

By Docket Room at: 11/06/2012

UNITED STATES OF AMERIC DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

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LNG Development Company, LLC	
(d/b/a Oregon LNG)	
Application	

FE Docket No. 12–77–LNG

LNG Development Company, LLC; Application for Long-Term Authorization to Export Liquefied Natural Gas Produced From Canadian and Domestic Natural Gas Resources to Non-Free Trade Agreement Countries for a 25-Year Period

CITIZENS AGAINST LNG, Inc NOTICE OF INTERVENTION AND COMMENTS

On September 7, 2012, the Office of Fossil Energy at the Department of Energy posted in the Federal Register a notice of receipt of an application (Application), filed on July 16, 2012, by LNG Development Company, LLC (d/b/a Oregon LNG), requesting long-term, multi-contract authorization to export up to 9.6 million tons per annum (mtpa) of liquefied natural gas (LNG), the equivalent of 456.25 billion cubic feet (Bcf) of natural gas per year or 1.3 Bcf per day (Bcf/d), over a 25-year period, commencing on the earlier of the date of first export or eight years from the date the requested authorization is granted. The LNG would be exported from the proposed LNG terminal to be located in Warrenton, Oregon, in Clatsop county, to any country (1) With which the United States does not have a free trade agreement (FTA) requiring national treatment for trade in natural gas, (2) which has developed or in the future develops the capacity to import LNG via ocean-going carrier, and (3) with which trade is not prohibited by U.S. law or policy. The LNG will be produced from natural gas. Oregon LNG is requesting this authorization to export LNG both on its own behalf and as agent for other parties who hold title to the LNG at the point of export.

Citizens Against LNG is a grassroots organization of citizens that formed during the Federal Energy Regulatory Commission prefiling phase of the proposed Jordan Cove Energy Project, L.P. and the Pacific Connector Gas Pipeline, L.P. LNG Import project in Southern Oregon. We represent over 4,000 citizens in Southern Oregon who live, work, have businesses, recreate and socialize in areas that would be negatively impacted by the Jordan Cove LNG terminal, storage tanks, liquefaction facility and the Pacific Connector Gas Pipeline. We are currently interveners on the Department of Energy (DOE) Office of Fossil Energy (FE) Docket No.12-32-LNG and have expressed in detail our concerns with the proposed Jordan Cove LNG Export Project in that filing.¹

¹ August 6, 2012 Notice of Intervention, Protest and Comments of Citizens Against LNG, Inc. on Department of Energy, Office of Fossil Energy Docket No. 12-32-LNG ;

http://www.fossil.energy.gov/programs/gasregulation/authorizations/Orders_Issued_2012/citizens_against_lng08_06_12.pdf March 12, 2012 Response to JCEP 8/29/2012 Answer by Citizens Against LNG, Inc on FE Docket No. 12-32-LNG http://www.fossil.energy.gov/programs/gasregulation/authorizations/Orders_Issued_2012/Citizens_Against_LNG_Answer_to_ JCEP_09_1.pdf

We have an interest in this application due to the fact that the gas slated to supply the proposed Oregon LNG Export project and several other proposed LNG Export projects, including the Jordan Cove Energy Project L.P., appears to be coming from the same supply sources. We have concerns about the cumulative impacts of all these LNG Export proposals on gas supply and the domestic price of natural gas.² Environmental impacts are of concern also.³ A Programmatic Economic and Environmental Impact Study based on sound science and true impacts should be completed first in order to determine which proposals, if any, applying for this same market share of natural gas would be the least environmentally impacting and in the best interest of Oregonians and Americans as a whole.

There are several West Coast LNG terminals that are already existing and/or being proposed to be built. These include the following:

West Coast "Existing" LNG Import/Export Terminals:

• <u>Baja California, MX</u>: 1.0 Bcfd, (Sempra – Energia Costa Azul)

• <u>JUNEAU, Alaska</u> - ConocoPhillips LNG Export Plant - Currently in operation although the plants future remains unclear.

