



January 7, 2015

The Honorable Jeanne Shaheen
United States Senate
520 Hart Senate Office Building
Washington, DC 20510

Dear Senator Shaheen:

The New England Fuel Institute (NEFI) represents more than 1,000 diversified home heating providers and services companies in the six-state region. Our members are mostly small, family-owned and -operated businesses that employ tens-of-thousands of skilled workers and deliver safe, efficient and reliable home heating fuels including heating oil, Bioheat[®] and propane to millions of New England homes. Because they personally deliver products and services to their doorsteps, they enjoy personal relationships with their consumers that large integrated utilities do not and are well regarded as leaders in their communities.

We understand that the 114th Congress will begin its First Session by considering several bills of interest to NEFI and its members. We would like to take this opportunity to share our thoughts on this legislation.

Keystone XL Pipeline

The House and the Senate have both promised to take up legislation to expedite construction of the TransCanada Keystone XL pipeline (H.R.3/S.1). This vital pipeline has now been delayed for more than six years, disadvantaging U.S. consumers and small businesses in the Northeast and the refineries that serve them. Greater access to North American crude oil and refined products from the Gulf Coast will lower fuel costs and increase the energy security of our region. Keystone XL, the most advanced and efficient pipeline in U.S. history, would support thousands of jobs and, per the administration's own studies, would be one of the safest means of transporting oil with minimal impact on the environment. *Therefore, NEFI supports immediate approval of the Keystone XL pipeline and urges you to vote "yes" on this legislation.*

Natural Gas Pipeline Permitting

We have also learned the House will take up legislation next week that would hasten the permitting process for interstate natural gas pipelines, and the Senate is expected to follow suit. The Natural Gas Pipeline Permitting Reform Act was introduced as H.R.1900 and approved by the House during the previous Congress. Under that bill, the Federal Energy Regulatory Commission (FERC) would be forced to approve the "public convenience and necessity" of an interstate natural gas pipeline within 12 months. Any other federal regulator responsible for the licensing, permitting or approval of the siting, construction, expansion, or general operation of natural gas pipelines must conclude proceedings within 90 days. Failure to meet these deadlines would automatically approve the pipeline irrespective of the potential harm it could cause the environment and wildlife, and without regard for the concerns of local businesses and residents.

There is little reason to believe regulators will be able to meet these arbitrary deadlines as each pipeline project carries with it its own complexities including environmental and economic risks. Federal regulators should be free to evaluate proposed natural gas pipelines without arbitrary deadlines or a proverbial "gun to their heads." Further, as lead agency in coordinating review of natural gas pipeline applications, the FERC already often sets 90-day deadlines for other agencies. This legislation is unnecessary and would simply create an automatic "stamp of approval" for new or expanded interstate natural gas pipelines.

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Rather than deregulate the natural gas pipeline permitting process, Congress should require that regulators and gas companies mitigate harmful fugitive methane leaks and increase system efficiency by requiring that the thousands of miles of existing natural gas pipelines that are aging or obsolete be repaired or replaced. The capacity demands of the region's power generators can be more than met through proper utilization, maintenance and upgrading of existing natural gas pipelines and proper planning that includes the use of affordable and abundant fuel oil during periods of peak or unanticipated demand. *NEFI opposes proposals to expedite the approval of interstate natural gas pipelines and urges you to vote "no" on this legislation.*

ACA Full-time Employment Definition

Under the Affordable Care Act (ACA), a so-called "large employer" with 50 or more employees must provide health coverage to all employees that work 30 or more hours per week or face steep fines. The unintended consequences of this policy are that it discourages the hiring of full-time employees and forces current full-time workers into part-time status. The 114th Congress will soon debate a change to the definition of "full-time employment" under ACA from 30 to 40 hours per week. A 40 hour work week definition would be more in keeping with what most Americans consider "full-time employment" and would provide much needed relief to U.S. businesses and their employees.

Many heating fuel providers defined as "small businesses" by the U.S. Small Business Administration would be captured by employer mandate under ACA, which was only meant to apply to large businesses. Further, because of the nature of these businesses as energy distributors and home comfort providers, they have a greater need for a skilled full-time workforce. As a result, they are disproportionately affected by the "unintended consequences" mentioned above. *For these reasons, NEFI urges your support for legislation that would change the ACA definition of full-time employment to 40 hours per week.*

Thank you in advance for your consideration. If you require any additional information please contact Jim Collura of my staff at jim.collura@nefi.com or (617) 923-5023.

Sincerely,



Michael C. Trunzo, President