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From: Keith Magnusson [REDACTED]
Sent: Monday, January 21, 2013 9:56 PM
To: LNGStudy
Subject: 2012 LNG Export Study

My name is Keith C. Magnusson. I am an attorney and retired Army Colonel from Bismarck, North Dakota. Thank you for the opportunity to comment on the 2012 Liquefied Natural Gas (LNG) Export Study conducted by NERA Economic Consulting (NERA).

The export of LNG is extremely important to our state and to our country, as shown by the study:

LNG exports are good for America's economy. The NERA Study states: "Across all these scenarios, the U.S. was projected to gain net economic benefits from allowing LNG exports. Moreover, for every one of the market scenarios examined, net economic benefits increased as the level of LNG exports increased." Exporting some of America's abundant natural gas to global markets is a major opportunity for the U.S., and generates investment and jobs. Exports would also attract capital from outside the U.S. to domestic energy infrastructure projects, particularly construction of the liquefaction facilities needed to convert gas to LNG. Exports would also improve the nation's balance of trade. The additional gas production associated with exports would also generate billions of dollars annually in much needed federal and state governmental revenue.

LNG exports increase U.S. Gross Domestic Product (GDP). NERA concludes, "GDP also increases as a result of LNG exports. The most dramatic changes are in the short term, when investment in liquefaction capacity adds to export revenues and tolling charges to grow GDP." LNG exports will not only drive additional production, but also support thousands of additional jobs in engineering, manufacturing, construction, and operation of the export infrastructure, as well as others indirectly along the equipment supply chain.

U.S. produces enough natural gas to meet both domestic and export needs. For domestic natural gas producers, LNG exports "provide an opportunity ... to realize additional profits by selling incremental volumes of natural gas.

Exporting and trade relations -- LNG exports are good for U.S. trade relations. NERA assumes that allies, such as Japan, would continue to rely upon LNG to meet their natural gas demand. Selling natural gas helps close allies like Japan, a country coping with serious energy challenges, while generating economic benefits here at home.

Export of LNG will greatly help my state, North Dakota, which continues to produce more natural gas, especially from the Bakken formation. We need markets and the increased infrastructure to serve those markets. This is good, not only for North Dakota, but the entire country, as set forth in the study and summarized above. National security is a particular concern of mine and export of LNG would greatly contribute in many ways to our national security.

I support the findings and conclusions of the NERA study and support the applications for LNG export. We must move forward quickly.

Keith C. Magnusson
Attorney at Law
Colonel, AUS (Ret.)

[REDACTED]
Bismarck, ND [REDACTED]
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