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hgreczmiel@ceq.eop.gov

December 1, 2006

NEPA Modernization (CE)
Attn: Associate Director for NEPA Oversight
722 Jackson Place N.W.
Washington, D.C. 20503

Re: Comments of the American Gas Association on
Council on Environmental Quality Proposed Guidance on Categorical
Exclusions, 71 Fed. Reg. 54816 (Sept. 19, 2006)

Dear Mr.Greczmiel:

The American Gas Association (AGA), founded in 1918, represents 197 local energy utility companies that deliver natural gas to more than 56 million homes, businesses and industries throughout the United States. AGA's members account for roughly 83 percent of all natural gas delivered by the nation's local natural gas distribution companies. AGA is an advocate for local natural gas utility companies and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international gas companies and industry associates. Natural gas meets nearly one-fourth of the United States' energy needs. For more information, go to www.aga.org.

AGA supports the Council on Environmental Quality's (CEQ) proposed guidance on "Establishing, Revising, and Using Categorical Exclusions under the National Environmental Policy Act" (NEPA), as published in the September 19, 2006 Federal Register.

Natural gas utilities construct and maintain natural gas distribution lines and intra-state pipelines in communities across the United States. Such projects are essential for providing safe, reliable transportation of cleaner burning natural gas to businesses and residences. Over the past six years, demand for this cleaner burning fuel has increased and supply has not kept pace. American consumers of natural gas have borne the brunt of high and volatile prices, the natural outcome of an increasingly tight balance between supply and demand. AGA believes that NEPA categorical exclusions can help ease the supply-demand

imbalance and reduce financial hardship on consumers by making the environmental review process for natural gas pipeline and utility infrastructure more efficient and effective.

Projects to repair sections of natural gas pipelines and natural gas utility lines are relatively small, linear, and temporary and their impacts are clearly insignificant. Repair activities occur primarily in pipeline or utility rights-of-way that were previously disturbed during initial construction. In addition, natural gas utility and pipeline operators typically use best management practices to restore the original surface contours and to restore vegetation after installing or repairing pipes. This helps ensure that project areas will return to their current habitat status.

The AGA believes that more of the activities associated with the construction and operation and maintenance of natural gas facilities could be included in a categorical exclusion, pursuant to NEPA, and there would be no finding of a significant impact on the environment. Therefore, the AGA believes the CEQ's proposed guidance should help encourage federal agencies to consider the use of categorical exclusions for these projects.

AGA appreciates the opportunity to comment on the proposed guidance on categorical exclusions. If you have any questions, please contact Pamela Lacey at (202) 824-7340.

Respectfully submitted,

American Gas Association



By: _____

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