From:
To:
LNGStudy

Subject: Comments on the Macroeconomic study of LNG exports conducted by NERA Consultants

Date: Thursday, January 24, 2013 11:36:09 AM

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U.S. Department of Energy (FE-34)

Office of Natural Gas Regulatory Activities

Office of Fossil Energy

P.O. Box 44375

Washington, DC 20026-4375

Subject: Comments on the Macroeconomic study of LNG exports conducted by NERA Consultants

Dear Department of Energy,

The recent economic study produced by NERA Economic Consulting on liquefied natural gas exports is flawed because it fails to support the conclusion that unfettered exports will benefit the United States. This flawed report must be rejected by Department of Energy (DOE).

"Our duty to the whole, including to the unborn generations, bids us to restrain an unprincipled present-day minority from wasting the heritage of these unborn generations. The movement for the conservation of wildlife and the larger movement for the conservation of all our natural resources are essentially democratic in spirit, purpose and method."

-- Theodore Roosevelt

NERA Economic Consulting is an industry-friendly group that only concludes that liquid natural gas (LNG) export is good economics by focusing on all of the money that would flow out of American citizens' pockets and go to the natural gas industry and the wealthiest people in our country. The report completely ignores or unfairly dismisses the real costs to hard-working Americans and our communities, such as: increased costs to heat our homes and businesses; the loss of jobs in industries most affected by LNG exports including domestic manufacturing; and projected costs

associated with environmental destruction due to hydraulic fracturing (fracking) and healthcare costs for those affected by polluted air and water.

"Then I say the Earth belongs to each generation during its course, fully and in its own right, no generation can contract debts greater than may be paid during the course of its own existence."

-- Thomas Jefferson

As the study itself acknowledges, but dismisses, gas exports will increase costs for American consumers and depress wages for some workers. It fails to demonstrate how financial gains for a minority of people who own energy stocks and gas liquefaction plants will somehow outweigh the negative economic and societal impact that exports will have on most Americans.

"I think America will have come to maturity when it will be possible to erect somewhere in the United States a great bronze marker which will read:

"Beneath these lands which surround you there lies enormous mineral wealth. However, it is the judgment of the American people, who locked up this area, that these lands shall not be disturbed, because we wish posterity to know that somewhere in our country, in gratitude to nature, there was at least one material resource that we could let alone."

-- Freeman Tilden

The study is also deficient in that it fails to consider the full costs of mitigating the environmental and health impacts associated with gas extraction. Exporting fracked gas—which requires a carbon-intensive process of liquefying it, cooling it to -260 degrees Fahrenheit, and shipping it—produces 20% to 30% more carbon dioxide than burning gas in the U.S. Furthermore, exporting fracked gas would increase domestic prices, giving utility companies an incentive to use coal-fired power plants —which are beginning to be phased out, largely due to the low price of natural gas —and increasing U.S. carbon emissions overall.

"As we peer into society's future, we—you and I, and our government—must avoid the impulse to live only for today, plundering for our own ease and convenience the precious resources of tomorrow. We cannot mortgage the material assets of our grandchildren without risking the loss also of their political and spiritual heritage. We want democracy to survive for all generations to come, not to become the insolvent phantom of tomorrow."

The study also fails to consider the adverse economic impact that extraction activities will have on local economies in areas where extraction takes place. Greenlighting fracked gas export terminals would have a disproportionate impact on communities near fracking operations. People living near fracking operations already cope with terrifying local impacts, such as: contaminated—even flammable—drinking water; cancer-causing air pollution; massive open pits full of toxic wastewater; huge fleets of diesel trucks; chemical spills; and pipeline explosions. Some residents have even found fracking chemicals and heavy metals in their blood.

"It is our task in our time and in our generation, to hand down undiminished to those who come after us, as was handed down to us by those who went before, the natural wealth and beauty which is ours."

-- John F. Kennedy

Hydraulic fracturing is a toxic threat to American communities and the climate. Allowing fracked gas exports would dramatically increase the scale of and demand for fracking in the United States by giving the fossil fuel industry access to huge foreign markets. I strongly urge the Department of Energy to stand up to the fossil fuel industry and deny all applications to export natural gas. It's time to go back the drawing board and conduct a truly independent study of how LNG exports will impact our communities.

"Every man who appreciates the majesty and beauty of the wilderness and of wild life, should strike hands with the farsighted men who wish to preserve our material resources, in the effort to keep our forests and our game beasts, gamebirds, and game-fish—indeed, all the living creatures of prairie and woodland and seashore—from wanton destruction. Above all, we should realize that the effort toward this end is essentially a democratic movement."

-- Theodore Roosevelt

The DOE has a responsibility to conduct a complete environmental and economic assessment of LNG exports to truly determine if it is to the benefit of the American public. A full environmental impact statement for LNG exports must be conducted, including the impacts in fracked communities. We the People deserve to know what the real costs will be to us when sending natural gas overseas. Additionally, rules must be put in place to protect our interests before the DOE authorizes any exports.

"A thing is right when it tends to preserve the integrity, stability, and beauty of the biotic community. It is wrong when it tends otherwise."

-- Aldo Leopold

Thank you for your consideration of my comments. Please do NOT add my name to your mailing list. I will learn about future developments on this issue from other sources.

Sincerely,

Christopher Lish

Olema, CA