

Participating Organizations

Alliance for a Living Ocean
American Littoral Society
Arthur Kill Coalition
Asbury Park Fishing Club
Bayberry Garden Club
Bayshore Regional Watershed Council
Bayshore Saltwater Flyrodders
Belford Seafood Co-op
Belmar Fishing Club
Beneath The Sea
Bergen Save the Watershed Action Network
Berkeley Shores Homeowners Civic Association
Cape May Environmental Commission
Central Jersey Anglers
Citizens Conservation Council of Ocean County
Clean Air Campaign, NY
Coalition Against Toxics
Coalition for Peace & Justice/Unplug Salem
Coast Alliance
Coastal Jersey Parrot Head Club
Communication Workers of America, Local 1034
Concerned Businesses of COA
Concerned Citizens of Bensonhurst
Concerned Citizens of COA
Concerned Citizens of Montauk
Concerned Students and Educators of COA
Eastern Monmouth Chamber of Commerce
Fisher's Island Conservancy
Fisheries Defense Fund
Fisherment's Dock Cooperative, Pt. Pleasant
Friends of Island Beach State Park
Friends of Liberty State Park, NJ
Friends of the Boardwalk, NY
Garden Club of Englewood
Garden Club of Fair Haven
Garden Club of Long Beach Island
Garden Club of Middletown
Garden Club of Morristown
Garden Club of Navesink
Garden Club of New Jersey
Garden Club of New Vernon
Garden Club of Oceanport
Garden Club of Princeton
Garden Club of Ridgewood
Garden Club of Rumson
Garden Club of Short Hills
Garden Club of Shrewsbury
Garden Club of Spring Lake
Garden Club of Washington Valley
Great Egg Harbor Watershed Association
Highlands Business Partnership
Highlands Chamber of Commerce
Hudson River Fishermen's Association/NJ
Jersey Coast Shark Anglers
Jersey Shore Captains Association
Jersey Shore Running Club
Junior League of Monmouth County
Keypoint Environmental Commission
Kiwans Club of Manasquan
Kiwans Club of Shadow Lake Village
Leonardo Party & Pleasure Boat Association
Leonardo Tax Payers Association
Main Street Wildwood
Marine Trades Association of NJ
Monmouth Conservation Foundation
Monmouth County Association of Realtors
Monmouth County Audubon Society
Monmouth County Friends of Clearwater
Montauk Fisherman's Emergency Fund
National Coalition for Marine Conservation
Natural Resources Protective Association, NY
NJ Beach Buggy Association
NJ Commercial Fishermen's Association
NJ Environmental Federation
NJ Environmental Lobby
NJ Main Ship Owners Group
NJ Marine Educators Association
NJ PIRG Citizen Lobby
Nottingham Hunting & Fishing Club, NJ
NYC Sea Gypsies
NY Marine Education Association
NY/NJ Baykeeper
Ocean Wreck Divers, NJ
PaddleOut.org
Piscataway Saltwater Sportsmen Club
Raritan Riverkeeper
Religious On Water
Riverside Drive Association
Rotary Club of Long Branch
Rotary District #7510 - Interact
Saint George's by the River Church, NJ
Saltwater Anglers of Bergen County
Sandy Hook Bay Anglers
Save Barnegat Bay
Save the Bay, NJ
SEAS Monmouth
Seaweeders Garden Club
Shark Research Institute
Shark River Cleanup Coalition
Shark River Surf Anglers
Shore Adventure Club
Shore Surf Club
Sierra Club, NJ Shore Chapter
Soroptimist Club of Cape May County
South Jersey Dive Club
South Monmouth Board of Realtors
Staten Island Friends of Clearwater
Staten Island Tuna Club
Strathmere Fishing & Environmental Club
Surfers' Environmental Alliance
Surfrider Foundation, Jersey Shore Chapter
TACK I, MA
Terra Nova Garden Club
Unitarian Universalist Congregation / Monm. Cnty.
United Boatmen of NY/NJ
United Bowhunters of NJ
Volunteer Friends of Boaters, NJ
WATERSPIRIT
Women's Club of Brick Township
Women's Club of Keypoint
Women's Club of Long Branch
Women's Club of Merchantville
Zen Society, NJ

