

Posting of Off-the-Record Communication

The attached document was sent to the Department of Energy in reference to this proceeding, Venture Global CP2 LNG, LLC, Docket No. 21-131-LNG. This document is considered an “off-the-record communication” under 10 CFR 590.102 and 590.108 because (1) the person/entity who either made the communication or knowingly caused the communication to be made is an “interested person;” (2) the communication was directed to a “decisional employee;” and (3) the communication “is relevant to the merits of the proceeding.”

The comment period for this proceeding has closed. This communication is posted here in compliance with regulations. As provided in 10 CFR 590.108(a)(5), a request by a party wishing to rebut this communication, on the record, may be submitted in writing. As specified in this regulation, such requests will be granted “only for good cause.”

James Hiatt
Director, For a Better Bayou
Lake Charles, Louisiana
James@betterbayou.net

Roishetta Ozane
Director, Vessel Project of Louisiana
Lake Charles, Louisiana
roishetta@gmail.com

Jennifer M. Granholm
Secretary, U.S. Department of Energy

November 16, 2023

Dear Secretary Granholm,

While we are glad to see you in LaPlace today, those of us in Southwest Louisiana - Lake Charles down the Calcasieu River to Cameron and over to Sabine Pass - really need you to visit our region. Your policies regarding the buildout of LNG export terminals and carbon capture are having an immensely negative impact on our lives and we want you to show you first hand. The Department of Energy is currently considering export licenses for Lake Charles LNG, Commonwealth LNG, and CP2 LNG, and we implore you to reject those applications.

In September, the White House reaffirmed that when the Department of Energy considers an application for a license to export gas to non-FTA countries, it must determine whether it is in the public's interest, considering the economic and environmental impacts of the exports.¹ Based on our experiences living with the environmental and economic impacts of Cameron LNG and Calcasieu Pass LNG, we strongly believe that there is no way the Biden Administration can determine that building more export terminals is in the public's interest.

Over the years, the fossil fuel and petrochemical industries have taken over Southwest Louisiana. They did so with a promise of jobs and economic growth, though we have not seen any of those benefits. Instead, the jobs are given to people from elsewhere. Local hotels and RV parks are packed with contract workers, and plant parking lots are full of trucks with out of state license plates. We have known that anecdotally for a while, but recently a journalist published a report detailing how industry across the board does not hire locals, specifically black workers.² While that report focuses on Cancer Alley where you are visiting today, the findings hold here in Southwest Louisiana. No more than a few local people have been hired to work in the existing Calcasieu Pass LNG terminal and even fewer at the Cameron LNG facility. People in Cameron Parish said yes to Calcasieu Pass LNG because they needed jobs and economic opportunities, but those never materialized for them. The majority of locals now oppose CP2 LNG and the other LNG projects.

Even worse than jobs going to people outside our region, the LNG companies do not pay state or local taxes. Venture Global's tax abatement for Calcasieu Pass LNG given by Louisiana's

¹ <https://www.whitehouse.gov/wp-content/uploads/2023/09/HR1130-SAP.pdf>

² <https://lailluminator.com/2023/10/06/job-promises/>

ITEP is valued at \$184 million every year, the equivalent of over \$36,000 per person in Cameron Parish each year.³ CP2 LNG would have a similar or even higher value. Cameron LNG, which is also operating in Cameron Parish, will avoid paying \$3.4 billion in taxes over 10 years, while Sabine Pass LNG will avoid paying \$4.8 billion.⁴ Most of the people who remain in Southwest Louisiana are poor. Our school systems are among the most under-resourced in the country, and our roads and bridges are bad.⁵ We need this kind of investment in our region, but the LNG and other industries are not providing it. The companies and industry argue that they cannot be profitable without these tax abatements, which leaves us stuck with all of the terrible environmental and health impacts and no jobs, so they can make billions of dollars in profit.

It gets worse than that. For its entire history, Southwest Louisiana has had a strong fishing industry that has provided an honest, sustainable living for people. Living with two LNG export terminals has taught us that the fishing and LNG industries are mutually exclusive. The dredging required for the massive tankers has disrupted some of our most valuable oyster beds, fisheries, and shrimping areas. And it is very difficult for fish and shrimp boats to use the Calcasieu River when they are full of the massive LNG tankers. We were already competing with cheap shrimp imports, but the LNG industry has made it nearly impossible for us to make a living, driving many out of business altogether.

One last point on the economic impacts of the LNG exports. Every few months it seems like there is a new study showing that gas exports are causing domestic energy prices to increase. The US Energy Information Administration says that “higher LNG exports results in upward pressure on U.S. natural gas prices and that lower US LNG exports results in downward pressure.” There is new analysis out from the Rhodium Group that “even if global energy prices do not remain at elevated levels, the growth in U.S. LNG exports will still keep natural gas prices higher than what they would have been with the decline in domestic gas demand.”⁶ Even here in Southwest Louisiana where we are surrounded by oil and gas, we are experiencing the higher energy prices that everyone else in the country is experiencing.

