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Filed FE/DOE After hours via email 4:55pm 09/19/16 and Docketed next day

Regarding: FE Docket No. 15-190-LNG

Rio Grande LNG, LLC; Application for Long-Term, Multi-Contract Authorization To Export Liquefied Natural Gas to Non-Free Trade Agreement Nations

I <u>oppose</u> the authorization of Rio Grande LNG, LLC, to export Liquefied Natural Gas to Non-Free Trade Agreement Nations. NextDecade's Rio Grande LNG project is clearly and decisively contrary to our Public Interest.

Any expansion of its proposed operations, such as permission to export to Non-FTA nations would add to the company's negative Public Interest impacts. Especially since the company's proposed project would include its 140 or so mile long, dual 42" Rio Bravo Pipeline.

I speak on my own behalf as a public citizen and stake holder in this matter. My wife and I live in the area that will be severely impacted by Rio Grande LNG's proposed operations at our local Port of Brownsville. We have lived in this area since 1995. We own a home and two rent houses here and pay taxes here. At age 74 and suffering from health problems, I qualify as a member of the "medically vulnerable" population. We have been fighting against the LNG export operations targeting our Port since May 2014.

The more Rio Grande LNG is allowed to expand its marketing and exporting of LNG, the more it will depress our property values, increase our taxes, increase our utility bills, increase our health care costs, and negatively affect our health.

I will be focusing on the issue of Public Interest and how Rio Grande LNG's proposed operations are contrary to our global, national, and local Public Interest.

However, I do want to highlight from the get go that there's a hell of a lot of local opposition to Rio Grande LNG building and operating at our local Port of Brownsville – next door to South Padre Island, TX, and to the largest wetlands restoration project in North America. The same goes for Annova LNG and Texas LNG also targeting our local Port.

For example, in the 4th quarter of 2015, four communities close to our Port passed resolutions against LNG and have this year filed FERC Motions To Intervene against the LNG companies: Port Isabel, Laguna Vista, South Padre Island, and Long Island Village. The Port Isabel School District rejected Annova LNG's

tax break request last year (Rio Grande LNG has recently submitted a similar request). Our Cameron County Commissioners' Court tabled Annova's tax break last year, both candidates for Cameron County Judge pledged to oppose tax breaks for LNG companies at a Valley Interfaith Accountability Meeting earlier this year, and both the Cameron and Hidalgo County Democratic Conventions passed resolutions against both fracking and LNG earlier this year.

Some Central Reasons For The Local Opposition To Rio Grande LNG:

1) Part of the opposition is due to this being the wrong location for such an operation. Both the area around our Port of Brownsville in particular and what we call the Lower Rio Garande Valley in general have been called both "a botanical No-ah's Ark" and the most important of our three national "biojewels."

NextDecade wants to locate its LNG operations at our Port, next door to South Padre Island, Texas. Our Port a) cuts across an important Texas-Mexico wildlife corridor and important US-South America migratory bird routes; b) lies next door to the largest wetland restoration project in North America (the Bahia Grande) and near the Laguna Atascosa National Wildlife Refuge; and c) overlaps the Loma Ecological Preserve and part of the wetland area.

The Santa Ana National Wildlife Refuge, Sabal Palm Sanctuary, and Bentsen Rio Grande State Park all lie within our Lower Rio Grande Valley area. We have a number of nature and birding centers spread across our Valley and regular birding festivals. The combination of all these bring a lot of ecotourists and ecotourism money our way. Not to forget beach tourism, dolphin watch business, commercial and recreational fishing, our retirement communities, and our "Summer Texans (who come down here to avoid northern winters).

Starting around 1910, first agriculture and the urbanization started reducing our natural habitat areas until now we have maybe 5 percent of it left, probably less (with about 3 percent being the total collapse tipping point). **Mitigations that might work elsewhere won't work here.**

2) Part of the opposition is due to the different future we want for our small part of the world, a future incompatible with such operations. The Cameron County area is moving forward with Active Tourism to grow our local economy, compatible with eco- and beach-tourism, our sustainable Gulf shrimping economy, and so on but not with NextDecade's proposed LNG operation (See "Cameron County project seeks to attract 'active tourists'," Roxanna Sanchez, 08-12-2016, Rio Grande Guardian, http://riograndeguardian.com/cameron-county-project-seeks-to-attract-active-tourists/ and the 07-26-2016 draft of the Harlingen / San Benito part of the plan at http://hsbmpo.org/bicycle-pedestrian-master-plan-spring-2016.html).

