



March 29, 2011

The Honorable John Carona
Chairman, Senate Business and Commerce
Texas Senate
P.O. Box 12068 – Capitol Station
Austin, TX 78711

RE: SB 1230 / HB 3137 - Relating to the construction and operation of combined heating and power facilities in certain cities.

Dear Chairman:

The City of Denton strongly supports SB 1230 by Sen. Estes and HB 3138 by Rep. Crownover.

City staff is currently working with a major land owner to develop a master planned industrial park in Denton. The City's Comprehensive Plan identifies over one thousand undeveloped acres near the Denton Municipal Airport as the City's future industrial park. Our planned Combined Heat and Power facility (CHP) which will be completed in 2013 and located within the park, will play a critical role in attracting new industries and new high paying, high skilled jobs.

One major obstacle stands in the way of the City's effort to develop a successful industrial park -- a lack of natural gas infrastructure. Without natural gas service and the infrastructure necessary to provide natural gas, it is nearly impossible to attract manufacturing facilities to the area. In fact, the City has lost several exciting prospects due to inadequate natural gas volume and pressure.

SB 1230 fixes this problem by authorizing the City to provide natural gas to industrial customers. Currently, dozens of other Texas cities serve as natural gas providers including San Antonio, Bay City, Corpus Christi, Del Rio, Fort Stockton, Port Aransas, San Antonio and Tomball.

By enabling the City to sell excess natural gas from our CHP facility infrastructure to future industrial companies located in our industrial park, we will finally be able to overcome the hurdle we have faced as a city which is the lack of available natural gas needed for manufacturing operations. Ensuring local control over our economic assets will enable the City to establish itself as a destination for industries.

Thank you for your time and attention in helping Denton. As one of the fastest growing cities in the nation, it is imperative that Denton be able to shape its own economic destiny.

Sincerely,

Mark Burroughs
Mayor