West Coast "Approved" LNG Import/Export Terminals

• Manzanillo, MX: 0.5 Bcfd (KMS GNL de Manzanillo) [Approved - Under Construction]

• <u>Baja California, MX</u> : 1.5 Bcfd (Sempra - Energia Costa Azul - Expansion) [Approved - Not Under Construction yet]

West Coast "Proposed" LNG Import/Export Terminals

• <u>Coos Bay, OR</u>: 0.9 Bcfd (Jordan Cove Energy Project) - Fort Chicago LNG II U.S.L.P., a Delaware limited partnership (Canadian) owns seventy-five percent. Energy Projects Development L.L.C., a Colorado limited liability company, owns twenty-five percent.

• <u>Astoria, OR</u>: 1.30 Bcfd (Oregon LNG) - LNG Development Company, LLC, d/b/a Oregon LNG, Warrenton, Ore

• <u>Alaska Gasline Port Authority</u>: 2.0 - 2.4 Bcfd (Pipeline Capacity 3 – 3.5 Bcfd); LNG Export Terminal development partnership between the State of Alaska, ExxonMobil, ConocoPhillips, BP and TransCanada.

West Coast Canadian "Proposed" LNG Export Terminals

• <u>Douglas Island, BC</u>: 0.25 Bcfd (BC LNG Export Cooperative) - A privately held 13-member cooperative.

http://www.bloomberg.com/news/2012-01-19/lng-exports-may-spur-higher-u-s-natural-gas-prices-report-says.html

http://www.ce.cmu.edu/~gdrg/readings/2007/09/13/Jaramillo_ComparativeLCACoalNG.pdf

² "Exports of LNG May Raise U.S. Prices as Much as 54%, Agency Says"

⁻ By Katarzyna Klimasinska – Jan 19, 2012 – Bloomberg:

³ "Methane and the greenhouse-gas footprint of natural gas from shale formations" A letter – Robert W. Howarth, Renee Santoro and Anthony Ingraffea – Published April 12, 2011 http://journalistsresource.org/studies/environment/energy/natural-gas-hydrofracking-greenhouse/

[&]quot;Comparative Life-Cycle Air Emissions of Coal, Domestic Natural Gas, LNG, and SNG for Electricity Generation"- Paulina Jaramillo; W. Michael Griffin; and H. Scott Matthews – Civil and Environmental Engineering Department, Tepper School of Business, and Department of Engineering and Public Policy, Carnegie Mellon University, 5000 Forbes Avenue, Pittsburgh, Pennsylvania 15213-3890 – July 25, 2007

• <u>Kitimat, BC</u>: 0.7 Bcfd (Apache Canada Ltd.) - Backed by Apache Corp, Encana Corp and EOG Resources;

• <u>Prince Rupert Island, BC</u>: 1.0 Bcfd (Shell Canada) - Shell Canada Limited (Royal Dutch Shell plc) (40%),and its partners Korea Gas Corporation (KOGAS) (20%), Mitsubishi Corporation (20%), and PetroChina Company Limited (20%)

It is imperative that the U.S. Department of Energy (DOE) Office of Fossil Energy (FE) and the Federal Energy Regulatory Commission (FERC) assess the entire economic and environmental impacts of ALL the proposed LNG export projects as a whole, not only in the West Coast but in other regions of the United States as well. (*See Exhibits A, B, C & D*) The programmatic environmental assessment should include the cumulative environmental impacts of hydraulic fracking and the cumulative impacts of proposed LNG export projects on water and air quality and water supply. An assessment of alternative ways to meet energy needs should also be considered along with an independent analysis of what the sustainable natural gas supplies truly are. It would not be a good idea to allow LNG Export facilities to be built which may need to be abandoned due to an overbuild of these facilities and/or the lack of an adequate fuel supply.

Citizens in rural poor areas such as Coos Bay, Oregon, do not have the resources that the multinational corporations and the gas and oil industry have to conduct such a thorough independent analysis. We citizens depend on agencies such and the U.S. Department of Energy (DOE) and the Federal Energy Regulatory Commission (FERC) to do such an analysis for us and to make sure their decisions are in the public interest. It would not be fair to citizens who live in poor rural areas to have large scale LNG Export projects pushed off on them due to the fact they lack the resources to be able to do the independent and thorough analysis that is needed.