Another project compatible with a greener, sustainable, more economically viable for our small part of the world: "Brownsville is among six cities nationwide to be selected for technical assistance with "sustainable design strategies" through the U.S. Environmental Protection Agency's 2016 Greening America's Communities program" ("Brownsville seeks [and receives!] EPA assistance for dual-purpose project," Steve Clark, 07-10-2016, The Monitor, http://www.themonitor.com/news/lo-cal/brownsville-seeks-epa-assistance-for-dual-purpose-project/article_7831df66-46ff-11e6-8fdf-3f5b65b60bbb.html/

Also: "On the U.S.-Mexico border, Matamoros and Brownsville plan a binational bike trail," Ana Arana, 08-26-2016, Citiscope, http://citiscope.org/story/2016/us-mexico-border-matamoros-and-brownsville-plan-binational-bike-trail/. And funding has just been approved for adding a 14' wide dedicated, barrier protected bina and pedestrian lane to the Queen Isabella Causeway connecting Port Isabel and South Padre Island: "City of Brownsville to Receive \$10 Million TIGER Grant," Posted by the City of Brownsville Public Relations Officer 08-01-2016 at http://www.cob.us/latest-news-announcements/cityofbrownsvilletoreceive10milliontigergrant/. And Brownsville has been chosen to be one of 50 cities and counties across the nation to participate in the national "Healthiest Cities & Counties Challenge": "City to be part of health challenge, create wellness approach," Frank Garza, 09-15-2016, The Brownsville Herald, http://www.brownsvilleherald.com/news/local/article_c68d10dc-7bb0-11e6-a423-57e5109e971e.html.

- **3)** Part of the concern is with the safety risks posed by such operations and NextDecade's continuing dishonesty about these risks. See "Straight Talk, Not Sales Pitch, about LNG Dangers," Stephanie Herweck, 08-26-2016, Rio Grade Guardian, http://riograndeguardian.com/herweck-straight-talk-not-sales-pitch-about-lng-dangers/.
- 4) Part of the concern is with the medical problems and costs this operation would inflict throughout and beyond our whole county and with NextDecade's refusal to acknowledge impacts outside a thirty mile radius around its proposed Rio Grande LNG export operation. For example, Rio Grande LNG's proposed operation will release a lot of pollution into our air. It says it will emit 400 tons of PM2.5 particulates per year (similar to very fine dust so small that you can't see it or smell it). The Rio Grande Coalition For Healthy Children, including Brownsville Pediatricians Dr Carmen Rocco and Dr Dolly Lucio Sevier, warn that these particulates alone will cost Cameron County between \$120 and \$300 per year in terms of sick days off from work, severe asthma attacks, hospital admissions due to breathing and heart problems, and non-fatal heart attacks. See See "Air pollution" a concern if LNG comes to Valley," Carmen Rocco and Dolly Lucio Sevier, 09-07-2016, Rio Grande Guardian, http://riograndeguardian.com/roccosevier-air-pollution-a-concern-if-Ing-comes-to-valley/. In addition the Rio Grande LNG, Annova LNG, and Texas operations would also put Volatile Organic Compounds (VOCs) into our air, which can cause cancer and birth defects.

For more information on the negative health impacts the Rio Grande LNG operation would have around the Port of Brownsville and across our Lower Rio Grande

Valley Area, see the Rio Grande Valley Coalition For Healthy Children's FERC Motion To Intervene. And my Motion To Intervene (direct link to my Motion: https://ferconline.ferc.gov/SubmissionStatus.aspx?hashcode=rbX7fYTZn31Ro9HtXuiYQ/). See also: "The Rush to Drill for Natural Gas: A Five-Year Update," Madelon L. Finkel and Adam Law, October 2016, American Journal of Public Health: October http://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2016.303398/.

