Dear Secretary Chu:

Please find attached a resolution on behalf of the Arkansas Legislative Oil & Natural Gas Caucus in support of LNG along with a letter of support personally.

I appreciate your consideration.

Respectfully,

Sen. Jason Rapert Arkansas Senate Chair - Insurance & Commerce Senate Co-Chair Arkansas Legislative Oil and Natural Gas Caucus

## JASON RAPERT

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## THE SENATE STATE OF ARKANSAS

CHAIR: INSURANCE & COMMERCE

VICE-CHAIR: JOINT RETIREMENT & SOCIAL SECURITY

MEMBER: JOINT BUDGET LEGISLATIVE COUNCIL EDUCATION RULES, RESOLUTIONS & MEMORIALS IOINT PERFORMANCE REVIEW

January 24, 2013

The Honorable Steven Chu Secretary Department of Energy 1000 Independence Avenue, SW Washington, DC 20585

Dear Secretary Chu:

After reviewing the results of the LNG Export Study conducted by NERA Economic Consulting, I am pleased to see the very positive findings. As Senate Co-Chair of the Arkansas Legislative Oil & Natural Gas Caucus and a proud resident of an energy producing state, I am supportive of this opportunity to export natural gas to global markets to generate investment and jobs. Our state and nation would benefit greatly from LNG exports creating a greater demand for additional production and supporting thousands of additional jobs.

Arkansas has significant history of oil and gas production and with the more recent discovery of natural gas in the Fayetteville Shale, exploration and production has increased significantly making Arkansas the nation's eighth largest gas marketer. Our neighboring states, Texas, Louisiana and Oklahoma, rank first, second and fourth respectively in natural gas production making the prospect of LNG exports of real regional significance. It is clear from the study LNG exports to America's trading partners are in the public interest. Pending permit applications for LNG facilities should be approved without delay so we can take advantage of this unique opportunity to create jobs, boost the economy and reduce our trade deficit. Simultaneously we can continue to expand domestic use of natural gas, a clean-burning source of American energy. Thank you for your consideration in this matter.

Sincerely,

Jason Rapett

State Senator District 35

JR:sl

JASON RAPERT

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Whereas the exports of liquefied natural gas (LNG) to global markets will create a demand for increased production in the United States; and

Whereas increased production of LNG will create a demand for thousands of new jobs throughout the United States and especially in Arkansas and other states whose economies have historically relied strongly on production of oil and natural gas; and

Arkansas is the eighth largest producer of natural gas in the United States and therefore would benefit directly and indirectly from increased production, directly through job growth and tax revenue in isolated rural regions where production tends to occur, and indirectly through heightened business activity in communities where production takes place because of increased demand for equipment purchases, support services, groceries, hotel rooms, amenities and other economic activity resulting from workers moving into the area; and

Whereas in like fashion the regional economies of states neighboring Arkansas also will benefit from LNG exports because Texas, Louisiana, and Oklahoma are the first, second, and fourth largest producers of natural gas; and

Whereas exporting LNG to global markets will increase Gross Domestic Product, thus strengthening the entire U.S. economy; and

The exports of LNG will improve business and diplomatic relations with the foreign trade partners of the United States, for example by helping close allies like Japan cope with serious energy challenges; and

Whereas the environmental benefits of increased use of natural gas deserve particular emphasis, considering that the federal Energy Information Administration recently determined that the use of natural gas as an energy source would help the United States reach the goal of reducing greenhouse gas (GHG) emissions to 1992 levels; and Whereas by exporting LNG to global markets, the United States will provide a source of cleaner energy to emerging nations whose industrial base is growing, thereby helping them reduce their global GHG emissions; and

Whereas the Arkansas Legislative Oil and Natural Gas Caucus, whose members represent all four of the state's Congressional Districts, and of whom 29 members voted unanimously in support of increasing LNG exports, hereby recommends that the Department of Energy adopt such regulations and policies that would best and most efficiently promote the production and export of liquefied natural gas (LNG) from domestic sources to the global trading partners of the United States.

Respectfully submitted,

Senator Jason Rapert, Chairman Arkansas Legislative Oil and Natural Gas Caucus