

October 28, 2021

The Honorable Chuck Schumer Majority Leader United States Senate Washington, DC 20510

The Honorable Mitch McConnell Minority Leader United States Senate Washington, DC 20510 The Honorable Nancy Pelosi Speaker United States House of Representatives Washington, DC 20515

The Honorable Kevin McCarthy Minority Leader United States House of Representatives Washington, DC 20515

Dear Leader Schumer, Leader McConnell, Speaker Pelosi, and Leader McCarthy:

The American Pipeline Contractors Association (APCA) represents construction firms, manufacturers, suppliers, and other service providers who build and maintain interstate pipeline systems. Every day, APCA members provide the manpower to build the infrastructure needed to deliver critical energy across the country. As the House and Senate near an agreement on budget reconciliation legislation, APCA offers our industry's perspective.

Fees on Methane

APCA strongly objects to including a methane emissions fee/tax in reconciliation legislation. This proposal could lead to double taxation of critical members of the energy supply chain that are at the forefront of reducing greenhouse gas emissions, including methane. In fact, natural gas accounts for more than 60 percent of cumulative carbon dioxide emissions savings due to change in the electricity generation fuel mix. We urge Congress to drop this harmful policy, and other policies that unfairly target the industry, from any final package.

Perhaps more importantly, new fees or taxes on energy companies will end up raising costs for customers, creating a burden that will fall most heavily on lower-income families and small businesses, which would break President Biden's promise to pay for reconciliation without taxing lower-income Americans. Imposing more taxes and fees on energy companies will also put more than 100,000 American jobs at risk.

Over-the-Top Labor Policy

As an association of merit-shop contractors, APCA cautions against overzealous favoritism for union work at a time when workforce capacity remains a major challenge in all facets of the construction industry. APCA opposes the Protecting the Right to Organize (PRO) Act, which would, among other things, eliminate "right-to-work" protections for workers across the country (including in the 27 states that have passed right-to-work laws) and strip away workers' free choice in union elections as well as their privacy rights. APCA also strongly objects to language under consideration that would unfairly subject individuals to civil penalties by the National Labor Relations Board. In particular, APCA cannot object strongly enough to proposed language that would subject corporate directors and officers to personal liability for violations, which is a grossly inappropriate overreach on behalf of the NLRB.

As Congress debates budget reconciliation, we urge you to consider the significant impacts that new fees and taxes on natural gas can and will have on all Americans, as well as the harmful labor policies that are under consideration.

We look forward to working with you on ways to continue driving down methane emissions and ensure fair workplace standards while still providing homes and businesses with affordable, efficient, and reliable energy.

Best Regards, Taylor Dacus President