

September 21, 2019

Via coast.permits@state.or.us

Coastal Management Program-DLCD 635 Capitol St. NE, Suite 150 Salem, OR 97301-2540

Re: July 23, 2019 Coastal Project Notice for the Jordan Cove Energy Project and Pacific Connector Gas Pipeline.

To Whom it May Concern:

The Jordan Cove Energy Project (JCEP) and the Pacific Connector Gas Pipeline (PCGP) (collectively "the projects") are critical infrastructure projects that transport and export natural gas in a responsible manner while providing the benefits of clean-burning natural gas to U.S. allies in Asia. The projects would be sourced by natural gas from Colorado, Utah, and Wyoming, where it is produced in accordance with the strictest environmental requirements in the nation and world. The projects will adhere to the environmentally protective construction requirements in the Federal Energy Regulatory Committee (FERC)¹ and U.S. Army Corps of Engineers (Corps)² permits submitted to the Department of Land Conservation & Development (DLCD), ensuring that coastal resources and wetlands are protected.

Western Energy Alliance supports the DLCD finding that the projects are consistent with the Oregon Coastal Management Program (the Program) since the mitigation and restoration measures planned during construction will meet all state and local Enforceable Policies. The projects will implement mitigation and remediation measures that will benefit local water resources and wildlife while also benefitting the wider economy and delivering reductions in greenhouse gas emissions.

Western Energy Alliance represents 300 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in the West. Alliance members are independents, the majority of which are small businesses with an average of fourteen employees.

WATERS AND WETLANDS

<sup>&</sup>lt;sup>1</sup> FERC Docket No. CP17-494-000 and CP17-495-000

<sup>&</sup>lt;sup>2</sup> Corps of Engineers Permit #NWP2017-041

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The projects use proven methods and technologies to safely cross beneath southern Oregon waterways and avoid impacts to aquatic life. The projects will avoid construction-related sedimentation by crossing under Coos Bay using horizontal drilling. Drilling cuttings produced during drilling are managed so that they do not come in contact with bodies of water, but are collected, managed and transported to proper disposal facilities. In consultation with Oregon Department of Environmental Quality (ODEQ), the project proponent has tailored the original plans to minimize potential groundwater contamination by developing remediation procedures to ensure any inadvertent drill mud releases are contained.

The projects also use industry-standard water modeling software to determine the potential temperature change from right-of-way vegetation clearing. The slight temperature increase induced by the projects of between 0.03 and 0.3 degrees Fahrenheit is insignificant against the river temperature changes modelled throughout the day.<sup>3</sup> The projects even include enhanced monitoring protocols to reduce pipeline integrity risks in areas where there is potential for seismicity and landslides.

## **SPECIES PROTECTION**

The projects were developed in consultation with federal land agencies to include measures that minimize construction disturbances in the project plans. The construction and operations go above and beyond the minimum required mitigation to protect larger areas for wildlife habitat. The projects restore over 400 acres of upland habitat at three separate sites to maintain the levels of birds, reptiles, and wild horses in the construction affected areas. The PCGP project also has adjusted the planned pipeline route to protect old growth forests, enhance northern spotted owl habitat, and reduce the visual disturbances to hikers.

To help restore the estuarine habitat the Kentuck golf course will be returned to prime tidal saltwater marsh habitat for salmon and other fish species. When completed, the Kentuck project will increase the population of threatened Coho salmon and other fish species. Corps permit conditions commit the project proponent to return the wild coastal salmon population back to a healthy and sustainable level and also detail methods to exclude and salvage fish from work areas.

# **REDUCING GREENHOUSE GAS EMISSIONS**

The projects will deliver climate change benefits that are consistent with the goals of the Program. American companies produce clean-burning natural gas in an environmentally responsible manner that has enabled the United States to reduce greenhouse gas

<sup>&</sup>lt;sup>3</sup> <u>Jordan Cove Energy Project Draft Environmental Impact Statement</u>, Federal Energy Regulatory Committee, March 2019, Page 4-115

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emissions by 14% since 2005, more than any other country.<sup>4</sup> By exporting western natural gas, we can export those clean air and climate change benefits to allies in Asia such as Japan.

