### **Posting of Off-the-Record Communication**

The attached document was sent to the Department of Energy in reference to this proceeding, Alaska LNG LLC, docket number 14-96-LNG. This document is considered "off-the-record communication" under 10 CFR 590.102 and 590.108 because the person/entity who submitted it is an "interested person," the communication was directed to a "decisional employee," and the communication addressed the merits of the proceeding.

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# Governor Mike Dunleavy STATE OF ALASKA

May 10, 2022

The Honorable Joseph R. Biden President of the United States The White House 1600 Pennsylvania Avenue, NW Washington D.C. 20500

Dear President Biden,

I am writing to you in advance of your trip to Japan and the Republic of Korea later this month. We share a common goal of providing U.S. allies with a dependable supply of clean energy. This vision allows allies to reduce reliance on adversarial nations for energy, strengthen our common security interests, and lower carbon emissions.

The Alaska LNG Project achieves these objectives. Fully permitted and designed to export 20 million metric tons of low-carbon LNG annually, Alaska LNG will reduce global carbon emissions by 77 million tons a year. Alaska LNG is roughly the equivalent of LNG output from the Yamal project in Russia. Except that Alaska LNG is clean using gas that has been processed to remove CO<sub>2</sub>, permanently sequesters the CO<sub>2</sub> and does not require 1,500 flares of gas as Yamal does.

Russia's energy-driven invasion of Ukraine has had profoundly negative repercussions in energy markets around the world and exacerbates the impending global LNG supply shortage. Europe has relied on Russia for 40 percent of the continent's natural gas, and European and Asian nations are now turning to coal and oil energy sources with much higher emissions. Alaska LNG can help meet those needs with clean gas.

For 50 years, the U.S. reliably exported LNG from Alaska to Japan without ever missing a scheduled shipment, but today the U.S. lacks a West Coast LNG export terminal to serve the Pacific Rim. All U.S. LNG exports currently originate from the Gulf Coast or the East coast, generating significant additional unnecessary shipping emissions to reach Asia and subjecting LNG cargos to the vulnerability of a canal transit chokepoint.

Bringing Alaska LNG online as quickly as possible will enable the U.S. to once again directly serve Asian markets with clean U.S. energy and enable existing U.S. LNG facilities to focus on

The Honorable Joseph R. Biden May 10, 2022 Page 2 of 3

serving European nations in need. Every cargo of U.S. LNG delivered to Europe right now acts as a stabilizing force that weakens Russia and Vladimir Putin.

Here is a summary of Alaska LNG benefits for your consideration during your trip:

- Alaska LNG will reduce global greenhouse gasses. Alaska LNG will replace equivalent Asian coal consumption and reduce greenhouse gasses by 77 million tons per year. The equivalent impact of building 16,000 wind turbines. Alaska LNG likely has the greatest positive climate impact of any energy project in the United States.
- Alaska's North Slope natural gas is produced conventionally. Enough natural gas is already produced on the North Slope 8 billion cubic feet per day to meet the energy needs of California, Oregon and Washington but this gas is reinjected because there's currently no infrastructure to bring it to market and unlock the climate benefits it holds. Unlike other LNG projects, Alaska LNG will not require significant new drilling or fracking.
- Alaska LNG is the only permitted US LNG project on the Pacific Coast. Existing
  U.S. LNG export capacity is on the Gulf and Atlantic coasts, suppressing our ability to
  serve Asian markets.
- Alaska has massive accessible carbon sequestration potential. Alaska LNG is a springboard to scalable hydrogen or ammonia production. Allowing the U.S. to remain a clean energy export powerhouse for the foreseeable future.
- Alaska LNG is critical for domestic energy security. Alaska LNG will provide a secure source of energy to strategically important military bases in Alaska.
- This project has earned broad bipartisan community support. Alaska LNG proudly received an endorsement from the Alaska Federation of Natives, organized labor, and numerous other groups.

Discussing the low-carbon benefits of Alaska LNG during your visits with Japanese and South Korean leaders will foster international cooperation on energy and climate issues important to all nations. The State of Alaska stands ready to provide LNG to Japan and Korea along with the enhanced geopolitical stability that comes from deepened trade relationships between reliable partners.

Our interests are aligned on the benefits of Alaska LNG, a transformational North Pacific U.S. energy project. By supporting Alaska LNG, the U.S. offers Asian allies both energy security and a clean energy transition runway.

I will be traveling to Japan shortly after your visit to meet Japanese industry and governmental leaders to discuss Alaska LNG and Alaska's clean fuel strength. My hope is that you and I

The Honorable Joseph R. Biden May 10, 2022 Page 3 of 3

present a unified message to our Asian allies regarding Alaska LNG's potential. Please do not hesitate to contact me at any time should you or your staff have any questions regarding Alaska LNG.