5) Part of the concern is the number of jobs and local economies it's proposed operations will hurt and even kill. These companies like to talk about the economic befits of their proposed operations. The claim upstream, midstream and downstream direct, indirect, and induced jobs and economic activity augmented by multiplier and ripple effects based on Economic Impact Analyses using proprietary software programs shielded from public and peer reviews as to their veracity and validity. What evidence is there that the promised benefits are actually delivered? How is this not purely hypothetical and speculative? So they purportedly utilize US Bureau of Economic Analysis data sets? How does that validate their purported results? What about cannibalization? What about alternative methods of such financial analyses such as "Fiscal," "Qualitative," and "Socio-Economic Impact Analyses? Do their Analyses take into account such negatives as health and safety risks and costs?

As noted above, LNG export operations here would have negative impacts on a number of our local economies. For example, by shutting down the Bay between the Port ship channel and the Gulf due to LNG tanker ship traffic and the Coast Guard imposed safety zones around each ship, these operations could totally destroy our local shrimp industries. As also noted above, these LNG operations would impose health problems and costs on those of us living here and paying taxes here.

6) Part of the concern is with how the proposed operations will add to climate warming and other catastrophic climate change, contrary to the companies' claims that LNG would help reduce the level of global Greenhouse Gas emissions. It is rapidly becoming clear that the real cradle to grave (extraction to final use) methane emission and leak levels make LNG export operations dirtier rather than cleaner than coal.

NextDecade and the other LNG companies claim that they will displace dirtier energy sources globally. But this his hypothetical, speculative. Cheap natural gas may slow the transition to clean, sustainable, renewable energy sources. Rather than displacing dirtier energy sources, it may just be added to those energy sources.

We lack the political will, regulatory capacity, and affordable technologies needed to achieve the theoretically achievable reduction in these methane emissions and leaks.

For example, consider the pickle the EPA's in regarding a Whistleblower claim that a EPA official covered up the underestimation of methane emissions in two high-profile studies. Because EPA declined without comment to conduct an investigation of this scandal requested by 130 groups, on 08-03-2016 NC WARN (http://www.ncwarn.org/) requested an Inspector General investigation of the EPA's failure to investigate allegations that could trigger a major reassessment of methane leakage associated with natural gas production, processing, transportation, and use.

"Whistleblower: EPA Official Covered up Methane Leakage Problems across US Natural Gas Industry – News Release from NC WARN," NC [North Carolina] WARN, 06-08-2016, http://www.ncwarn.org/2016/06/whistleblowerepa-official-covered-up-methane-leakage-problems/.

"Investigation Of EPA Urged In Methane Scandal," NC WARN, 08-05-2016, Popular Resistance, https://www.popularresistance.org/investigation-of-epa-urged-in-methane-scandal/.

Theoretically, the technology's available to reduce such leaks and emissions, but see "Methane Emissions-Reduction Costs Much Higher Than Estimated in 2014, ICF Says," Carolyn Davis, 06-02-2016, NGI's Shale Daily, http://www.natural-gasintel.com/articles/106625-methane-emissions-reduction-costs-much-higher-than-estimated-in-2014-icf-says/. With natural gas prices staying low and stagnant, the fracking companies can't afford to fix the problem. And they don't want to mess with their tried and true method of maintaining optimal natural gas pipeline pressure levels by routinely burping gas (mostly methane) on a regular 24/7/365 basis. PS: They knew they were burping all this methane but didn't include it in their methane emission estimates until it was discovered by independent investigators. Also see:

"The Gas Industry's Dark Cloud: Methane on My Mind," Mina Hamilton, 03-11-2016, http://www.wloe.org/fileadmin/Files-EN/PDF/climate/Fracking/Methane11March2016.pdf/

"EPA Draft Says Oil & Gas Methane Emissions Are 27 Percent Higher than Earlier Estimates," David Lyon, 02-23-2016, Environmental Defense Fund, http://blogs.edf.org/energyexchange/2016/02/23/epa-draft-says-oil-gas-methane-emissions-are-twenty-seven-percent-higher-than-earlier-estimates/

Natural Gas and Global Warming: A Review of Evidence Finds that Methane Leaks Undercut the Climate Benefits of Gas, Frontier Group, 2016. http://frontiergroup.org/sites/default/files/reports/full%20report%20-%20Frontier%20Group%20-%20Natural%20Gas%20and%20Global%20Warming%20-%20July%202016.pdf/. And Rio Grande LNG will also bring Rio Bravo Pipeline (including compressor station) methane leaks and emissions our way.

