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From: Crowell, Brad
Sent: Saturday, February 16, 2013 6:06 PM
To: ES Central; Anderson, John
Cc: Davis, Christopher
Subject: Fw: lng export letter
Importance: High

ES and FE - incoming from WY delegation re: LNG.

From: Memmott, Justin (Barrasso) [mailto:Justin_Memmott@Barrasso.senate.gov]
Sent: Friday, February 15, 2013 04:33 PM
To: Crowell, Brad
Subject: lng export letter

Brad,

I sent the hard copy to the following address:

U.S. Department of Energy (FE-34)
Office of Natural Gas Regulatory Activities
Office of Fossil Energy
P.O. Box 44375
Washington, DC 20026-4375

Please also deliver to the Secretary.

Thank you.

Justin

Justin J. Memmott
Energy Policy Advisor
U.S. Sen. John Barrasso, M.D.
(202) 224-6441

Congress of the United States
Washington, DC 20515

February 15, 2013

The Honorable Steven Chu
Secretary
U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585

Dear Secretary Chu:

We are encouraged by the findings made by the National Economic Research Associates (NERA) in its recent report entitled, "Macroeconomic Impacts of LNG Exports from the United States." The NERA report concluded that "[a]cross all...scenarios, the U.S. was projected to gain net economic benefits from allowing LNG exports" and that "net economic benefits increased as the level of LNG exports increased." We write to express our support for LNG exports, including exports to countries which do not have free trade agreements with the United States. LNG exports will open new markets for America's natural gas and allow states, Indian tribes, and the Federal government to earn a better return on this resource.

Like other public land states, the State of Wyoming's revenues depend significantly on the production of energy and mineral resources within its borders. In 2012, roughly 18 percent of the revenues to the State of Wyoming came from Federal mineral royalties and state severance taxes collected on natural gas production. Likewise, revenues to the Eastern Shoshone Tribe and the Northern Arapaho Tribe on the Wind River Indian Reservation depend heavily on royalties and tribal severance taxes collected on natural gas production. As the supply of natural gas has far exceeded domestic demand for this resource, revenues from natural gas production in Wyoming have collapsed. Consequently, the State of Wyoming has reduced the operating budgets for many state agencies by 8 percent for fiscal year 2014.

We understand that several large industrial consumers of natural gas object to LNG exports. These companies believe they would experience a competitive advantage if the Department of Energy (DOE) delayed, limited, or altogether blocked LNG exports to countries which do not have free trade agreements with the United States. However, it is not the responsibility of DOE to interfere with the market to favor some industrial actors over others. Rather, DOE must consider the benefits that LNG exports would bring to the broader public. Principal among these benefits would be more market-based pricing for the public's energy resources, and in turn, additional revenue for state and tribal governments and the services they provide.

Thank you for your consideration and we look forward to your prompt response.

Sincerely,



Michael B. Enzi
U.S. Senator



John Barrasso, M.D.
U.S. Senator



Cynthia M. Lummis
U.S. Representative