

April 1, 2013

The Honorable Barack H. Obama
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

RE: Jordan Cove Energy Project – License to Export of Liquefied Natural Gas to
Non-Free Trade Act Countries

Dear Mr. President:

The National Construction Alliance II supports the issuance of a license to the Jordan Cove Energy Project for the export of liquefied natural gas to non-Free Trade Countries.

As your Administration wrestles with the complex economic and environmental question of whether to export liquefied natural gas to non-Free Trade Act Countries, the National Construction Alliance II wishes to inform you of a key economic commitment made by a project owner that seeks approval of a license, a commitment that will qualitatively improve the value of the project to the local community and to the nation.

The National Construction Alliance II (NCA II) – a partnership between two of the nation's leading construction unions, the International Union of Operating Engineers and the United Brotherhood of Carpenters and Joiners of America – represents nearly one-million workers across the United States and Canada, many of whom will build, if permitted, the Jordan Cove Energy Project in Coos Bay, Oregon.

The Jordan Cove Energy Project will invest \$5.7 billion in the Coos Bay area, and an additional \$1.8 billion when the Pacific Connector Gas Pipeline is constructed. The terminal will generate \$20 million a year in revenue for local and state governments for the first three of years of operation, with \$30 million to \$40 million a year thereafter. This project will be an economic game-changer for Coastal Oregon, which could probably be said for many of the LNG export facilities. Yet on the single most important *discretionary* economic criteria upon which to review the project, the effect on the construction workforce, Jordan Cove has voluntarily made a choice to separate itself from other applicants.

The Jordan Cove Energy Project has committed to NCA II and the other construction unions that it will execute a Project Labor Agreement (PLA) for the multi-billion dollar energy project. In addition to the project-management benefits identified in your Executive Order of February 6, 2009, regarding Project Labor Agreements – stability, certainty, and efficiency – in the private construction marketplace, where there is no federal labor standard (the Davis-Bacon Act), these agreements also maximize the quality of jobs for the construction trades on a project. In short, Jordan Cove Energy Project's commitment ensures that the construction workers who build the massive project will possess the best wages and working conditions of any in the construction sector, and this project will generate millions of hours of activity for tradesworkers.



UNITED BROTHERHOOD
of CARPENTERS & JOINERS
of AMERICA

Douglas J. McCarron
General President



INTERNATIONAL UNION
of OPERATING ENGINEERS

James T. Callahan
General President

In practical terms, the commitment that Jordan Cove Energy Project has made means that an Operating Engineer running a bulldozer on the project, a member of Local 701, will earn about \$35 an hour, with an additional \$14 in health care, pension, and apprenticeship contributions. The mean hourly wage for this occupation in May 2011, according to the Bureau of Labor Statistics, is \$21.98 an hour. That differential makes clear just how meaningful the commitment of Jordan Cove Energy Project is to the lives of Oregonians. A Project Labor Agreement maximizes the economic-development benefits of the project and ensures that the best trained and most productive workers in the construction industry will build the project. We hope that you agree that this is an essential criterion to project approval, and, indeed, it helps differentiate Jordan Cove from other export-license applications.

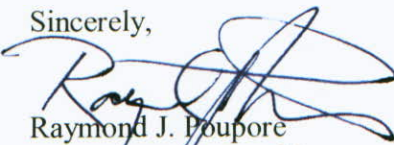
The project will create an average of 900 construction jobs over 42 months. In other words, this project will create job security for a workforce of over 900 people, a feat that is almost unheard of in the construction trades, particularly in this economically-devastated region. Peak employment will reach about 2,000 construction jobs. The unemployment rate in Coos County, Oregon, remains above 10 percent, and the national unemployment rate in construction hovers around 16%.

The Jordan Cove Energy Project offers a number of important economic virtues not associated with other applications to export LNG, such as its proximity to Asian markets, its ability to feasibly supply LNG to Hawaii, and its dedicated pipe, which ensures it will not compete with other residential and industrial consumers for pipeline capacity, potentially driving up costs for other users. But the single most important fact, relative to other applications, is the decision the company has made to execute a PLA. We hope you will take this corporate decision into consideration as your Administration reviews export licenses.

On behalf of the nearly one-million members of the Carpenters and Operating Engineers, the National Construction Alliance II strongly urges you to support the Jordan Cove Energy Project's application to export LNG to non-Free Trade Act countries.

Thank you for your consideration.

Sincerely,



Raymond J. Poupore
Executive Vice President

cc: James T. Callahan, General President, International Union of Operating Engineers
Douglas J. McCarron, General President, United Brotherhood of Carpenters and Joiners of America
Denis R. McDonough, Chief of Staff
Nancy Sutley, Chair, Council on Environmental Quality
Cecilia Muñoz, Director, Domestic Policy Council
Rob Nabors, Deputy Chief of Staff for Policy
Heather Zichal, Deputy Assistant to the President