



## American Gas Association

September 6, 2006

DAVID N. PARKER  
*President and CEO*

Secretary Scott Angelle  
Louisiana Department of Natural Resources  
617 North Third Street  
P.O. Box 94396  
Baton Rouge Louisiana 70804-9396

Dear Mr. Secretary:

On behalf of the 197 American Gas Association member company natural gas utilities and the 56 million customers they serve, I write to you in support of the proposed expansion of the Jefferson Island Storage & Hub salt dome natural gas storage facility in Erath.

Natural gas storage facilities play a critical role in providing reliable, uninterrupted natural gas service to homeowners and businesses across America, including in Louisiana. At no time was thus more evident than last year during hurricanes Katrina and Rita when the existing Jefferson Island facilities helped meet the nation's energy needs. Expansion of the Jefferson Island facility will assist in increasing the reliability of the natural gas system as a whole.

Natural gas utilities utilize storage facilities to acquire gas when prices are lower and withdraw gas for delivery when market prices are higher. These savings are then passed on to end use customers, whether they are in the nation as a whole or in Louisiana. Thus, natural gas storage facilities are a key component in the utility infrastructure and contribute to price stability. Such infrastructure is needed and should be welcomed as Louisiana rebuilds and looks to attract more business, industry and residents.

I know that you well understand the major economic impact the Jefferson Island expansion will have on Louisiana, in terms of overall investment, economic impact, jobs, and tax receipts.

Clearly this project will benefit the state and the public at large on numerous fronts. Accordingly, it is our hope that you and your full administration will work to ensure that the proposed expansion at Jefferson Island moves forward in an expeditious manner.

Thank you in advance to your consideration to our request. Please do not hesitate to contact me at 202/824-7111 if I can be of any assistance to you.

Sincerely,  
A handwritten signature in black ink that reads "David N. Parker".

David N. Parker

Cc: Governor Blanco  
Terry Ryder; Executive Counsel, Office of Governor Blanco  
United States Senator Mary Landrieu  
United States Senator David Vitter  
Congressman Charlie Melancon