In an effort to protect the interest of citizens in Southern Oregon, Citizens Against LNG, Inc, also known as Citizens Against LNG, moves to intervene in this proceeding, pursuant to 10 C.F.R. § 590.303(b).

Please send any correspondence to:

Jody McCaffree Executive Director Citizens Against LNG PO Box 1113 North Bend, OR 97459 <u>mccaffrees@frontier.com</u>

Sincerely,

/s/ Jody McCaffree

Jody McCaffree

November 6, 2012

By Email and by Electronic Filing on the Federal eRulemaking Portal under FE Docket No. 12–32–LNG: fergas@hq.doe.gov http://www.regulations.gov

Curt Clay President Citizens Against LNG PO Box 1113 North Bend, OR 97459 curtclay@gmail.com

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon on the applicant and on DOE/FE for inclusion in the FE docket in the proceeding in accordance with 10 C.F.R. § 590.107(b) (2012)

Dated this 6th day of November, 2012.

Sincerely,

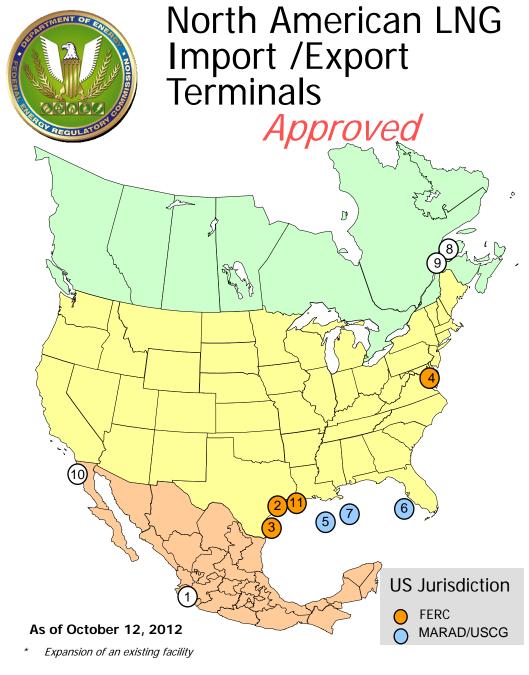
/s/ Jody McCaffree

Jody McCaffree Executive Director, Citizens Against LNG PO Box 1113 North Bend, OR 97459

Exhibit A

Existing Operational LNG Terminals in the United States <u>www.ferc.gov</u>





Import Terminal

APPROVED - UNDER CONSTRUCTION

Mexico

1. Manzanillo, MX: 0.5 Bcfd (KMS GNL de Manzanillo)

APPROVED - NOT UNDER CONSTRUCTION U.S. - FERC

- **2. Freeport**, **TX:** 2.5 Bcfd (Cheniere/Freeport LNG Dev. Expansion)*
- **3. Port Lavaca, TX:** 1.0 Bcfd (Gulf Coast LNG Partners Calhoun LNG)
- **4. Baltimore, MD:** 1.5 Bcfd (AES Corporation AES Sparrows Point)

U.S. - MARAD/Coast Guard

- 5. Gulf of Mexico: 1.0 Bcfd (Main Pass McMoRan Exp.)
- 6. Offshore Florida: 1.2 Bcfd (Hoëgh LNG Port Dolphin Energy)
- 7. Gulf of Mexico: 1.4 Bcfd (TORP Technology-Bienville LNG)

<u>Canada</u>

- **8. Rivière-du- Loup, QC:** 0.5 Bcfd (Cacouna Energy TransCanada/PetroCanada)
- **9. Quebec City, QC :** 0.5 Bcfd (Project Rabaska Enbridge/Gaz Met/Gaz de France)

Mexico

10. Baja California, **MX :** 1.5 Bcfd (Sempra - Energia Costa Azul - Expansion)

Export Terminal

APPROVED - UNDER CONSTRUCTION

<u>U.S. - FERC</u>

11. Sabine, LA: 2.6 Bcfd (Cheniere/Sabine Pass LNG)

Office of Energy Projects

North American LNG Import/Export Terminals

Proposed/Potential

US Jurisdiction

MARAD/USCG

FERC

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Import Terminal

PROPOSED TO FERC

- 1. Robbinston, ME: 0.5 Bcfd (Kestrel Energy Downeast LNG)
- 2. Astoria, OR: 1.5 Bcfd (Oregon LNG)
- 3. Corpus Christi, TX: 0.4 Bcfd (Cheniere Corpus Christi LNG)

