

JOHN CORNYN
TEXAS

United States Senate

WASHINGTON, DC 20510-4305

February 15, 2011



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

The Honorable Jon Wellinghoff
Chairman
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Dear Secretary Chu and Chairman Wellinghoff:

As you are aware, Freeport LNG has submitted an application to the Department of Energy (DOE) and the Federal Energy Regulatory Commission (FERC) requesting the appropriate license and authorization for the export of liquefied natural gas (LNG). I am writing to express my support, and to encourage timely consideration of this project.

Freeport LNG currently owns and operates an LNG import terminal on Quintana Island near Freeport, Texas. The import terminal has been significantly underutilized since opening in mid-2008, due to depressed natural gas prices in the U.S. relative to global LNG prices. As such, the company is proposing an expansion of this facility to also allow for the export of LNG. The project includes the addition of liquefaction equipment, an additional storage tank, and new docking facilities. It will continue to utilize the existing marine berth and two existing LNG tanks. It is my understanding that the existing facility and site are very familiar to staff at DOE and FERC—as well as other federal agencies—due to their involvement in previous permitting activities.

The \$2 billion project builds on an existing investment and will have a positive economic impact on Texas and the nation. It is expected to create 1,000 construction jobs and will require the employment of 20-30 new full time workers to manage and operate the new facilities. Additionally, 20,000 new workers are anticipated to be employed across the U.S. to support the production of new natural gas supplies. This facility would also improve the U.S. trade balance by promoting a valuable export commodity.

Thank you for your timely consideration of this important project.

Sincerely,


JOHN CORNYN
United States Senator

cc: FERC Commissioner Philip Moeller
FERC Commissioner John Norris

FERC Commissioner Marc Spitzer
FERC Commissioner Cheryl LaFleur