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FE Docket No. 12–32–LNG

Jordan Cove Energy Project, L.P Application for Certificate Jordan Cove Energy Project, L.P.; Application To Amend Long-Term, Conditional Authorization To Export Liquefied Natural Gas to Non-Free Trade Agreement Nations and To Amend Application for Long-Term Authorization To Export Liquefied Natural Gas to Non-Free Trade Agreement Nations

Stacey McLaughlin and Craig McLaughlin

PROTEST and COMMENT

On April 19th, 2018, the Office of Fossil Energy at the Department of Energy (DOE/FE) posted in the Federal Register a notice of receipt for a proposed amendment to the application filed on March 23, 2012, by Jordan Cove Energy Project, L.P. (Jordan Cove), requesting long-term, multi-contract authorization to export liquefied natural gas (LNG) both natural gas produced domestically in the United States and natural gas produced in Canada and imported into the United States. Intervenors Stacey McLaughlin and Craig McLaughlin, submit this protest and comments in response to that application. We are landowners who will be directly impacted and harmed by the proposed Pacific Connector Gas Pipeline L.P. (PCGP) and Jordan Cove Energy Project L.P. (JCEP).

Intervenors protest JCEP's Amended Application filed with DOE/FE on February 6th, 2018 along with Conditional Order 3413 issued on March 24, 2014 conditionally granting long-term multi-contract authorization to export liquefied natural gas (LNG) by vessel from Jordan Cove LNG terminal in Coos Bay, Oregon to non-free trade agreement (Non-FTA) nations. Intervenors protest that this project is not in the public interest as the bulk of the gas is proposed to be imported from Canada as a Canadian product and will not benefit the economic interests of the United States and in fact has the potential to result in U.S. market failures. This project deters the Department of Energy from its goal to promote U.S. Energy Independence and economic growth and is inconsistent with the public interest and must be denied with prejudice. Landowners impacted by this project have been held hostage to the speculative venture of numerous Canadian corporations whose single goal and primary focus is finding a path to export Canadian gas.

DOE/FE cannot legally authorize the requested exports absent a finding and evidence that such exports would be in the public interest. 15 U.C.C. § 717b. As is supported by FERC's

recent denial of the applications for the Jordan Cove export terminal and Pacific Connector Pipeline, there is not a factual basis to support these projects are in the public interest.

1. Jordan Cove's Application to Export Canadian Gas through Coos Bay Oregon is inconsistent with the Public Interest and Unsupported Factually

Pembina, the owner of Jordan Cove, controls large quantities of Canadian gas and has openly stated they will export that gas through Jordan Cove. Thus, the premise of the conditional order (50% US sourced gas which was not imposed as a legal restriction) and the modeling and forecasts previously relied upon are no longer valid. The economic analyses relied upon are invalid primarily because they do not consider the effects of exporting Canadian gas through U.S. ports benefiting Canada over U.S.-sourced gas interests. They do not consider the effects of international trading on domestic gas prices. And market dynamics have change dramatically.

Some of the obvious negative impacts from exporting Canadian gas though Coos Bay Oregon by Jordan Cove are:

- No benefit to the US trade balance.
- Negative impact to American Jobs.
- Competition for American LNG plants keeping prices lower.
- Likely negative effect on U.S. GDP
- A Canadian Company using eminent domain to subvert American private property rights.

2. Request For Increase In Volume And Extension Of Certification For Another Seven Years Is Inconsistent With The Public Interest And Unsupported Factually

For the reasons stated above, there is no sufficient economic interest to the United States to increase the volume of gas available to export to Non-Free Trade Nations from 292 Billion cubic feet per year (Bcf/yr.) to 395 Bcf/yr. There is no market for the additional amount and there is no requirement that the gas be sourced from the United States.

Jordan Cove first proposed an LNG terminal in 2004 and the PCGP in 2006. There is no sufficient basis to prolong the harm and uncertainty to myself and other landowners for the benefit of foreign interests. The extension will constitute a takings under the Fifth Amendment.

3. Jordan Cove's Assertion that PCGP will Provide Needed Infrastructure is Not Supported

Jordan Cove maintains it will provide gas for the Grants Pass Lateral for local consumption. As understood, however, the gas intended for the Grants Pass lateral will merely replace the gas they will take out of the 12-inch Coos Bay gas pipeline which they have held exclusive rights to by paying Coos County \$25,000 per month since 2007. Despite representing

that Jordan Cove will provide gas for a small community along the pipeline route, as understood they will merely provide a tap, having no intention of developing the distribution system necessary to use the gas.

