

September 12, 2017

The Honorable James Richard Perry
Secretary of Energy
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Dear Secretary Perry:

Congratulations on a productive initial six months as Secretary of Energy. As you continue your work to advance pro-energy policies for the American people, please know you have a partner in the U.S. Chamber of Commerce's Global Energy Institute and the broader energy industry we represent.

As you know well, developing America's abundant energy resources will increase economic growth and create good-paying jobs for U.S. workers. In that respect, I want to call your attention to a truly unique energy infrastructure opportunity of national importance: an ethane storage hub in the Appalachian region.

It is widely recognized that natural gas production growth in Northern Appalachia's Marcellus and Utica shale formations over the last decade is driving historic and beneficial changes to U.S. energy and economic security. But America's energy entrepreneurs are just getting started, and a critical next step in the energy revolution is capitalizing on the enormous downstream manufacturing potential that can be unleashed with infrastructure development that takes advantage of the region's wealth of ethane and other natural gas liquids (NGLs).

Currently, the lack of an underground storage hub and associated transport network results in significant underutilization of high-value NGL feedstocks that provide the foundation for petrochemical manufacturing of a wide range of consumer products and industrial applications. Unfortunately, a project of this size and complexity is unlikely to advance to fruition without thoughtful planning and public-private cooperation that reduces uncertainty for potential investors. To this end, we encourage you to utilize tools at the Department's disposal to facilitate such planning and cooperation, including review and consideration of such a project for loan guarantee consideration under Title XVII of the Energy Policy Act of 2005.

Ultimately, development of an ethane storage hub promises to not only provide an anchor for job creation and economic revitalization that is critically important to the Appalachian region, but also serves as a key component to enabling the energy-driven manufacturing renaissance that will enhance the international competitiveness of U.S. businesses.

Thank you for your consideration. The U.S. Chamber and the Global Energy Institute look forward to working with you on this and many other important energy policy issues.

Karen Harbert

A handwritten signature in black ink, appearing to read "Karen Harbert", with a long horizontal flourish extending to the right.

President and CEO