

LNGStudy

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Sent: Thursday, January 24, 2013 8:51 AM
To: LNGStudy
Cc: MULDOON, DAN; MACDONALD, SARAH
Subject: Comments regarding LNG Export Study
Attachments: Hon S Chu-Emera Inc-LNG Study-Jan 24 2013.pdf

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January 24, 2013

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

Re: 2012 Study “Macroeconomic Impacts of LNG Exports from the United States”

Dear Secretary Chu:

On behalf of a company that owns and operates regulated electric utilities in several Caribbean countries, I wish to indicate our support for the United States government allowing the export of Liquefied Natural Gas (LNG) and of Compressed Natural Gas (CNG) to displace the diesel or heavy fuel oil that is currently used in many Caribbean nations to generate electricity.

Our company is considering the feasibility of exporting CNG from Florida to the Bahamas which would require a permit from the Department of Energy. The 2012 *Study of Macroeconomic Impacts of LNG Exports from the United States* did not address the effect of such exports, understandably so, because the amount of exported CNG would be a small fraction of the exports from a single LNG facility. While the scale is small relative to total U.S. export potential, it is not insignificant insofar as the potential to enhance cleaner fuel options and drive lower electricity prices, to the benefit of customers and the economy in the Bahamas.

Exports of natural gas from the United States to some Caribbean nations may not be feasible, since requirements for fuel to generate electricity are relatively small. However we do know, as majority owner of Grand Bahama Power Company (Grand Bahama island is just 90 miles from Florida), that it would be feasible to export small amounts of natural gas to some countries and cause a transformation in electricity generation – not only reducing prices for local consumers but also substantially reducing emissions through new access to a cleaner-burning fuel source. Allowing exports of natural gas would enable the real and important potential to transform electricity generation. It is, as some organizations have observed in responding to this study, the “right thing to do.”

We request that the Department consider including a de minimus standard that would give priority to the review and approval of applications for export permits involving small volumes of natural gas, recognizing that even smaller exports could have significant positive impacts.

Enabling LNG (and CNG) exports is in the public interest. The study determined that the United States would gain net economic benefits from allowing natural gas exports. Natural gas exports provide a market which encourages investment in, and domestic access to, natural gas drilling at a time when prices are at historic lows. Natural gas exports will generate new jobs in America, revenue for U.S. companies and investment in infrastructure, including transshipment facilities and existing ports. Exports of LNG and/or CNG would improve America's balance of payments which is consistent with the March 2010 Executive Order that seeks to reduce barriers to trade and promote U.S. exports.

And, we respectfully suggest it is advantageous for the United States to be seen as a contributor and enabler to reducing greenhouse gas emissions and lowering electricity prices in Caribbean nations.

Allowing natural gas exports would not negatively impact domestic needs for gas and – at a time when exploration investment could be at risk because domestic prices for natural gas are depressed – would encourage ongoing development of natural gas resources which will be of future benefit to American consumers.

Thank you for the opportunity to comment on this study.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Dan Muldoon". The signature is written in a cursive, flowing style.

Dan Muldoon
President and Chief Operating Officer
Emera Utility Services
(on behalf of Emera Inc.)