Sincerely,

Michael Dunleavy

Governor

#### Enclosure

cc: The Honorable Jennifer Granholm, U.S. Secretary of Energy

The Honorable Pete Buttigieg, U.S. Secretary of Transportation

The Honorable John Kerry, Special Presidential Envoy for Climate

The Honorable Lisa Murkowski, United States Senate

The Honorable Dan Sullivan, United States Senate

Congressional Office for Alaska

# What is the real cost of cheap Russian gas?

Published on 22/10/2019, 1:28pm

Comment: Few people in the West think about the ethics of buying fossil fuels from Vladimir Putin's Russia



Gazprom's Bovanenkovo gas field on the Yamal Peninsula (Photo: TASS/Kremlin)

### By Yevgeniya Chirikova

Are Europeans really aware of where their cheap Russian gas comes from? Let's start with the place where the gas is extracted: in the Yamal Peninsula.

This is where the gas from the Nord Stream 2 pipeline will be produced. Yamal did not originally belong to Russia. The Russian Empire began the colonisation of Yamal in the 16th century.

The Russian empire was mainly interested in profiteering from the region's fur, which it sold to Europe. One third of the Russian state's public treasury derived from the fur trade with the West. Before that could happen, land was seized. The indigenous peoples of Yamal resisted colonisation and, in response, the colonialists brutally killed them.

The Soviets separated indigenous peoples from their children and reindeers by force. Indigenous peoples have organised the Mandalada, a movement to safeguard their traditional way of life. After fierce resistance, Mandalada participants were arrested.

The discovery of oil and gas deposits in the Yamal Peninsula, which promised the region prosperity, did not improve, but rather worsened the situation. Gazprom continues to seize the lands of the indigenous peoples of Yamal in an attempt to extract even more gas. As a result, the local population is left without grazing [land] for its reindeer. For the indigenous peoples of Yamal, little has changed since the 16th century: the empire took furs from them and sold them to the West. Now the empire is taking oil and gas from them and selling it to the West. The lion's share of tax revenue from the sale of fossil fuels does not remain in the Yamal region, but is sent to Moscow.

Russia formally joins Paris Agreement

One of the serious climatic problems in Yamal is gas flaring. It is barbaric and wasteful. Due to procedural imperfections, the gas is simply burned and released into the atmosphere, increasing greenhouse gas emissions. According to the World Bank, Russia is the world's biggest gas flare emitter. In 2018, Russia accounted for nearly 21.3% of global gas flaring.

In the Yamal Peninsula, there are about 1,500 such flares. Gazprom systematically pollutes the atmosphere with greenhouse gases. In 2015, the local prosecutor's office in Yamal increased methane emissions six-fold and carbon black emissions 37-fold.

The Russian authorities are not fighting Gazprom's environmental crimes. The fines and warnings that Yamal prosecutors impose on Gazprom don't have any impact on the company's behaviour.

Indigenous Finno-Ugric peoples saw their rights violated during the construction of Nord Stream 2. The gas pipeline destroyed the native Finno-Ugric lands and the Kurgalsky reserve, which is home to rare plants, mosses and bird species.

Nord Stream 2 AG, the company behind the project, has hidden the true value of the Kurgalsky reserve. The real consequences of the construction of the gas pipeline on this nature reserve were never mentioned, be it during the public hearings on the project in Russia and other countries, or in the company's Espoo report.

Greenpeace Austria has obtained secret minutes of meetings between the Russian government, Nord Stream 2 AG and Gazprom, during which they discussed changes to environmental legislation.

Surveys began illegally, without any permits, on the Kurgalsky reserve. As a result of this intrusion into a unique ecosystem, hundreds of rare plants have been destroyed.

The fight for the world's largest forest

Double standards are rife when it comes to carving out the routes of the gas pipeline in Germany and Russia. In Germany, where the value of the coastal territory is lower than that of the Kurgalsky reserve, Nord Stream 2 AG considers that it is possible to use a micro-tunneling construction method. In Russia, under similar conditions and with the incomparably higher value of the Kurgalsky Reserve, the "traditional method of construction with a 85m wide open trench" has been adopted. This method has a negative impact on the ecosystem of the Kurgalsky Reserve.

Nord Stream 2 violates Russian rights. The truth is that after selling Russian gas to the West, there are not enough to meet the needs of the Russian people. Gas programmes have been reduced: 30% of Russians live in gas-free houses.

The Russian authorities fix this internal energy supply problem in the most environmentally damaging way possible: they use coal instead of gas. The operation of coal-fired power plants, which are not equipped with modern filters, leads to real environmental catastrophes. For example, in Krasnoyarsk, residents often witness the "black sky" effect caused by finely fragmented coal dust.

Thanks to the Nord Stream 2 project, Europeans will receive less polluting gas. While the Russians will choke on coal dust, the indigenous peoples of Yamal will continue to suffer from gas combustion by Gazprom and will be deprived of the best pastures, and the unique Kurgalsky reserve will suffer severely. With the proceeds from the sale of fossil fuels, Putin's regime is able to achieve its archaic political ambitions, carry out political repression, seize the territories of neighbouring states, bribe Western politicians and produce propaganda. Obviously, without the demand for Russian gas, Putin's plan would simply not work.

Are Europeans okay with this reality and with the price of "cheap" Russian gas?

Yevgeniya Chirikova is a Russian environmental activist who received the Goldman Prize for the Environment in 2012 for her fight to preserve the Khimki forest from the Moscow-St. Petersburg motorway.

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