7) And part of the concern is how LNG was brought our way behind our backs starting in 2012 but us finding out about it only in 2014. It was promoted by the Panama Canal Stakeholders Working Group that was formed within the Texas Department of Transportation in June 2012. The vice-chair of the group was our then Cameron County Judge and now Texas Secretary of State Carlos Cascos. Over 20 of our elected officials and self-appointed, self-important business leaders wrote Letters of Support to DOE on behalf of Gulf Coast LNG (which, along with EOS LNG, Barca LNG, sought DOE permission to operate at our local Port of Brownsville but have since disappeared; Sideco LNG not even requesting DOE permission to operate here).

When we were finally told mid-2015, we were told LNG's good, all good, no bad. We've learned different. We were also told there was no use fighting it because all the elected officials were lined up behind it, there was too much big money behind it, and that this is the way it's always been done here in our small part of the world. But we've proved that fighting it is possible. In addition to being necessary because it is so contrary to <u>OUR</u> Public Interest.

The Public Interest Issue:

The Sierra Club and other NGOs have been challenging FERC's permitting of various LNG export operations in Federal Court. The have argued that these LNG operations are contrary to the Public Interest.

The US Court of Appeals for the District of Columbia Circuit has suggested these challenges should be addressed to DOE instead of FERC: "DOE is greens' new target in export battle," Hannah Northey, 06-29-2016, L&L Publishing LLC, http://www.eenews.net/stories/1060039619/.

Looking at DOE's circa 2012 determination that LNG exports are to be assumed to be in the Public Interest unless shown to be contrary to the Public Interest, I found that determination to be flawed and arguable starting as early as 2013.

This determination seemed primary based on a two-part study:

Part 1, "Macroeconomic Impactsof LNG Exports from the United States," (12-03-2012), was conducted by NERA Economic Consulting (http://energy.gov/sites/prod/files/2013/04/f0/nera_Ing_report.pdf).

Part 2, "Effect of Increased Natural Gas Exports on Domestic Energy Markets" (January 2012), was conducted by the US Energy Information Administration (http://energy.gov/sites/prod/files/2013/04/f0/fe_eia_lng.pdf).

It seems that based primarily but not solely on these studies, DOE decided that, from a macroeconomics perspective, LNG would strengthen the US economy and thereby serve the Public Interest.

However, a 2013 analysis by Synapse Energy Economics, building on and going beyond the NERA Economic Consulting analysis, reached the opposite conclusion ("Will LNG Exports Benefit the United States Economy?"; http://www.synapse-energy.com/sites/default/files/SynapseReport.2013-01.SC_.LNG-Exports-Benefits.13-009.pdf/). Most importantly, the Synapse analysis concluded that although LNG exports would contribute to the growth and income of the oil and gas sector of our economy,

"NERA's own modeling shows that LNG exports in fact cause GDP to decline in all other economic sectors" (including manufacturing and agriculture) and that "The methodology used to estimate job losses in other NERA reports, if applied in this case, would show average losses of wages equivalent to up to 270,000 jobs lost in each year."

The debate over the Public Interest benefits of LNG exports then seemed to grow and expand rather than resolve into any kind of consensus. For example, the US Department of Energy's National Energy Technology Laboratory, Office of Fossil Energy, published a 05-29-2014 study reaffirming that the US would benefit from promoting the exporting of LNG: "Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States," available at http://energy.gov/sites/prod/files/2014/05/f16/Life%20Cycle%20GHG%20Perspective%20Report.pdf/.

However, this National Energy Technology study, like the 2012 NERA, seems also to twist the data to argue that natural gas is cleaner than coal, that domestic US natural gas production is cleaner than Russia's, and that the level of US methane leakage was low (below 2%) and could be made even lower.

Also see "Energy Department Bombshell: LNG Has No Climate Benefit For Decades, If Ever," Joe Romm, 06-04-2014, updated 06-08-2016, Popular Resistance, https://www.popularresistance.org/Ing-has-no-climate-benefit-for-decades-if-ever/. Romm points out, for example, that the NETL's analysis estimates a US methane leakage of 1.1 to 1.6 percent when present estimate go as high as 12% (with 5.4% being the approximate break even point between LNG versus coal). And he also makes the critically important point that "Contrary to the implication of NETL's analysis, natural gas doesn't just displace coal – it also displaces carbon-free sources of power such as renewable energy, nuclear power, and energy efficiency."

