



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
1000 Independence Ave., SW
Washington, D.C. 20585



Dear Mr. Corbin,

The following positive contributions are offered in support of approval of the Kenai LNG plant export license extension.

In addition to \$70 million per year in wages, taxes, royalties and local spending, the plant directly supports 58 jobs and indirectly supports approx. 128 more. This is very important to the economic health of the Kenai Peninsula, and Alaska in general.

The gas stream to the LNG plant provides backup to local utilities during periods of peak demand on cold days or when disruptions occur in the gas supply system. No alternative to the backup gas supply provided by the LNG plant currently exists. If the plant ceases operation in 2009, the local utilities will need to invest in costly peaking gas facilities, ultimately raising gas cost to consumers.

Third party studies agree that the resource base in the Cook Inlet is substantial. Little doubt exists that the known and potential gas resources in Cook Inlet are sufficient for local needs into the foreseeable future as well as the export volumes requested by ConocoPhillips and Marathon.

No utility market demand exists for the planned export gas in the 2009 to 2011 timeframe. If the gas cannot be exported, possible shut-in of wells, would likely result in lost reserves and reduced deliverability.

For these reasons I believe the continued operation of the Kenai LNG plant is in the public interest. I respectfully request that the Department of Energy approve extension of the LNG export license as requested by ConocoPhillips and Marathon.

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Sincerely,

Jimmy L. Hart