Congress of the United States
Washington, DC 20515

April 18, 2016

The Honorable Norman C. Bay
Chairman
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

The Honorable Cheryl A. LaFleur
Commissioner
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

The Honorable Tony Clark
Commissioner
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

The Honorable Colette D. Honorable
Commissioner
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

Dear Chairman Bay and Commissioners LaFleur, Clark, and Honorable:

We write to restate our strong support for the Jordan Cove Energy and Pacific Connector Gas Pipeline Project (Jordan Cove Project).

Last month, the Federal Energy Regulatory Commission (FERC) denied Jordan Cove's application for a certificate of public convenience and necessity for the Pacific Connector Pipeline, citing "little or no evidence of need for the…Pipeline." FERC went on to find that "without a pipeline…, the proposed Jordan Cove LNG Terminal can provide no benefit to the public." FERC's action was "without prejudice" and thus allows Jordan Cove to ask FERC to reconsider its decision and show a market need for the Project. Since FERC's denial, Jordan Cove has signed commercial agreements for over 75 percent of the pipeline's gas and 50 percent of the export terminal's LNG. We believe these agreements demonstrate the need for and public benefits of the Jordan Cove Project and ask that you grant Jordan Cove's rehearing request.

Natural gas production serves as a foundation to the economies of Rocky Mountain states, including Colorado, Utah, and Wyoming, and Indian tribes, including the Ute Indian Tribe and the Southern Ute Indian Tribe. However, market conditions have recently led to a severe drop in employment in the oil and gas sector. In Wyoming, the oil and gas sector lost 4,800 extraction and support jobs from December 2014 to February 2016. According to the latest data, Colorado and Utah have seen similar job losses. From January 2015 to September 2015, the oil and gas sector in Colorado lost over 900 extraction jobs and, from September 2014 to September 2015, the oil and gas sector in Utah lost over 300 extraction jobs. Jordan Cove offers our communities a rare opportunity to access overseas markets, boost production, and stem ongoing job losses.

For these reasons, we welcomed the recent news that Jordan Cove has executed transportation services precedent agreements with three different entities for more than 75 percent of the Pacific Connector Pipeline's capacity. We were also encouraged by the recent news that Jordan Cove has signed two purchase agreements for the LNG terminal's export capacity: one with JERA Co., Inc.— soon to be the world's largest LNG buyer by volume—for at least 25 percent of the terminal's capacity for an initial term of 20 years; and another with the ITOCHU Corporation for

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an additional 25 percent of the terminal's capacity for an initial term of 20 years. We believe that these agreements demonstrate the need for and public benefits of the Jordan Cove Project.

We applaud FERC's permitting of LNG export terminals and related facilities along the east coast and Gulf of Mexico. However, it is critical that FERC make every effort to allow Rocky Mountain states and Indian tribes to access overseas markets. We ask that FERC recognize that market conditions have changed and delayed commercial agreements for LNG projects. We also ask that FERC refrain from adopting an arbitrary timeline by which a project proponent must finalize commercial agreements. Such a timeline would run counter to FERC's own precedent, dramatically increase the risk that project proponents already assume, and may foreclose the opportunity for future LNG exports. We urge FERC to address our concerns by granting Jordan Cove's rehearing request and allowing Jordan Cove to show the market need for its project.

Thank you for your consideration and we look forward to your prompt response.

Sincerely,

John Barrasso, M.D.
United States Senator

Cynthia Lummis
U.S. Representative

Cory Gardner
United States Senator

Scott R. Tipton
U.S. Representative

Michael F. Bennet
United States Senator

Doug Lamborn
U.S. Representative

Mike Lee
United States Senator

Mike Coffman
U.S. Representative

Michael B. Enzi
United States Senator

Rob Bishop
U.S. Representative

Orrin G. Hatch
United States Senator

Chris Stewart
U.S. Representative

Jason Chaffetz
U.S. Representative

Ken Buck
U.S. Representative

Mia Love
U.S. Representative