

March 20, 2007

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

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REGISTRATION

Dear Mr. Corbin,

As a member of the Alaska Support Industry Alliance, a trade association whose 400 members provide goods and services to Alaska's oil, gas and mining industries and more than 30,000 jobs for Alaskans, I am writing to express my support of the Kenai, Alaska, LNG plant export license extension requested by ConocoPhillips and Marathon Oil. This project makes a contribution to both the State of Alaska and The United States in several ways.

- Functions as a backup natural gas supply for Southcentral Alaska during times of peak usage or in the case of gas supply interruption.
- The LNG plant could play an ongoing role in exporting LNG or possibly be converted to receive LNG imports to supplement local activities.
- LNG imports may be able to bridge the gap in supply prior to the delivery of Alaska North Slope gas to Southcentral Alaska. There are studies initiated to study this option.
- The LNG facility provides approximately \$70 million/year in economic benefits.
- The production of gas for feedstock to the LNG facility and the sale of LNG generates about \$50 million annually in royalties and taxes to the State of Alaska and the Kenai Peninsula Borough.
- Continuing operation of the LNG facility will require reinvestment in Cook Inlet natural gas which means more jobs in the relation exploration and production industry segments.
- Discontinuing operations will cause a plant shut down and potential shutting in of production wells. Shutting in a producing gas well can damage the reservoirs and cause both loss of reserves and deliverability. There is no guarantee a shut in can be undone.

The Kenai LNG plant is vital to Alaska's economy and the companies and individuals that support the wells. Thank you for granting the license extension requested by ConocoPhillips and Marathon.

Sincerely,

A handwritten signature in black ink, appearing to read "Lon G. Wilson". The signature is fluid and cursive, with a prominent initial "L" and a long, sweeping underline.

Lon G. Wilson
President
The Wilson Agency