And there's also the Industrial Energy Consumers of America claims that "The entire restructuring of the oil and gas industry and its economics have changed and the DOE macroeconomic modeling used to originally provide conditional approval of LNG export applications should not be used": IECA Comments on

FERC's Rehearing for Jordan Cove Energy LNG Export Project, 06-01-2016, http://www.ieca-us.com/wp-content/uploads/06.01.16_Jordan-Cove-LNG-Application.pdf/.

And the EIA has recently emphasized that its Annual Energy Outlook is a projection and not a prediction. In other words, don't bet the farm on findings based on case studies. See "EIA's Annual Energy Outlook is a projection, not a prediction," Owen Comstock, 05-17-2016, U.S. Energy Information Administration, http://www.eia.gov/to-dayinenergy/detail.cfm?id=26272/.

It seems that DOE itself felt a need to revisit these two studies as early as 2014: "United States: US DOE announces fundamental shift in LNG Export Authorization Policy," David Wochner et al, 07-22-2014, Mondaq, http://www.mondaq.com/unitedstates/x/328766/Oil+Gas+Electricity/US+DOE+announces+fundamental+shift+in+LNG+Export+Authorization+Policy. Which resulted in: "Macroeconomic Impacts of LNG Exports Studies," Department of Energy, 12-29-2015, https://www.federalregister.gov/articles/2015/12/29/2015-32590/macroeconomic-impacts-of-Ing-exports-studies/.

DOE now states that the presumption that LNG exports are in the public Interest is "rebuttable" on the basis of factors such as but not limited to negative economic and environmental impacts. Nevertheless DOE still determined, for example, that the Cameron LNG Expansion Project "will not have a significant effect on the human environment" and that it's request for DOE authorization for the export of LNG to non-FTA Nations therefore does not require an environmental impact statement.

"EA-2041: Finding of No Significant Impact [FONSI] for Cameron LNG Expansion Project Regarding Cameron LNG, LLC application seeking Department of Energy authorization to export Liquefied Natural Gas from Cameron LNG Terminal to non-FreeTrade Agreement Nations," US Department of Energy, Office of Fossil Energy, 07-15-2016, http://energy.gov/sites/prod/files/2016/08/f33/EA-2041-FONSI-2016.pdf

I find the 07-29-2016 DOE/FE Order No 3868 regarding Lake Charles more promising but still disappointing. DOE again recognizes that the presumption that LNG exports are in the public interest is "rebuttable" on the basis of factors such as economic impacts and environmental impacts. However, it seems to find that the cumulative public interests accruing to such exports outweigh the cumulative detriments without clarifying how this is figured.

"Opinion and order granting long-term, multi-contract authorization to export Liquefied Natural Gas by vessel from the Lake Charles Terminal in Casieu Parish, Louisiana, to non-Free Trade Agreement Nations," US Department of Energy, Officie of Fossil Energy, 07-29-2016, http://energy.gov/sites/prod/files/2016/07/f33/ord3868.pdf

I doubt that I will be the only one who will feel offended and betrayed if it turns out that DOE has intentionally blinded and lobotomized itself to make such FONSI determinations.

I hope that these two rulings reflect the lag between the slow and tedious development of policy and the onrush of current developments as more and more people turn more and more attention to industry claims based on questionable economic impact analyses and the downplaying of cradle to grave, extraction to final usage methane leakage (not even to mention all the end of decommissioning and cleanup costs left over after the party's over or the ever lingering medical costs, shortened lives, and despoiled lands associated with the whole breath of the of it all).

I therefor call on DOE to require an environmental impact statement as a first step in responding to Rio Grande LNG's requested authorization to export Liquefied Natural Gas to Non-FTA Nations and to set forth the details on how it determines whether or not our concerns reflected above are adequate for rebutting the assumption that such exports would NOT be in our local, national, or global Public Interest.

Thank you for your consideration of my comments,

John Young, LPC, LMFT, LCSW