing energy resources on public lands and offshore, and roadblocks to development of energy infrastructure.

Recent studies found that every additional billion cubic feet per day of natural gas produced for export will create 11,000 permanent jobs in the natural gas supply chain. Policies unleashing this productive power are urgently needed because many other natural gas producing nations are preparing for exports that will compete directly with U.S. suppliers for finite global natural gas demand. Our opportunity to secure supply agreements with global customers is time-limited and the window is closing. **To help close this gap, policies are needed to expedite processing of applications for licenses to export natural gas.** Delays in processing applications impair our capacity to capitalize on our unique competitive advantages in the global marketplace.

Taking full economic and geopolitical advantage of our oil and gas resources requires the infrastructure needed to safely and economically deliver energy to both American consumers and foreign customers. **We recommend that regulations unnecessarily delaying, restricting or adding non-productive costs to energy infrastructure construction projects be eliminated.**

Finally, federal regulations limit access to, or render uneconomic, our vast energy reserves on public and private lands and in offshore areas. **We recommend re-examination of policies in the areas of wildlife habitat, access to onshore and offshore reserves, and regulation of operations that far exceed what is necessary for safe and environmentally sound production and delivery of American energy to our own consumers and our global customers.**

We would be pleased to provide additional information, meet with you personally or participate in any hearings planned to examine these issues. Thank you for your consideration of our recommendations.

Sincerely,



Energy Equipment and Infrastructure Alliance
Toby Mack, President & CEO



American Council of Engineering Companies
David A. Raymond, President & CEO



American Pipeline Contractors Association
J. D. Lormand, Executive Director



Christine H. Wehrman
American Rental Association
Christine Wehrman, Chief Executive Officer



American Supply Association
Michael Adelizzi, Executive Vice President



Brian P. McGuire
Associated Equipment Distributors
Brian P. McGuire, President & CEO



Stephen Sandherr
Associated General Contractors of America
Stephen Sandherr, Chief Executive Officer



Dennis Slater
Association of Equipment Manufacturers
Dennis Slater, President & CEO



Distribution Contractors Association
Robert Darden, Executive Vice President



Industrial Minerals Association - North America
Darrell Smith, Executive Vice President



International Union of Operating Engineers
James T. Callahan, General President



The INGAA Foundation, Inc.

The INGAA Foundation, Inc.
Donald F. Santa, President & CEO



International Association of Bridge, Structural,
Ornamental and Reinforcing Iron Workers
Eric Dean, General President

Laborers'
International
Union of
North America

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Laborers' International Union of North America
Terry O'Sullivan, General President



Material Handling Equipment Distributors Association
Liz Richards, Executive Vice President



Metals Service Center Institute
M. Robert Weidner III, President & CEO



The Association for Hose and Accessory Distribution
Joseph M. Thompson, Executive Vice President



National Utility Contractors Association
Bill Hillman, Chief Executive Officer



National Electrical Contractors Association
John M. Grau, Chief Executive Officer



Darrell K. Smith
National Industrial Sand Association
Darrell Smith, Executive Vice President



Robert G. Garbini
National Ready Mixed Concrete Association
Robert G. Garbini, President & CEO



Michael W. Johnson
National Stone Sand and Gravel Association
Michael W. Johnson, President & CEO



Daniel R. Furth
National Tank Truck Carriers
Daniel R. Furth, President



Pipe Line Contractors Association
Kevin N. Barrett, Executive Director



Tony Radoszewski
Plastic Pipe Institute
Tony Radoszewski, President



United Association of Journeyman and Apprentices
of the Plumbing and Pipe Fitting Industry
William P. Hite, General President