Export Terminal

PROPOSED TO FERC

- **4.** Freeport, TX: 1.8 Bcfd (Freeport LNG Dev/Freeport LNG Expansion/FLNG Liquefaction)
- 5. Corpus Christi, TX: 2.1 Bcfd (Cheniere Corpus Christi LNG)
- 6. Coos Bay, OR: 0.9 Bcfd (Jordan Cove Energy Project)
- 7. Lake Charles, LA: 2.4 Bcfd (Southern Union Trunkline LNG)
- 8. Hackberry, LA: 1.7 Bcfd (Sempra Cameron LNG)
- 9. Cove Point, MD: 0.75 Bcfd (Dominion Cove Point LNG)
- 10. Astoria, OR: 1.30 Bcfd (Oregon LNG)

PROPOSED CANADIAN SITES IDENTIFIED BY PROJECT SPONSORS

- 11. Kitimat, BC: 0.7 Bcfd (Apache Canada Ltd.)
- 12. Douglas Island, BC: 0.25 Bcfd (BC LNG Export Cooperative)

POTENTIAL U.S. SITES IDENTIFIED BY PROJECT SPONSORS

- **13. Brownsville, TX:** 2.8 Bcfd (Gulf Coast LNG Export)
- 14. Pascagoula, MS: 1.5 Bcfd (Gulf LNG Liquefaction)
- 15. Lavaca Bay, TX: 1.38 Bcfd (Excelerate Liquefaction)
- 16. Elba Island, GA: 0.5 Bcfd (Southern LNG Company)
- 17. Sabine Pass, TX: 2.6 Bcfd (ExxonMobil Golden Pass)
- **18. Plaquemines Parish, LA:** 1.07 Bcfd (CE FLNG)

POTENTIAL CANADIAN SITES IDENTIFIED BY PROJECT SPONSORS

19. Prince Rupert Island, BC: 1.0 Bcfd (Shell Canada)

As of October 12, 2012

Office of Energy Projects

Applications Received by DOE/FE to Export Domestically Produced LNG

from the Lower-48 States (as of October 26, 2012)

