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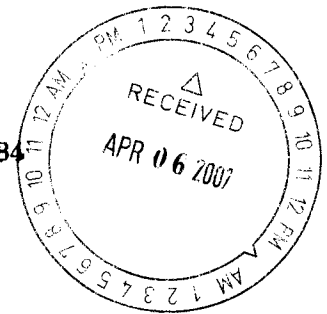
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March 28, 2007

Mr. Robert Corbin
Natural Gas Regulatory Activities Manager
U.S. Department of Energy
Office of Oil & Gas
Global Security and Supply, Office of Fossil Energy
Room 3E-042, FE-34
1000 Independence Ave., SW
Washington, DC 20585

RE: FE Docket No. 07-02-LNG

Dear Mr. Corbin:

Approval of the Kenai LNG plant extension is important to the economy and energy security of The Kenai Peninsula and south-central Alaska. The continued operation of the plant provides the following positive contributions:

The LNG plant generates over \$70,000,000 per year in wages, taxes, royalties and local spending. Maintaining this part of the Alaskan economy is important to the over-all economic health of the Kenai Peninsula.

The LNG plant provides gas supply stability for south-central Alaska by backing up gas supplies for local utilities during periods of peak demand on cold days or when disruptions occur in the gas supply system. We have been assured that Conoco/Phillips and Marathon will continue to be "good neighbors" during periods of peak demand. There is currently no real alternative to the backup gas supply provided by the LNG plant. If the plant ceases operation in 2009, the local utilities will need to invest or pay others to invest in costly peaking gas facilities. This cost will ultimately get passed on to consumers.

The LNG plant drives investment in resource development. Resources developed for the LNG plant can and will be used both during the life of the plant and after exports end to

meet local demand. Maintaining natural gas demand is vital to the economics of gas exploration and development in Cook Inlet.

Preservation of the LNG plant infrastructure provides options to either continue exports into the future or convert the plant into a regas facility. Both options could be important to any project that hopes to bring North Slope gas to south-central.

All independent third parties agree that the resource base in Cook Inlet and the likely reserves to be developed are more than sufficient to meet local needs and provide gas for export for the foreseeable future.

This is no utility market demand for the gas planned for export in the 2009 to 2011 timeframe. The impacts to the Kenai Peninsula Borough and its residents if the natural gas industrial users discontinue operations could result in the loss of many quality high-paying jobs, lost or diminished gas supplies from shut-in wells, lost emergency gas supplies during peak utility usage, and the loss of millions of dollars directly injected into the local economy.

For the reasons described above, the continued operation of the LNG plant is in the public interest. Please approve the LNG export license extension as requested by Conoco/Phillips and Marathon.

Sincerely,



Rep. Kurt Olson



Rep Mike Chenault