Clean Ocean Action



Ocean Advocacy
Since 1984

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Statement on Behalf of Clean Ocean Action to The New Jersey Assembly and Solid Waste Committee and New Jersey Senate Environment Committee Public Hearing, August 7, 2008, Toms River Township Municipal Building (Excerpted from a Clean Ocean Action report, to be released)

The price of energy has catapulted energy issues to the top of public debate and galvanized the nation. The need to become more energy independent and efficient has become unifying battle cries. At the same time, the effects of global climate change are apparent, including dramatic swings in weather, sea level rise, and ocean acidification. Consequently, the need to reduce our greenhouse gas (GHG) emissions is also at center stage.

New Jersey (NJ) has already taken steps to address these issues, and has become a national leader in energy conservation, renewables sources, and reducing greenhouse gas emissions. Further, as he took office, Governor Corzine directed New Jersey to develop an Energy Master Plan to, in part, meet goals for renewable energy and emissions reductions by 2020 and beyond. This is an important and critical opportunity to shape NJ's energy future. A final plan is expected in the Fall of 2008.

Into this volatile, complex, evolving environment, a new energy debate is unfolding just off the Jersey Shore, where three different companies propose three different projects. First, the Atlantic Sea Island Group, a group of private investors, wants to build an island out of scratch 19.5 miles east of Sea Bright, New Jersey. The island would serve as a home for the liquefied natural gas (LNG) port "Safe Harbor Energy." Second, Excalibur (a new conglomerate) seeks to build "Liberty Natural Gas," four turret buoys to receive LNG 15 miles off Asbury Park, New Jersey. Finally, Exxon proposes "BlueOcean Energy," a massive floating storage and regasification unit (FSRU) 20 miles off the Manasquan Inlet, New Jersey.

These facilities beg the question, "Should New Jersey and New York embrace offshore Liquefied Natural Gas facilities?" At first glance, it seems intriguing and alluring. Big fat hulking tankers safely offshore, full of compacted natural gas ready when we want it; abundant, reliable, dependable, cheap, and clean. Or is it?

Clean Ocean Action (COA) was curious as a regional, broad-based coalition of 125 conservation, environmental, fishing, boating, diving, student, surfing, women's, business, service, religious, and community groups with a mission to improve the degraded water quality of the marine waters of the New Jersey/New York coast. These facilities would begin the industrialization of the coast, but perhaps, given the energy needs of the region, LNG may hold interesting opportunities to shift from dirtier forms of energy such as coal. Could the environmental consequences be minor? After all, natural gas has been called a "bridge fuel" to help us transition to energy conservation and green renewable sources of energy.

Thus, COA embarked on a research mission to determine if LNG was a knight in shining armor or a Trojan horse, or maybe something in between. Water Policy Attorney David Byer, and Staff Scientist Heather Saffert, Ph.D., with a host of experts and advisors, carefully researched issues, cross-referenced information, and asked hard questions to uncover the facts about LNG. While not exhaustive, the report is comprehensive. It is well documented and based on sources from government, industry, trade journals, research institutions, non-governmental groups, and news publications.

In short, the research found that:

Domestic sources of natural gas are abundant and growing fast, meeting anticipated US demands, including New Jersey's.

Unlike oil, the United States (U.S.) is awash in domestic natural gas, and is the number two producer in the world. The future supplies look rich. In 2003, government sources predicted an abundant U.S. supply of natural gas – enough to last more than 60 years. More recent industry sources that include newly found reserves, including some in Canada, predict supplies lasting 120 years at current consumption rates. While there may be a need to enhance and improve distribution of the domestic sources, many projects are under construction and planned. The report factually describes many of these projects, but COA makes no judgments as to their environmental suitability or merits. However, many of these projects are ongoing and will bring more domestic natural gas sources to the east coast and beyond. To make informed decisions, policy makers need to be aware of the growing capacity in the region.

Importantly, these, along with other domestic sources, currently supply 97% of the U.S. need—providing a reliable, secure, cheaper, and independent source of energy.