Rural Southern Oregon was targeted for these projects because of its presumed economic vulnerability and provincial local governance; more likely though because Washington, and California and Canada had already rejected the proposals. As United States citizens we are entitled to assurances and security that our private property rights will not be sacrificed in order to facilitate the profit of a private Canadian corporation over our wellbeing as Americans. Secretary Rick Perry has long been an advocate of securing the rights of citizens and has publicly stated that, "Private ownership of property always has been, and I, [he] would suggest always will be, part of the pursuit of happiness." Secretary Perry advocated for and implemented processes and legislation that strengthened the rights of private property owners as Governor of Texas.

LNG markets are vulnerable, and Jordan Cove and the Pacific Connector are scrambling to present speculative and hopeful data as factual information as justification and economic evidence that the Jordan Cove export facility meets public interest requirements. Jordan Cove asserts that it has buyers and that its negotiations are subject to strict confidentiality at the customer's insistence. This is simply another bait and switch tactic to fool the DOE into another round of *wait and see* while Oregon landowners continue to be used as ante in this oppressive and harmful gamble with our lives and our homes. The applicant has been clear that they will not even commit to a funding decision until sometime in 2019, maybe! The applicants' failure to present evidence that will support a finding that the public benefits of the Pacific Connector outweigh the adverse effects on landowners has not been demonstrated nor has it been able to satisfy the public interests test under the Natural Gas Act.

Our family has suffered unjustifiable economic and severe personal stress as a result of Jordan Cove and Pacific Connector's assumptions for their shareholders and the ongoing threats of personal safety and eminent domain against Oregon landowners for over a decade. We have had our American Dream turned into the Canadian Nightmare. Even through the recent economic downturn we persisted in making the improvements we could to our land. We struggled and worked hard to create our home and restore habitat that now exists for the abundant wildlife that shares our mountaintop with us. We have seen the return of natural abundance; we planted thousands of trees to replenish the forest areas that were logged or clear-cut before us and it will all be destroyed if this project is allowed through eminent domain to traverse our property.

In 2009, we began the fight of our lives, to save our dream from exploitation for private greed and profit. When I consider the prospect of what can happen if the Jordan Cove and Pacific Connector projects are realized with the destruction of our property, the harm to the environment, the use of pesticides and herbicides to keep the easement clear and the threat of explosions I get physically sick. The emotional, economic and personal sacrifices we have been

subject to for so many years has been a sickening and shrewd form of torture by a foreign corporation. Enough is enough; this project is not feasible, environmentally sound or in the public interest of the United States and its citizens. This project must be denied once and for all. It is time to end this horrific persecution of American citizens.

The Pacific Connector Pipeline ("Pipeline") would cross over a mile of the McLaughlin's 357-acre forested property. Intervenors Craig and Stacey McLaughlin would be subject to eminent domain should FERC ever grant the requested certificate. DOE's consideration of Jordan Cove's request to export from its proposed terminal to nations with which the United States does not have a Free Trade Agreement (FTA) is directly related to and affects the viability and operation of both the Jordan Cove LNG terminal and the related Pipeline and therefore Intervenors' interests.

The Pipeline would result in approximately a 100-foot swath of forest being clear-cut from Intervenors' property, more than 50 feet of that area would be permanently removed from timber production on what was purchased as timberland, recreation and a home site for construction of a residence.

The pipeline would result in substantial long-term management impacts due to restrictions on tree planting within the pipeline right of way, limitations on heavy equipment movement over the right of way, and disturbance from right of way management activities such as herbicide spraying and vegetation clearing. The pipeline route cuts the McLaughlin property in half and will exclude heavy equipment access to areas of the property required for wild land fire prevention and suppression activities or other management needs. The presence of the pipeline will also result in a long-term management burden given the need to inform and coordinate with contractors involved with work on the property regarding necessary operational and safety considerations and limitations related to the pipeline.

Importantly, because of safety concerns related to the Class I pipeline, if the pipeline is built the owners cannot proceed with planned improvements to the property, including construction of a residential structure, which was an important reason for their purchase of the property. Woodland wild fire threats in the area also pose safety concerns from the construction of the proposed pipeline.

RELIEF REQUESTED

As affected landowners on the Pacific Connector Gas Pipeline (PCGP), we request DOE/FE deny with prejudice the Amended Application and rescind conditional order number 3413 because the export of LNG to non-FTA countries is inconsistent with the public interest. We further request that DOE/FE deny the amendment to increase volume and an extension of time as inconsistent with the public interest and to avoid further takings of and damage to landowners' interests in the properties. Correspondence may be directed to:

Stacey McLaughlin and Craig McLaughlin 799 Glory Lane Myrtle Creek, Oregon 97457 <u>stacey@mountaintopinsight.com</u>

Signed: Stacey McLaughlin and Craig McLaughlin