



MIDLAND CHAMBER OF COMMERCE

December 19, 2018

The Honorable Greg Abbott
Governor
Office of the Texas Governor
P.O. Box 12428
Austin, Texas 78711

Dear Governor Abbott:

On behalf of the Midland Chamber of Commerce, I am writing today to express our support for the Texas Gulf Terminals deepwater port facility, which will help Texas to export the crude produced right here in the Permian Basin.

Founded in 1924, the Midland Chamber of Commerce has more than 1000 members and is committed to enhancing the great business climate here in Midland. Our mission is to promote and foster business growth and success for our members and the community.

America is quickly becoming a global leader in oil exports, and Texas is leading the way. As U.S. and Texas oil production continues to break historic records, Midland is playing a pivotal role. When Midland is pumping oil, our local businesses and their employees and customers prosper as well, from the family-owned businesses that maintain wells and pipelines to the restaurants and stores that serve a growing workforce.

However, this growth can only be sustained through a commensurate investment in the state's export infrastructure. Although new pipelines will soon be coming online to ease the current limitations on Permian Basin and other West Texas, we are expected to face significant constraints at ports and terminals across the Gulf Coast in the coming years. Unless we can ease the export bottleneck, we won't be able to efficiently move Texas oil onto the global market.

We believe market-oriented solutions to resolve this export infrastructure bottleneck exist, such as the facility proposed by Texas Gulf Terminals, as well as numerous other crude export facilities proposed in recent months.

According to Katherine Spector of the Columbia School of International and Public Affairs Center on Global Energy Policy, "Until Gulf Coast export bottlenecks are also resolved, Permian producers will likely continue to face severe price discounts that could impact profitability and ultimately constrain incremental increases in oil production." This negative impact on producers' bottom lines will be felt by business owners and their employees throughout our community, as well as other communities throughout Texas that depend on a vibrant and growing energy sector.

For this reason, we strongly urge you to support the Texas Gulf Terminals Project.

Sincerely,

Robert Burns
President & CEO



303 W. Wall St., Ste. 200
Midland, Texas 79701



432.683.3381
800.624.6435



www.Midland.biz



info@Midland.biz