

CHARLES W. BOUSTANY, JR., MD  
7TH DISTRICT, LOUISIANA

COMMITTEE ON WAYS AND MEANS  
SUBCOMMITTEES  
CHAIRMAN ON OVERSIGHT  
SELECT REVENUE MEASURES  
HUMAN RESOURCES



## Congress of the United States

House of Representatives

Washington, DC 20515-0304

June 28, 2011

Mr. Christopher Smith  
Deputy Assistant Secretary for Oil and Natural Gas  
U.S. Department of Energy  
1000 Independence Avenue SW  
Washington, DC 20585

Dear Mr. Smith,

Lake Charles exports, LLC (LCE), a joint venture of BG Group plc and Southern Union Company (SUG), recently filed an application with the Department of Energy (DOE) for authorization to export liquefied natural gas (LNG) from SUG's existing Lake Charles Louisiana LNG regasification facility. I am writing to express support for LCE's project, which will provide significant economic benefits to the people and communities of Louisiana by injecting a considerable amount of capital into southwest Louisiana. The total cost of the project is expected to be \$1.5 to \$2.0 billion per train with an expectation that two liquefaction trains will be built. First exports from this facility are expected in late 2017.

Specifically, if this project goes forward it will:

- Invest \$1.5 to \$2.0 billion (per train) in Louisiana and the United States;
- Provide significant jobs to support construction, about 150 jobs at \$100 million in wages;
- Provide 4.5 million construction man hours with wages of about \$120 million for each train;
- Employ 200 supervisors and managerial staff for construction with wages of about \$140 million;
- Once completed, the export facility will provide 60 – 80 permanent jobs, double if more than one train is constructed; and
- Reduce the US balance of payments by about \$4.0 billion annually.

In order to realize the above economic benefits on a timely basis, I am asking the DOE to approve LCE's application without delay. For example, if DOE decides to undertake a study to consider the impact of additional export facilities, it should not hold up pending applications. A prolonged study may needlessly LCE's project by delaying its approval. There is no evidence that additional applications will be submitted, and, even if there are

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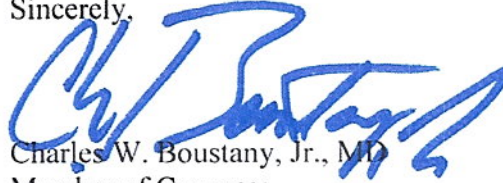
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submitted, there is considerable doubt that such applications will actually lead to new LNF export facilities being constructed.

In addition, the DOE has recently approved an LNG export application without subjecting the applicant to undue delays during its application process. I believe the LCE should be afforded similar treatment. As such, I ask that you approve LCE's application without delay so that the people of Louisiana can realize the maximum economic benefits of these projects.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charles W. Boustany, Jr.", written over the printed name.

Charles W. Boustany, Jr., MD  
Member of Congress