The increased use of clean-burning natural gas in the United States has provided significant climate change benefits. Because natural gas has 55% lower carbon dioxide emissions than coal,<sup>5</sup> it delivers huge GHG reductions in the electricity sector, where emissions are nearly ten times higher.<sup>6</sup> Natural gas has delivered 61% of the reduction in greenhouse gases resulting from fuel switching in the electricity sector, removing 2,360 million metric tons of carbon dioxide equivalents since 2005.<sup>7</sup> In contrast, wind and solar have only reduced GHG emissions by 1,494 million metric tons, or 39% of the total reduction.<sup>8</sup> Moreover, the American oil and natural gas industry has decreased methane emissions from production by 14% over the last four decades at the same time it has increased production over natural gas production over 50% and oil production over 80%.<sup>10</sup>

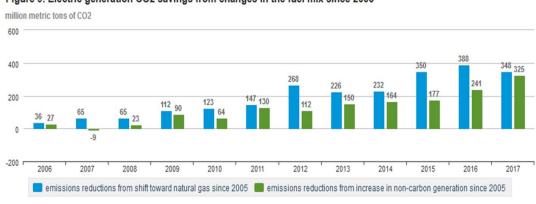


Figure 9. Electric generation CO2 savings from changes in the fuel mix since 2005

Sources: U.S. Energy Information Administration, August 2018 Monthly Energy Review,

#### SOCIO-ECONOMIC

The direct local economic impacts of 43,232 jobs and \$9.3 billion economic impact of the project are described in the FERC permit application, but the indirect and induced impacts

<sup>&</sup>lt;sup>4</sup> <u>U.S. Energy-Related CO2 Emissions Fell Slightly in 2017</u>, Energy Information Administration (EIA), September 2018.

<sup>&</sup>lt;sup>5</sup> Cost and Performance Baseline for Fossil Energy Plants, U.S. Department of Energy, July 2015.

<sup>&</sup>lt;sup>6</sup> Sources of Greenhouse Gas Emissions, EPA, 2016.

<sup>&</sup>lt;sup>7</sup> <u>U.S. Energy-Related Carbon Dioxide Emissions, 2007</u>, EIA, September 2018.

<sup>&</sup>lt;sup>8</sup> Note that EIA and EPA use carbon dioxide equivalents in their inventories and analyses, thereby taking into account the higher potency of methane to allow for direct comparisons among the various GHGs. Methane accounts for 10.2% of total U.S. GHG emissions.

<sup>&</sup>lt;sup>9</sup> Sources of GHG Emissions, EPA, 2016.

<sup>&</sup>lt;sup>10</sup> Petroleum and Natural Gas Production, EIA, 2018.

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outside of southern Oregon are not adequately analyzed. According to a 2015 PricewaterhouseCoopers study, the oil and natural gas industry already supports 57,550 jobs and \$5.4 billion in annual employee wages in Oregon. The project will help increase that economic impact in Oregon by creating construction jobs for the terminal and pipeline, as well as long-term jobs to operate and maintain them. In addition, the increased natural gas production that will occur to supply the pipeline and terminal will help to increase the long-term, permanent jobs reflected in the PWC study. These jobs include truck drivers, engineers, construction workers, and contractors who make oil and gas production and delivery possible.

The natural gas feeding the pipeline and exported via the terminal will also create economic and job growth throughout the West. Upstream economic impacts from the energy-producing states and tribes that produce the natural gas flowing into the Ruby pipeline that directly feeds the PCGP will be significant. Colorado, Wyoming, Utah, the Ute Indian Tribe, and the Southern Utes all produce natural gas that could be exported via the projects. An ICF International study estimates the projects will create 39,366 upstream jobs to produce the natural gas that will be exported via the projects.<sup>12</sup>

## **NATIONAL SECURITY**

The projects have national energy security implications for the United States and our allies. LNG offsets the dependency of our allies on energy supplies from our geopolitical competitors in the Middle East and Russia. Providing our allies will a stable source of clean-burning energy that displaces coal also has strategic implications in helping our allies reduce the amount of greenhouse gases they emit and their impact on climate change.

We appreciate the opportunity to provide comments on the Jordan Cove Energy Project and Pacific Connector Gas Pipeline, projects of significant importance for Oregon, the West, the United States, and our allies.

Sincerely,

Kathleen M. Sgamma President

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<sup>&</sup>lt;sup>11</sup> Impacts of the Oil and Natural Gas Industry on the US Economy in 2015, American Petroleum Institute (API), 2017

<sup>&</sup>lt;sup>12</sup> <u>U.S. LNG Exports: Impacts on Energy Markets and the Economy</u>, ICF International for API, 2013, p. 104.