

April 7, 2017

The Office of Policy and Strategic Planning
U.S. Department of Commerce
1401 Constitution Avenue, N.W.
Washington, DC 20230

RE: Construction of Pipelines Using Domestic Steel and Iron: Request for Comments
Docket No. 170309252-7252-01

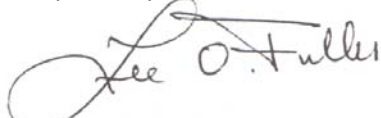
The Independent Petroleum Association of America (“IPAA”) submits the following comments in response to the March 16, 2017, *Federal Register* notice from the Department of Commerce seeking comment on development of a plan for the domestic sourcing of materials for the construction, retrofitting, repair, and expansion of U.S. pipelines. IPAA represents the thousands of companies that drill 95 percent of America's onshore and offshore oil and natural gas wells. America’s independents produce 54 percent of American oil and produce 85 percent of American natural gas. IPAA members rely on a strong, safe network of pipelines to transport crude oil, natural gas, and its associated products to consumers.

Submitting comments is a coalition representing the vast majority of pipeline operators engaged in transporting natural gas, natural gas liquids, crude oil, refined petroleum products, and carbon dioxide. That coalition is comprised of the American Gas Association, the Association of Oil Pipelines, the American Petroleum Institute, the Interstate Natural Gas Association of America, and GPA Midstream Association (“Associations”). IPAA appreciates the Associations’ comments for providing a thorough description of the highly technical requirements of American pipeline operators. IPAA also supports the Associations’ distinction between a demand-side approach and a supply-side approach to domestic sourcing requirements. As the Associations urged, the preferable approach is a supply-side focus on any regulatory, tax, or trade policies presenting barriers to the U.S. steel industry and its ability to develop steel, pipe, and equipment production capacity. Ensuring that adequate supplies of U.S. manufactured steel products are available to the marketplace is key to ensuring the domestic energy and steel manufacturing industries can work together to expand domestic economic progress.

IPAA also supports the Associations’ concern that any Administration plan take into account unintended consequences, such as the impact that a domestic sourcing requirement for pipelines might have on other consumers of steel products manufactured in the United States. These consumers would include the auto industry, as well as American oil and natural gas producers relying on steel products that are not the subject of this *Federal Register* request for comment. America’s energy producers must have access to reliable and affordable drilling equipment to continue producing the oil and natural gas that literally is fueling the U.S. economy. The Trump Administration has recognized the importance of America’s oil and natural gas industry, and IPAA’s members are profoundly proud of their role as an important employer of U.S. workers. The growth in American energy production has created new American jobs, provided American consumers with affordable energy, lowered costs for American manufacturers, and improved air quality for all Americans.

Consistent with the Associations' request, IPAA encourages the Department of Commerce to provide interested stakeholders with a meaningful opportunity to offer advance comment on any proposal to increase domestic content requirements for pipelines. IPAA looks forward to working with and being a resource for the Department of Commerce as it analyzes the various comments and provides more detailed information on any plan for a domestic sourcing requirement for U.S. pipelines. If you have further questions, please contact me at 202-857-4722.

Respectfully submitted,

A handwritten signature in black ink that reads "Lee O. Fuller". The signature is written in a cursive style with a large, looping initial "L".

Lee O. Fuller
Executive Vice President, IPAA