

**Congress of the United States**  
Washington, DC 20515

April 16, 2020

The Honorable Steven T. Mnuchin  
Secretary  
Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

The Honorable Jerome Powell  
Chairman  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue NW  
Washington, DC 20551

Dear Secretary Mnuchin and Chairman Powell:

We are grateful for your leadership during the COVID-19 outbreak and applaud your quick action to establish the Main Street Lending Program to provide capital and facilitate economic recovery for our nation's small- and mid-sized businesses. We request that as you finalize this vital program, you include provisions to ensure the Appalachian natural gas industry can benefit from these loans.

The Appalachian region is home to the largest gas field in the world - the Marcellus and Utica Shale Formation. The production of gas in this part of the country has revitalized an economy devastated by the loss of steel, manufacturing, and other related industries. Appalachian gas producers employ thousands of hard-working Americans and partner with hundreds of local small- and mid-sized businesses, many of them family-owned, in the production and distribution process.

Appalachian natural gas operators are not seeking federal assistance to respond to the energy market situation that existed before March 2020, but rather to alleviate the economic disruption caused by the COVID-19 pandemic. Due to the outbreak and subsequent government efforts to contain the spread of the virus, demand for natural gas has cratered and the debt market is all but closed. Now more than ever, support for these job-creators is essential to keep our economy afloat as we transition through this health crisis.

Unfortunately, for many Appalachian natural gas companies, the Main Street Lending Program as currently structured will not be beneficial because of the limitation on using loan funding to repay debt. Many producers will have debts come due before this health crisis is expected to subside. These companies would have been able to pay their debt obligations out of normal cash flows if not for the virus.

Further, the maximum loan size of \$25 million under the Main Street New Loan Facility is insufficient to meet the needs of the Appalachian natural gas industry. Under normal circumstances, natural gas producers' cash flows and costs are much higher than those of an average company. A higher cap is needed to ensure they can meet their obligations.

When our nation begins to recover from the COVID-19 pandemic, maintaining a reliable supply of energy and feedstock will be vital in helping the nation regain its footing. Affordable and abundant energy will be crucial in jumpstarting the economy and securing America's dominant position in the

global economy. We must do what we can during these challenging times to ensure natural gas producers have the capital they need to withstand the current challenges.

The Trump Administration's pro-energy- and jobs-focused policies positioned America as the dominant global energy producer before the COVID-19 crisis. Federal support for natural gas producers will ensure American energy maintains its position of strength in the years after this crisis has passed. We therefore request that as you finalize the Main Street Lending Program, you revise the guidance to allow Appalachian gas producers to utilize loans for debt payments.

Thank you for your consideration of our request.

Sincerely,

Guy Reschenthaler  
Member of Congress

David B. McKinley, P.E  
Member of Congress

Fred Keller  
Member of Congress

Scott Perry  
Member of Congress

Glenn 'GT' Thompson  
Member of Congress

Mike Kelly  
Member of Congress

Carol D. Miller  
Member of Congress

Alex X. Mooney  
Member of Congress

John Joyce  
Member of Congress

Daniel P. Meuser  
Member of Congress

Bill Johnson  
Member of Congress

Bob Gibbs  
Member of Congress