



SENATE
STATE OF LOUISIANA

DAN "BLADE" MORRISH

State Senator
District 25
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June 16, 2011

COMMITTEES:
Insurance, Chairman
Environmental Quality
Natural Resources
Finance, Interim Member
Select Committee on Coastal Restoration
and Flood Control
Select Committee on Hurricane Recovery

Mr. John A. Anderson
Office of Fossil Energy
US Department of Energy (FE-34)
Office of Natural Gas Regulatory Activities
Room 3F-042, FE-50
Forrestal Building
1000 Independence Avenue, SW
Washington DC 20585



RE: FE Docket No. 11-59-LNG, Lake Charles Exports, LLC
Application for Long-Term Authorization to Export Liquefied Natural Gas

Dear Mr. Anderson:

We are writing in **strong support** of Lake Charles Exports, LLC (LCE)'s application for authorization to export LNG from Southern Union Company's (SUG) Lake Charles terminal to both free trade and non-free trade agreement countries. Lake Charles Export, LLC is a jointly owned subsidiary of BG Group plc (BG Group) and SUG.

BG Group and SUG have been longstanding key members of the business community in Louisiana. A BG Group subsidiary has held all capacity rights at Lake Charles since 2001, and together BG Group and SUG have regularly invested in the Lake Charles community and terminal. Further, BG Group has also significantly invested in shale gas exploration & production in Louisiana providing additional jobs and economic investment within the state.

This project will provide a much needed boost to Louisiana's local and regional economy through resource development, an enhanced tax base, direct and indirect job creation and increased overall economic activity. It will also have a ripple effect throughout the regional economy by creating additional employment opportunities from increased markets for shale gas. We understand that each train should result in:

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- manufacturing and supply of the required equipment and material (\$600 million), most of which will be sourced from the US;
- construction and construction management jobs with wages of approximately \$260 million; and,
- engineering work with wages of approximately \$100 million.

Permanent jobs at the facility will also be created and these jobs will *directly benefit* Louisiana's economy.

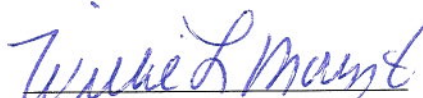
The advent of shale gas in the United States has added dramatically to the US natural gas reserves, which are now estimated to be about 2,252 trillion cubic feet. The 2011 Annual Energy Outlook produced by the US Energy Information Administration (EIA) stated that shale gas production has grown at an average annual rate of 48 percent between 2006 and 2010. (See [http://www.eia.gov/forecasts/aeo/pdf/0383\(2011\).pdf](http://www.eia.gov/forecasts/aeo/pdf/0383(2011).pdf)) The EIA further predicts that developing shale plays in the US will continue increasing the reserves available and estimates the technically recoverable natural gas resource base at nearly double the EIA's 2005 estimate. Allowing exports of LNG will provide additional markets for the abundant natural gas produced in Louisiana, as well as the rest of the country.

We believe that this project is consistent with the public interest by creating local and regional jobs and providing additional markets for Louisiana and US shale gas. Therefore, we strongly encourage you to expeditiously approve LCE's application for authorization to export LNG from Lake Charles.

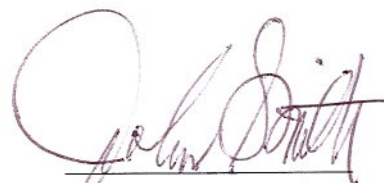
Sincerely,



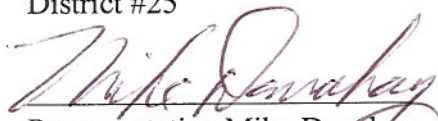
Senator Dan "Blade" Morrish
District #25



Senator Willie Mount
District #27



Senator John Smith
District #30



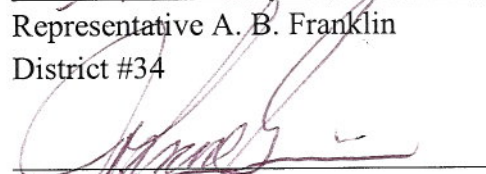
Representative Mike Danahay
District #33



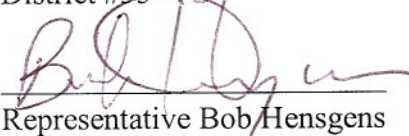
Representative A. B. Franklin
District #34



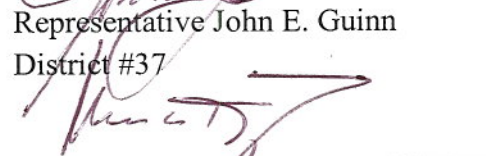
Representative Brett Geyman
District #35



Representative John E. Guinn
District #37



Representative Bob Hensgens
District #47



Representative Chuck Kleckley
District #36