All Changes Since October 16, 2012 Update Are In Red

Company	Quantity ^(a)	FTA Applications ^(b) (Docket Number)	Non-FTA Applications [©] (Docket Number)
Sabine Pass Liquefaction, LLC	2.2 billion cubic feet per day (Bcf/d) ^(d)	Approved (<u>10-85-LNG</u>)	Approved (<u>10-111-LNG</u>)
Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC	1.4 Bcf/d ^(d)	Approved (<u>10-160-LNG</u>)	Under DOE Review (<u>10-161-LNG</u>)
Lake Charles Exports, LLC	2.0 Bcf/d ^(e)	Approved (<u>11-59-LNG</u>)	Under DOE Review (<u>11-59-LNG</u>)
Carib Energy (USA) LLC	0.03 Bcf/d: FTA 0.01 Bcf/d: non-FTA ^(f)	Approved (<u>11-71-LNG</u>)	Under DOE Review (<u>11-141-LNG</u>)
Dominion Cove Point LNG, LP	1.0 Bcf/d ^(<u>d</u>)	Approved (<u>11-115-LNG</u>)	Under DOE Review (<u>11-128-LNG</u>)
Jordan Cove Energy Project, L.P.	1.2 Bcf/d: FTA 0.8 Bcf/d: non-FTA ^(g)	Approved (<u>11-127-LNG</u>)	Under DOE Review (<u>12-32-LNG</u>)
Cameron LNG, LLC	1.7 Bcf/d ^(d)	Approved (<u>11-145-LNG</u>)	Under DOE Review (<u>11-162-LNG</u>)
Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC ^(h)	1.4 Bcf/d ^(d)	Approved (<u>12-06-LNG</u>)	Under DOE Review (<u>11-161-LNG</u>)
Gulf Coast LNG Export, LLC	2.8 Bcf/d ^(d)	Approved (<u>12-05-LNG</u>)	Under DOE Review (<u>12-05-LNG</u>)
Gulf LNG Liquefaction Company, LLC	1.5 Bcf/d ^(d)	Approved (<u>12-47-LNG</u>)	Under DOE Review (<u>12-101-LNG</u>)
LNG Development Company, LLC (d/b/a Oregon LNG)	1.25 Bcf/d ^(d)	Approved (<u>12-48-LNG</u>)	Under DOE Review (<u>12-77-LNG</u>)
SB Power Solutions Inc.	0.07 Bcf/d	Approved (<u>12-50-LNG</u>)	n/a
Southern LNG Company, L.L.C.	0.5 Bcf/d ^(d)	Approved (<u>12-54-LNG</u>)	Under DOE Review (<u>12-100-LNG</u>)
Excelerate Liquefaction Solutions I, LLC	1.38 Bcf/d ^(d)	Approved (<u>12-61-LNG</u>)	Under DOE Review (<u>12-146-LNG</u>)
Golden Pass Products LLC	2.6 Bcf/d ^(d)	Approved (<u>12-88 -LNG</u>)	Under DOE Review (<u>12-156-LNG</u>)
Cheniere Marketing, LLC	2.1 Bcf/d ^(d)	Approved (<u>12-99-LNG</u>)	Under DOE Review (<u>12-97-LNG</u>)
Main Pass Energy Hub, LLC	3.22 Bcf/d	Pending Approval (<u>12-114-LNG</u>)	n/a
CE FLNG, LLC	1.07 Bcf/d ^(<u>d</u>)	Pending Approval (<u>12-123-LNG</u>)	Under DOE Review (<u>12-123-LNG</u>)
Waller LNG Services, LLC	0.16 Bcf/d	Pending Approval (<u>12-152-LNG</u>)	n/a
Total of all Applications Received		27.58 Bcf/d	23.71 Bcf/d

Office of Oil and Gas Global Security and Supply, Office of Fossil Energy, U.S. Department of Energy

- (a) Actual applications were in the equivalent annual quantities.
- (b) FTA Applications to export to free trade agreement (FTA) countries. The Natural Gas Act, as amended, has deemed FTA exports to be in the public interest and applications shall be authorized without modification or delay.
- (c) Non-FTA applications require DOE to post a notice of application in the Federal Register for comments, protests and motions to intervene, and to evaluate the application to make a public interest consistency determination.
- (d) Requested approval of this quantity in both the FTA and non-FTA export applications. Total facility is limited to this quantity (i.e., FTA and non-FTA volumes are not additive at a facility).
- (e) Lake Charles Exports, LLC submitted one application seeking separate authorizations to export LNG to FTA countries and another authorization to export to Non-FTA countries. The proposed facility has a capacity of 2.0 Bcf/d, which is the volume requested in both the FTA and Non-FTA authorizations.
- (f) Carib Energy (USA) LLC requested authority to export the equivalent of 11.53 Bcf per year of natural gas to FTA countries and 3.44 Bcf per year to non-FTA countries.
- (g) Jordan Cove Energy Project, L.P. requested authority to export the equivalent of 1.2 Bcf/d of natural gas to FTA countries and 0.8 Bcf/d to non-FTA countries.
- (h) DOE/FE received a new application (11-161-LNG) by FLEX to export an additional 1.4 Bcf/d of LNG from new trains to be located at the Freeport LNG Terminal, to non-FTA countries, and a separate application (12-06-LNG) to export this same 1.4 Bcf/d of LNG to FTA countries (received January 12, 2012). This 1.4 Bcf/d is in addition to the 1.4 Bcf/d FLEX requested in dockets (10-160-LNG and 10-161-LNG).
- (i) An application was submitted by Gulf Coast on January 10, 2012, seeking one authorization to export LNG to any country not prohibited by U.S. law or policy. On September 11, 2012, Gulf Coast revised their application by seeking separate authorizations for LNG exports to FTA countries and Non-FTA countries.
- (j) Cambridge Energy, LLC requested authority to export up to 2 million metric tons of LNG annually, equivalent to an average of 0.27 Bcf/d of natural gas to FTA countries in Central and South America, the Caribbean, and the Asia/Pacific region.