If you were to visit the region, you’d learn how badly we’re being impacted by climate change. The town of Cameron, which hosts Calcasieu Pass LNG and would also host the CP2 LNG and Commonwealth LNG across the river, used to be a thriving fishing village with several thousand people. But following a series of hurricanes, only a few hundred people are left. For those that remain, insurance is so expensive that no one can afford it. The LNG export terminals are making the climate impacts worse. If built, CP2 LNG would damage 1700 acres of wetlands right on the Gulf coast. It would be adjacent to the Calcasieu Pass LNG terminal which has already destroyed more than 1500 acres of wetlands and marshes. All of the wetlands up and down the Calcasieu River protect our homes and communities when there is flooding. There is no way to overstate the important role they play in our safety and wellbeing, and their destruction is in no way in the public’s interest.

³ <https://www.1012industryreport.com/oil-gas/lng/venture-global-gets-lion-share-of-itep-tax-breaks/>

⁴ https://environmentalintegrity.org/wp-content/uploads/2022/09/Chapter-9-LNG-guide-8_11_22-v3.pdf

⁵ <https://www.youtube.com/watch?v=RWTic9btP38>

⁶ <https://www.americanprogress.org/article/lng-exports-raise-natural-gas-prices-for-americans/>

The health impacts of methane leaks and air pollution is also too much to impose on our region. The emissions from Calcasieu Pass LNG and Cameron LNG have been extreme over the past few years, and approving export licenses for CP2 LNG, Commonwealth LNG, and Lake Charles LNG will only mean that we are breathing more methane, nitrogen dioxide, and carcinogens like Benzene. We watch Calcasieu Pass LNG burning their flares almost 24/7 and Cameron LNG is no better. Last year we were able to use a FLIR camera and see all the invisible emissions that are not being burned, rather just dumped into the air we breathe. There is a lot of evidence that exposure to methane and nitrogen dioxide have negative impacts on our health. A recent study found that “nitrogen dioxide exposure near time of conception was tied to more than double the miscarriage risks vs. less exposure.”⁷ We are experiencing more asthma and other chronic diseases, and we don’t know what to do about it. Louisiana state agencies keep permitting industry to emit more and more pollution, but cannot afford to provide health care because of all the revenues they forfeited to tax abatement programs. The health impacts from these LNG facilities alone should lead the Department of Energy to conclude that more LNG export terminals are not in the public interest.

Finally, the risk of explosion at LNG terminals is too high. Of the five LNG export terminals operating in the Gulf, three have already experienced serious safety issues. Sabine Pass LNG experienced a long series of leaks from 2010 to 2018 that the Cheneire could not find and repair.⁸ Not only that, Cheneire did not report the leaks until 2018. In 2022, Freeport LNG had a major explosion that was caused by human error resulting from the plant not having enough employees.⁹ Though PHMSA did release a report on the explosion, it was so heavily redacted that it was hard to tell what really happened. One thing that was clear is that the explosion could have been much worse. Earlier this year, Venture Global reported that their Calcasieu Pass LNG facility had cracks and leaks in their tanks that needed maintenance, preventing them from securing their final permits.¹⁰ The problems have led to near constant flaring and venting of gas. As frontline communities worried about the safety of our families, we have asked for risk analyses and emergency management plans. Companies deny our requests citing the need to protect company secrets, which we take as them prioritizing their competitive advantage over our need to know we are safe. Government agencies deny our requests citing the need to protect national security. To that, we respond that if they are that dangerous, why are they allowing them to be built in our communities?

7

<https://www.healio.com/news/womens-health-ob-gyn/20231103/exposure-to-nitrogen-dioxide-particulate-matter-increases-miscarriage-risk>

⁸ <https://www.desmog.com/2018/02/18/cheniere-sabine-pass-lng-export-facility-history-leaks/>

⁹ <https://www.eenews.net/articles/fatigue-contributed-to-texas-lng-explosion-probe-says/>

¹⁰

<https://ieefa.org/articles/ieefa-us-calcasieu-pass-lngs-unreliable-operations-result-excessive-pollution-and-profits#:~:text=One%20of%20the%20major%20issues,by%20design%20and%20construction%20flaws.&text=Because%20of%20the%20lengthy%20commissioning,long%2Dterm%2C%20contracted%20offtakers.>

Considering these factors - and there are more - we believe the Department of Energy must determine that LNG export terminals are not in the public interest. They adversely impact so many aspects of our lives, drive up national energy prices, and contribute significantly to climate change. Even if they started construction tomorrow, CP2 LNG, Commonwealth LNG, and Lake Charles LNG would not come online for another four years or more so even arguments that we need to supply gas to our European countries is not enough. And there are already so many other LNG terminals coming on line that exports are expected to double by 2027, more than satisfying the needs of EU countries.

Secretary Granholm, we invite you to come to Southwest Louisiana to get to know our people and the rich culture and environment we are working to protect. You have the power to halt the devastating impacts that LNG exports are having on our lives and that threaten all that we hold dear. We hope that by visiting our region, you will agree that Enough is Enough, and that more LNG export terminals is not in the public's interest.

Sincerely,

James Hiatt
For a Better Bayou

Roishetta Ozane
Vessel Project