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February 5, 2024

Washington, DC 20515

Honorable Cathy McMorris Rodgers, Chair, House Energy and Commerce Committee and Members Honorable Frank Pallone, Jr., Ranking Member, House Energy and Commerce Committee Honorable Jeff Duncan, Chair, Subcommittee on Energy, Climate & Grid Security, House Energy and Commerce Committee Honorable Diane DeGette, Ranking Member, Subcommittee on Energy, Climate & Grid Security, House Energy and Commerce Committee 2125 Rayburn House Office Building

Dear Representative Rodgers and Members of the House Committee on Energy and Natural Resources:

I am writing as County Judge of Jefferson County, Texas to call your attention to certain long-term and potentially dire consequences of the current administration's pause of consideration of LNG project permits. These consequences have devastating local impacts and also affect the position of the U.S. globally with respect to energy security, employment, trade imbalances and military readiness. I am hopeful that members of the Senate will consider taking action to ameliorate this pause, particularly since it applies to previously filed permit applications, which has placed international investors in U.S. infrastructure at peril of losing years of investments in research, design and engineering and put at risk the reputation of the U.S. as a country whose stability in the regulatory realm can be relied upon.

For those of you who may have never heard of Jefferson County, let me provide some background. On January 10, 1901 the Spindletop oil boom occurred. This brought about the utilization of oil reserves for transportation and uses other than as heating oil. Texaco and Gulf Oil had their beginnings in our county and we have a long and distinguished history in providing for the energy security and stability of the United States. We are home to the 1st and 2nd largest refineries in America.

Every day in our county we provide approximately 10% of the diesel fuel, 14% of the gasoline, 50% of the commercial aviation fuel and an even greater percentage of the military aviation fuel refined in the U.S. We are home to the largest LNG export facilities in the U.S., the 3rd largest waterway by

tonnage in the U.S., the largest military offload port, the busiest section of the Intracoastal waterway for maritime commerce and, of late, the home to some of the largest known blue and green energy projects relating to synthetic fuels, hydrogen, ammonia and bio-fuels. Our local industries provide hundreds of thousands of jobs.

Because of actions taken by local industries in the 80's and 90's we are also an EPA air quality attainment area and a landscape where energy and the environment exist in harmony. Our county is home to a 138,000 acre Cheniere marshland that is critically important as a finfish, crab and shrimp nursery habitat and important wintering ground for migratory birds and waterfowl. We are also home to the Texas Gulf Coast's second most valuable seafood catch. Our local industry knows how to operate safely and with minimal impact on natural resources. I set forth below some of the benefits of industry and of Port Arthur LNG/Sempra, in particular, as they have a permit which is currently held in flux as a result of the pause.

Port Arthur LNG has been intimately involved in our community for at least the last ten years. Well before they began their permitting process and any engineering, design and procurement work, they participated in Chamber of Commerce, educational and non-profit activities and have been generous in their support. On a personal note, I have worked on coastal restoration projects since 2007 and we are in the middle of a \$180 million restoration of our beaches and marshland ecosystems. Sempra/Port Arthur LNG has donated hundreds of thousands of dollars to our efforts helping rebuild marshes devastated by Hurricanes Rita and Ike.

Port Arthur LNG has partnered with our local state college for technical education initiatives that prepare our youth for the high-paying jobs of tomorrow. They also work with the county and other local governments to assure that local vendors, subcontractors and retailers are part of the contracting process for construction of their facilities.

Notably, their phase 1 project will create over 3,500 construction jobs and hundreds or permanent full-time jobs that will add 100's of millions of dollars to our local economy and, over the life of the project, pay billions of dollars into the federal coffers.

The processes employed by Port Arthur LNG assure a safe, environmentally friendly and economically productive project that will lend to further development in our community. This is underscored by their initiative to invest in carbon sequestration projects as part of their phase 2 development should the pause in permitting be withdrawn or overridden.

I am hopeful that the committee will take action to reverse what we believe to be ill-advised policy relating to the permitting of these strategically important and economically beneficial projects. I thank you so very much for your kind attention to this missive and stand ready to provide whatever other information you might be desirous of reviewing.

Yours Sincerely,

Jeff Branick, County Judge