



Airlines for America™
We Connect the World

March 5, 2014

The Honorable Ed Whitfield
Chairman
Energy and Commerce Committee
Subcommittee on Energy and Power
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Bobby L. Rush
Ranking Member
Energy and Commerce Committee
Subcommittee on Energy and Power
2125 Rayburn House Office Building
Washington, D.C. 20515

Re: Benefits of and Challenges to Energy Access in the 21st Century: Fuel Supply and Infrastructure

Dear Chairman Whitfield and Ranking Member Rush:

As large-scale consumers of jet fuel, the U.S. airline industry has a vested interest in enhancing the efficiency and safety of the transport of petroleum products. U.S. airlines, which consume some 1.2 million barrels of jet fuel per day, transport approximately 85 percent of the total volume to U.S. airports via interstate pipelines. The energy infrastructure, especially the interstate pipeline system, is essential to supplying jet fuel to U.S. airports and ensuring commercial air service to small and large communities nationwide.

Airlines for America (“A4A”), the trade organization of the leading U.S. passenger and cargo airlines,¹ requests that you place this letter and the attached “A4A Issue Brief: Regulation of Interstate Product Pipeline Shipments, Price and Infrastructure Development (September 2013)” in the record of these proceedings. As a result of merger, divestiture and other restructuring, the pipeline industry has become even more consolidated and complex in the last several years. At the same time, the current approach to regulating pipeline rates has evolved into a structure that actually discourages investment, especially for expansion and/or upgrade of existing interstate pipeline networks. This situation ultimately harms consumers. The attached Issue Brief recommends several measures to address this and related problems in order to enhance pipeline investment and improve transparency.

¹ A4A members and affiliates transport more than 90% of U.S. airline passenger and cargo traffic. A4A members are: Alaska Airlines, Inc.; American Airlines; Atlas Air, Inc.; Delta Air Lines, Inc.; Federal Express Corporation.; Hawaiian Airlines; JetBlue Airways Corp.; Southwest Airlines Co.; United Continental Holdings, Inc.; and United Parcel Service Co.

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We appreciate the opportunity to present our views on how the energy infrastructure is vital to the airlines and the flying and shipping public.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. A. Berg", with a long horizontal flourish extending to the right.

David A. Berg
Senior Vice President & General Counsel

Attachment