


## YOUR PRESENCE IN WASHINGTON DC

- APGA serves as the voice for public gas systems in Washington DC. In 2018 APGA was at the forefront of policy debates on key issues such as energy efficiency, pipeline infrastructure, and alternative fuels. With well over 100 meetings with lawmakers and regulators, APGA ensured that the voices of natural gas and public gas systems remain heard.
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- APGA led the charge to push the Federal Energy Regulatory Commission (FERC) to take prompt action so that ratepayers would justly receive the rate benefit from the lowered corporate tax rate as passed by Congress at the end of 2017. FERC subsequently proposed a rulemaking, that requires pipelines to file a one-time report on the rate effect of the tax change. The proposed rule would also give each pipeline the option to file a limited rate reduction or general rate case, file a statement explaining why no rate change is necessary, or take no further action. This rulemaking is now in place and pipelines have begun the process of submitting their data to FERC.
  - With only one rulemaking published in 2018 by the Pipeline and Hazardous Material Safety Administration (PHMSA), APGA members seized the opportunity to demonstrate improvements in pipeline safety through voluntary actions. At the APGA Annual Meeting in Portland, OR., membership approved APGA's Commitment to Pipeline Safety. It memorializes members' willingness to perform actions beyond regulatory requirements and serves as an advocacy tool with stakeholders and federal and state regulators.
  - APGA submitted a joint petition for rulemaking to the Department of Energy (DOE) requesting DOE issue a rule clarifying that efficiency standards that would eliminate the availability of non-condensing appliances would violate the Energy Policy and Conservation Act. We have long-maintained that separate product classes for condensing and non-condensing appliances improves energy efficiency, maintains consumer choice and ensures affordable energy costs.
  - Instrumental in introducing the "All-of-the-Above Federal Building Energy Conservation Act" in both the House and Senate, continuing funding for natural gas in appropriations legislation, and ensuing APGA member priorities were heard in various Congressional settings."

## THE VOICE OF NATURAL GAS

- APGA's Natural Gas Genius campaign is now live! This culminates a year of consumer research and message development. Materials and a style guide are now available for members online and the public relations firm hired to assist will soon launch the national digital campaign.



## BEST PRACTICE SHARING

- The 3<sup>rd</sup> Annual APGA Operations Conference in Chattanooga, TN attracted 230 attendees, presentations from 40 speakers and 30 different vendor and service provider exhibits. This event brings together public gas system operators from multiple states to discuss operational challenges and pipeline safety topics. We look forward to hosting the 2019 Operations Conference in Huntsville, AL.
- The System Operational Achievement Recognition (SOAR) Program continues to recognize the outstanding accomplishments by APGA members on safety and operations. In 2018, eighteen members were recognized. The SOAR program was expanded in 2018 to include Virtual Member Roundtables.



## MEMBER ACCESSIBILITY IS A PRIORITY

- In July, APGA facilitated a tour for PHMSA leadership of an APGA member system. Providing opportunities for regulators to understand the unique operating conditions of public gas systems better ensures that these nuances are appreciated during the rulemaking process.
- APGA's leadership staff took a two-week, six-state, ten-stop tour of APGA's members. This tour allowed APGA staff to meet members who are unable to attend APGA events. Those that we met on the tour relayed the challenges and issues they are facing within their systems. It also provided us the opportunity to communicate firsthand the issues that APGA is working on and gather input on what additional steps we can take to be of service to them.



## EDUCATE AND COMMUNICATE

- APGA will continue to advocate for customer choice by communicating the benefits of natural gas. By promoting the affordability, reliability, and our low carbon impact, APGA will continue to seek regulatory reform and legislative policies that highlight these advantages.
- We look forward to launching the Natural Gas Genius campaign in 2019. This effort is focused on increasing consumer awareness of natural gas use and benefits. In addition to the national campaign, tools and resources will be available for use by APGA members.
- The newly formed Media and Public Outreach Committee (MPOC) will develop a strategy for APGA's communication efforts. With the Board's directive, the MPOC will then execute that strategy on all media and public outreach initiatives.
- In 2019, we plan to introduce legislation that promotes the continued use of natural gas and advances APGA member priorities. This includes reintroduction of the "All-of-the-Above Federal Building Energy Conservation Act, legislation amending the Natural Gas Act and EPCA, and working with Congress on the reauthorization of PHMSA.
- We will use the lowering of the corporate tax rate, provided in the Tax Cut and Jobs Act of 2017, as a means to highlight the need for reform of Section 5 of the Natural Gas Act to provide gas consumers with the same protections from over-collections that electricity consumers enjoy under the Federal Power Act.
- APGA will continue to promote building code modifications that recognize the importance of natural gas appliances and the direct use of natural gas as a way to maintain the highest indoor air quality while still achieving cost and energy savings.



## SAFETY, AWARENESS, AND PERFORMANCE

- APGA will assist membership in learning from industry incidents through thoughtful pipeline safety program enhancements. APGA will provide its members with the tools necessary to successfully continue on their Pipeline Safety Management Systems journey, focusing on the implementation of change management programs.
- APGA will continue to strengthen its relationships with federal and state regulators through participation in state and local pipeline safety conferences. This also enables APGA staff to visit the locations in which our members serve.

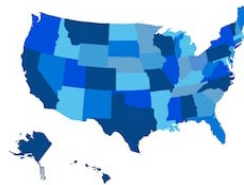


## 2019 AND BEYOND

- APGA continues to work collaboratively with other industry stakeholders to drive initiatives that benefit APGA membership. Those include continuing the promotion of direct use of natural gas and ensuring sound changes to pipeline safety regulations and energy efficiency standards.
- We are excited about the revamping in 2019 of the APGA Safety Contest and APGA Salary Surveys. Both initiatives are longtime staples of APGA membership and with a renewed focus and streamlined efforts, we believe these programs will continue to bring value to APGA membership.
- APGA will continue to maintain sound financial and fiscal practices consistent with the principles and values of our members.
- We will ensure that the necessary practices and processes are in place for staff as the association undergoes a change in leadership at the end of 2019.

*"Membership in APGA is invaluable. My system would not be able to keep up with what is happening in Washington without the Association."*

APGA Member, 2018 Satisfaction Survey



*In 2019, APGA Membership will represent public gas systems in 37 states, including Alaska.*