



# Oregon Coastal Caucus

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Sen. Jeff Kruse, Chair  
Rep. Debbie Boone, Vice Chair  
Sen. Betsy Johnson  
Sen. Arnie Roblan  
Sen. Doug Whitsett  
Rep. Wayne Krieger  
Rep. David Gomberg  
Rep. Caddy McKeown

March 29, 2013

The Honorable Ron Wyden  
221 Dirksen Senate Office Building  
United State Senate  
Washington, D.C. 20510

The Honorable Peter DeFazio  
2134 Rayburn House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Greg Walden  
2182 Rayburn House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Earl Blumenauer  
1111 Longworth House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515  
The Honorable Jeff Merkley

313 Hart Senate Office Building  
United State Senate  
Washington, D.C. 20510

The Honorable Kurt Schrader  
314 Cannon House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Suzanne Bonamici  
439 Cannon House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Sen. Wyden, Sen. Merkley, Rep. DeFazio, Rep. Blumenauer, Rep. Walden, Rep. Schrader, and Rep. Bonamici:

As you lead the fight in our nation's capital to improve the lives of Oregonians, we, the Oregon Legislative Assembly's Coastal Caucus, ask that you do whatever you can to support the application by Jordan Cove Energy Project, L.P. for long-term authorization to export liquefied natural gas to non-Free Trade Agreement countries.

As you know, Southern Oregon counties are experiencing chronic financial distress from reduced timber harvests that have led to greatly reduced employment and revenues. As a result, cities and counties in Southern Oregon are making difficult and painful cuts in public services. Even before the recession, Southern Oregon lagged behind the rest of the state in economic growth and routinely posted unemployment figures higher than the state and national averages.

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The Jordan Cove Energy Project will turn things around. In the near term, construction of the Jordan Cove terminal and the Pacific Connector pipeline – a combined \$7.5 billion capital investment – will create an average of 1,750 construction jobs over 42 months (with peak manpower being 3,500 construction jobs) under a signed Project Labor Agreement with the Oregon Building Trades Council, the Operating Engineers and the Carpenters unions. Jordan Cove anticipates hiring a majority of construction workers in the Pacific Northwest with preference given to qualified local vendors. For the men and women who will be building this facility, this project will bring job security for over three years, which is almost unheard of in the construction trades and especially in Oregon.

Permanent employment at the Jordan Cove terminal and the Pacific Connector pipeline will include 146 direct jobs, 54 indirect jobs paid by Jordan Cove (Sheriff's deputies, firefighters, tugboat crews and emergency planners), 404 other indirect jobs and 182 induced jobs for a total of over 750 total family-wage jobs in Southwest Oregon. The net increase in the gross domestic product (GDP) of Coos County after the indirect and induced impacts are included will be \$1.36 billion. This will provide an extraordinary economic benefit to Coos County, where the GDP in 2010 was \$1.74 billion. That equals a 78% increase in GDP.

The Jordan Cove terminal and the Pacific Connector Gas Pipeline will also generate much needed tax revenue to Coos, Douglas, Jackson and Klamath counties – \$32 million a year in ad valorem taxes or payments in lieu of taxes for the first three years, and \$42 million to \$52 million a year thereafter. Considering the multi-decade projected operations of the Jordan Cove facility, these tax payments will be a large and reliable revenue source for local governments, especially in light of declining O&C payments that we know you fight so hard for.

The Jordan Cove terminal and the Pacific Connector pipeline will enhance the Port of Coos Bay and Southern Oregon's infrastructure, helping our region attract new businesses and create new jobs. The Jordan Cove terminal will lead to a redevelopment and modernization of the Port of Coos Bay's facilities and provide the cornerstone for new industrial economic development on the North Spit in Coos Bay. The associated 340 MW power plant will provide a local power source and stabilize the regional power grid.

The Pacific Connector Pipeline will cross and be connected to the Williams Company's Grants Pass Lateral pipeline, significantly increasing the availability of natural gas in Southern Oregon. The increased availability of natural gas in Southern Oregon will make the region more competitive in attracting industries that require reliable, large volumes of natural gas. This improvement in natural gas availability will also come at no cost to utility ratepayers because Pacific Connector's investors will finance the pipeline.

To be clear, Jordan Cove is committed to this project. The company has spent over \$130 million to date, including the acquisition of 500 acres of North Spit Weyerhaeuser property on which to construct the terminal. The company has conducted extensive test boring on the property to assess the physical and

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structural properties of soil and rock on which the terminal and power plant will sit. Jordan Cove has also acquired additional property for environmental remediation.

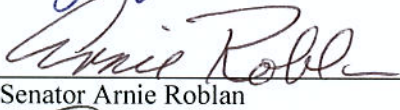
Furthermore, the company is well into the regulatory process. Jordan Cove and Pacific Connector are currently in the Federal Energy Regulatory Commission (FERC) pre-filing phase and will file joint applications in May 2013 for FERC review with a Draft Environmental Impact Statement anticipated for fall 2013. It is worth noting that very few changes have been made to this project since FERC issued import permits for the terminal and pipeline.

We recognize and appreciate your strong advocacy on behalf of our rural communities and encourage continuation and expansion of these efforts to include this unprecedented economic opportunity. We hope you will help make the Jordan Cove Energy Project a reality.

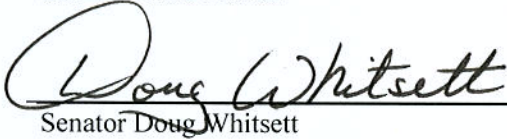
Sincerely,

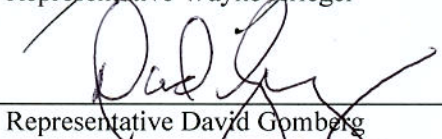
  
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