[redacted]

From: [redacted]
Sent: Wednesday, January 23, 2013 10:58 PM
To: LNGStudy
Cc: Moore, Larine
Subject: 2012 LNG Export Study

Thank you in advance for your consideration.
Clarence Adams

From: Clarence Adams, Chairman
Landowners United
2039 Ireland Rd
Winston, OR 97496

By Email
fergas@hq.doe.gov
larine.moore@hq.doe.gov

To: Ms. Larine Moore
Docket Room Manager
FE-34
U.S. Dept. Of Energy
Box 44375
Washington DC 20026-4375

Re. Comments on the Macroeconomic Impacts of LNG Exports from the United States
Docket No. 12-32-LNG

With all due respect, I and Oregon landowners are very disappointed in the report filed by the Department of Energy. We expected a real study not a report based a model that may or may not have the proper parameters built into it. As every one knows models are only as good as the information used to build them. Other than the sideboards that the DoE required there is little explanation of the data used to make up the model. Although the study lists facts and figures, we feel the "study" may be flawed for that reason and the reasons explained below.

First is the use of the well head prices for the base price of natural gas. Although there was some mention of a factor to predict a cost, just ask a farmer what the difference in price he received for a product and the price paid for by the processor. The middle men have a large affect to the price of any commodity. The exporters will have a direct bearing on the price of gas both externally and internally. Since the factor was not disclosed, there is no way to judge the estimated price validity.

The study seems to infer that an early fast export increase and high increase in prices is ok because the rate will gradually equalize as the years pass. What that assumption fails to point out is that the spike in price early makes the average price of gas higher than a slow increase in exports. It seems that a slow increase in exporting would be valuable for assessing the impacts and adjusting policies before any undesirable consequences can cause any economic harm.

The main assumption that the use of gas domestically will decrease as the price increases may not be a valid argument. By the study's estimate the cost of gas expressed in an equivalent cost for barrel of oil would put the cost at 20 to 30 dollars per barrel. It seems to me that alone makes domestic use of gas a valid alternative to oil. The price of oil is not likely to decline due to increasing demand worldwide, thereby making gas more attractive as a fuel source for vehicles, electricity production and commercial applications. With the current assault on coal based electrical production the assumption that coal will replace gas as the price increases may not be valid either. Once the use of gas for electrical production is in place, it would be hard and unpopular ecologically to return to using coal.

The study does not take into account oil and its affect on world wide markets at all and so failed to do an in depth analysis of all facets of the total energy needs of the USA of which gas is just a part. The effect of USA choosing to reduce the importing of foreign oil and depending more on domestically produced gas could be a huge factor in the trade balance mentioned in the report. This would make the US more energy independent, reduce our trade deficit, and use a cleaner source of power. The rise in gas prices will not keep up with oil prices as the oil supplies dwindles and improved methods of gas extraction are put in place world wide. The improved extraction methods will also increase the global supply thereby keeping prices low when compared the oil. Also an increase in gas production using improved extraction methods will help to keep worldwide gas prices lower when compared to oil.

As for any benefits in exporting LNG and the corresponding price increase domestically, the study reports that the economic befits to ING exports would be to the gas companies, their investors and retirement funds that have gas companies as part of their portfolios. I would hazard a guess that the percentage of the US population that would benefit would be far less than the ones who would be adversely affected by an increase of gas prices. The study is flawed because it doesn't spell out the numbers both adversely and positively affected by increases in gas prices. It just states that there will be economic benefits with no facts to back that statement up.

Please give the above points due consideration and commission an real study of the affects of exporting gas because I believe decisions that are made in the next couple of years will have long term affects for the United Sates.

CERTIFICATE OF SERVICE

I hereby certify that in accordance with 10 C.F.R. § 509.107 (c), I have this 23trd day of January 2013 caused a copy of the foregoing to be served by mail to the following individuals listed in the Service list for FE Docket 12-32 LNG:

Elliott L. Trepper, President
Jordan Cove Energy Project, L.P.
125 Central Avenue, Suite 380
Coos Bay OR 97420

Joan M. Darby, Attorney for Jordan Cove Energy Project
Dickstein Shapiro LLP
1825 Eye Street NW
Washington DC 20006-5403

Jody MaCaffree
Citizens Against LNG
Box 1113
North Bend, OR 97459

David Schryver, Executive Vice President
The American Public Gas Association
201 Massachusetts Avenue , Suite C-4

Washington DC 20002

William T. Miller, Attorney
Miller, Balis & O'Neil, P.C.
Twelfth Floor
1015 Fifteenth Street, N.W.
Washington DC 20005

Lesley Adams,Program Director
Rogue Riverkeeper
P.O. Box 102
Ashland, OR 97520

Joseph Vaile, Program Director
Klamath-Siskiyou Wildlands Center
P.O. Box 102
Ashland, OR 97520

Nathan Matthews, Attorney
Sierra Club Environmental Law Program
85 Second Street, 2nd Floor
San Francisco, CA 94105

Kathleen Krust Paralegal
Sierra Club Environmental Law Program
85 Second Street, 2nd Floor
San Francisco, CA 94105

Sincerely,
/s/ Clarence Adams
Clarence Adams
Landowners United

Cc: Governor Kitzhaber
Senator Ron Wyden
Senator Gordon Smith
Representative Peter DeFazio
Senator Jeff Kruse
Senator Wayne Krieger
Douglas County Commissioners
Coos County Commissioners
Jackson County Commissioners