

**From:** [Mary Cochran](#)  
**To:** [LNGStudy](#)  
**Cc:** [John Phillips](#)  
**Subject:** "2012 LNG Export Study"  
**Date:** Thursday, January 24, 2013 4:48:15 PM  
**Attachments:** [image002.png](#)  
[letter\\_of\\_support\\_2012 LNG Export Study.pdf](#)

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Greetings,

Attached please find a letter of support for the 2012 LNG Export Study.  
We hope you find this helpful.

Regards,

*Office of John R. Phillips, II*



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January 24, 2013

President Barack Obama  
The White House  
1600 Pennsylvania Avenue NW  
Washington, DC 20500

Dear President Obama:

Liquefied natural gas (LNG) presents a significant opportunity for our country. Many states and regions are now enjoying the benefits of their own natural gas production, and thanks to technological advances, the United States has enough natural gas to meet American consumer demand. However, natural gas production is outpacing demand and the surplus of natural gas has depressed prices for producers, making drilling operations unprofitable. As a result, the number of rigs drilling for natural gas today is at its lowest point in 16 years. In Pennsylvania, the number of drill rigs boring wells dropped from 115 to 78 in one year. In Bradford County, Pennsylvania, which has more Marcellus Shale wells than anywhere else in the state, only 14 wells were drilled this June, compared to 45 in June of 2011. Selling LNG into the global marketplace is not only necessary for businesses, but would create more American jobs, increase demand, and spur more production without significantly impacting domestic prices.

The natural gas industry is helping reverse economic downturns in many regions of the country and would continue to revive once declining industries. In a recent study released by the Department of Energy, for every scenario they considered, the U.S. was projected to gain net economic benefits from allowing LNG exports. In fact, the report states that "net economic benefits increased as the level of LNG exports increased." Further, according to the U.S. International Trade Administration, each \$1 billion of exports will result in more than 6,000 new jobs. These jobs would be at LNG facilities and throughout the value chain, including the steel industry, turbine manufacturing, construction and more. Additionally, each LNG export terminal will generate millions of dollars in new tax revenue for the federal, state and local governments. In Australia, where the country is developing LNG export plans with the support of their government, it is estimated that more than 2 percent of GDP will be tied to LNG exports after 2016.

In addition to producing significant economic benefits here at home, LNG exporting is likely to have a positive impact on the U.S. trade balance. Selling natural gas could help countries coping with serious energy challenges diversify their natural gas supplies and allow more money to flow into the United States.

I urge you to take the steps necessary to expedite the approval process for the export of LNG. Building the energy infrastructure necessary to allow market-based exports of liquefied natural gas will not only add stability to the energy production cycle in our region, it will create more American jobs, help reverse economic downturns, and continue reviving once declining industries. Thank you for your time and attention to this important matter.

Sincerely,

John R. Phillips, II  
President/Chief Operating Officer