



Billing Code: 3510-17

DEPARTMENT OF COMMERCE

Office of Policy and Strategic Planning

[Docket Number: 170309252-7252-01]

Construction of Pipelines Using Domestic Steel and Iron

AGENCY: Office of Policy and Strategic Planning, Department of Commerce.

ACTION: Notice; request for comments.

SUMMARY: The Department of Commerce is seeking information on the construction and maintenance of American pipelines. This information will help the Department develop a plan for the domestic sourcing of materials for the construction, retrofitting, repair, and expansion of pipelines inside the United States as directed by the January 24, 2017 Presidential Memorandum regarding “Construction of American Pipelines” (Presidential Memorandum). The Secretary of Commerce, in consultation with relevant agencies, is required to deliver this plan to the President by July 23, 2017.

In response to this directive, the Department of Commerce is conducting industry outreach to better understand: current pipeline construction technology and requirements; potential advances in pipeline technology; domestic and foreign supply

chain for pipeline materials; and all other information respondents consider pertinent to the development of the domestic sourcing plan. Responses to this notice (posted at <https://www.regulations.gov>) will inform the Secretary's plan for the domestic sourcing of materials used in pipelines within the boundaries of the United States.

DATES: Comments must be received by 5 PM Eastern time on April 7, 2017.

ADDRESSES: You may submit comments on the Presidential Memorandum and responses to the questions below by one of the following methods:

- a) **Electronic Submission:** Submit all electronic comments via the Federal e-Rulemaking Portal at <https://www.regulations.gov> (at the home page, enter DOC-2017-0002 in the "Search" box, click the "Comment Now!" icon, complete the required fields, and enter or attach your comments). The materials in the docket will not be edited to remove identifying or contact information, and the Department cautions against including any information in an electronic submission that the submitter does not want publicly disclosed. Attachments to electronic comments will be accepted in Microsoft Word, Excel, or Adobe PDF formats only.
- Comments containing references, studies, research, and other empirical data that are not widely published should include copies of the referenced materials. Please do not submit additional materials. If you want to submit a comment with business confidential information that you do not wish to be made public, submit the comment as a written/paper submission in the manner detailed below.

- b) **Written/Paper Submissions**

Send all written/paper submissions to: The Office of Policy and Strategic Planning, Department of Commerce, 1401 Constitution Ave. NW, Room 5863, Washington, DC 20230.

Submissions of “**Business Confidential Information**”: Any submissions containing “business confidential information” must be delivered in a sealed envelope marked “confidential treatment requested” to the address listed above. Please provide an index listing the document(s) or information that the submitter would like the Department to withhold. The index should include information such as numbers used to identify the relevant document(s) or information, document title and description, and relevant page numbers and/or section numbers within a document. Provide a statement explaining the submitter's grounds for objecting to disclosure of the information to the public. The Department also requests that submitters of business confidential information include a non-confidential version (either redacted or summarized) of those confidential submissions, which will be available for public viewing and posted on <https://www.regulations.gov>. In the event that the submitter cannot provide a non-confidential version of its submission, the Department requests that the submitter post a notice in the docket stating that it has provided the Department with business confidential information. Should a submitter fail to docket either a non-confidential version of its submission or to post a notice that business confidential information has been provided, the Department will note the receipt of the submission on the docket with the submitter's organization or name (to the degree permitted by law) and the date of submission.

FOR FURTHER INFORMATION, CONTACT: For questions about this notice contact: Carter Halfman or David Langdon at the U.S. Department of Commerce, Office of Policy and Strategic Planning, at 202-482-7466 or 202-482-3308. Please direct media inquiries to the Department of Commerce Office of Public Affairs at 202-482-4883, or publicaffairs@doc.gov.

SUPPLEMENTARY INFORMATION: President Trump’s Memorandum of January 24, 2017, “Construction of American Pipelines” (82 FR 8659) directs the Secretary of Commerce to “develop a plan under which all new pipelines, as well as retrofitted, repaired, or expanded pipelines, inside the borders of the United States, including portions of pipelines, use materials and equipment produced in the United States, to the maximum extent possible and to the extent permitted by law.”

For the purposes of this notice the term “*pipeline*” refers to any conduit of pipe used for conveyance of gases, liquids or other products. The physical facilities include: pipes, valves, fittings, connectors, and other iron and steel assemblies or apparatus attached to the pipe.

For the purposes of this notice the term “*materials and equipment*” refers to the iron, steel and all precursors, alloys or substitutes used in the fabrication of pipelines (as defined above) as well as pipeline coatings while “*equipment*” refers to valves and other steel and/or iron apparatus attached to pipe.

Request for Information:

Given the nature and import of the Presidential Memorandum, the Department requests information from all stakeholders involved in the manufacturing and construction of pipelines (including the retrofit, repair, or expansion of existing pipelines) as well as the production and distribution of pipeline materials.

Respondents may address any, all or none of the following questions, and may address additional topics that have implications for increasing the domestic material content in pipelines. Please identify, where possible, the questions your comments are intended to address.

Respondents may organize their submissions in any manner, and all responses that comply with the requirements listed in the DATES and ADDRESSES sections of this notice will be considered. Reminder: Respondents have the burden to request that any information contained in a submission be treated as “business confidential information” and must certify that such information is business confidential and would not customarily be released to the public by the submitter; business confidential information must be clearly designated as such and provided only by mail carrier as described above.

While the Department welcomes all input considered relevant to the development of a plan for the domestic sourcing of materials for the construction, retrofitting, repair, and expansion of pipelines, the Department specifically seeks the following types of information:

- a. What is your role regarding U.S. pipelines?
 - a. Operation
 - b. Construction
 - c. Pipeline manufacturing
 - d. Steel manufacturing

- e. Wholesale distribution
 - f. Other. Please describe in a few sentences.
- b. NAICS code(s)?
 - c. What types of pipelines does your company operate, construct, manufacture, or distribute?
 - d. Where are your operations located?
 - e. How many employees?
 - f. Approximate sales revenue?
 - g. Approximately how many miles of pipeline did your company construct, repair, fabricate, or distribute in 2016?
1. In a few sentences, describe your assessment of U.S. pipeline demand (such as miles of pipeline planned for construction) for the next few years.
 2. To what extent are your companies' pipeline materials sourced domestically? What factors influence this decision (price, quality, supply shortages, pipeline requirements, domestic sourcing requirements, etc.)?
 3. If applicable, please estimate your company's capacity to fabricate pipelines or steel for pipelines. What was your capacity utilization in 2016? If applicable, what factors prevented your company from operating at capacity?
 4. If applicable, please estimate in days or months supply your existing inventories of pipe. What share of your inventory is fully produced in the United States?
 5. To what extent are materials other than iron and steel the primary materials used in your pipelines?
 6. To what extent is technology changing the material requirements and construction techniques in the pipeline industry?
 7. If applicable, how many permits from a Federal agency are required for pipeline construction or repair? Which Federal agencies require permits and how long does it take to obtain them?
 8. Please describe in a few sentences how domestic content requirements would affect your operations.

Dated: March 10, 2017

Earl Comstock

Director of the Office of Policy and Strategic Planning
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