While domestic natural gas supplies increase, natural gas consumption will grow at a slower rate, reducing the need for imports, especially in New Jersey.

As the country continues to grow and consumption increases, federal sources predict that the rates of use are actually slowing more than previously thought. The nation is getting better at energy conservation and efficiency and NJ is leading the way. The NJ Draft Energy Master Plan predicts that even under the Business-As-Usual scenario (no special efforts to reform energy use), NJ's consumption levels in 2020 would be only slightly higher than 2006 and below 2004 rates. Under a more proactive approach (the Alternative Scenario) energy conservation and renewables are enhanced and electricity based on natural gas is increased – enough to replace dirty coal and oil facilities. Even with this scenario, NJ consumption of natural gas would fall below 2004 rates with efficiency and conservation savings in other sectors. Some have suggested that NJ's pipeline infrastructure needs improvement. However, as stated, NJ has the proven pipeline capacities to meet future demands.

In the worst-case scenario, should we need LNG, there is already a glut of existing LNG import capacity. Even by 2030, LNG imports are expected to be 50% of current capacity.

The current U.S. import capacity of LNG, which can supply the east coast, stands at nearly 20 billion cubic feet per day. The most the entire U.S. imported was a little over two billion cubic feet per day—10% of the current LNG capacity. Most ports are twiddling their thumbs waiting for their ships to come in, but with soaring domestic supplies and the high costs of LNG, the ports are idle. One port in the Gulf of Mexico is giving up—it is losing million of dollars and has decided to sell.

Indeed, the U.S. government estimates that by 2030, the import of LNG at existing ports will be 50% of their potential capacity. Clearly, new LNG import facilities are unwarranted and unjustifiable.

However, even with this glut, even more ports are on the way along the east coast—beyond the Jersey Shore. This begs the question, “Why would corporations seek to build these terminals?” This is an interesting and reoccurring question. It could be speculation, another the proverbial foot-in-the-door, or to enter and corner a market. Whatever the reason, it would not be in the public interest and would re-direct limited resources and investments.

LNG is foreign and expensive—often as much as twice current domestic rates— and a global price (bidding) war is underway, causing its prices to soar.

As with any commodity, price is dependent upon supply and demand. Having abundant domestic sources allows natural gas to be competitively priced, although these prices have risen over the last few years. However, these prices are still far less compared to the global market for LNG, especially since it is often indexed to oil. Markets all over the world that do not have rich domestic sources are vying for LNG and are willing to pay as much as twice as the U.S., and at times even more. Two of the fastest growing markets for LNG are China and India, whose LNG use is exploding. Just for starters, China is building five LNG ports this year, and outbid the U.S. and Europe for LNG from Qatar.

The vast majority, over two-thirds, of LNG is from sources in the Middle East and Russia. Even if the market price looked reasonable, it needs to be shipped over 14,000 miles (five times the width of the U.S.) to get it here, which would also increase the price. It is true that one proposal seeks to bring LNG from Trinidad and Tobago, which is closer to the U.S. market. However, the long-term supply there is uncertain and once diminished, would cause suppliers to switch to other major sources, such as Russia and the Middle East.

Most importantly, the loyalty of the supply is to the dollar. The country willing to pay the most gets the gas. The bidding war is constant. There are also hidden costs that will be passed onto consumers and taxpayers. For example, the composition of foreign sources of gas is commonly different than the domestic sources. Power plants using LNG in New England may need to invest in expensive retrofits to make the LNG compatible with their equipment. Add to these costs the offshore port facilities and ships, which are very expensive. Further, a little known fact is that U.S. taxpayers currently pay for the U.S. Coast Guard (USCG) security and patrols for LNG shipments and facilities. Of note, a government report found that the USCG was grossly under budget to meet security demands of facilities, and this report was before several new ports were added.

LNG is far more polluting than domestic natural gas.

LNG can be up to 40% more polluting than natural gas, and has been compared to the burning of coal. The increase is caused by the excessive energy needs that LNG requires during its lifecycle. The process is dirty and requires the cooling of natural gas to –259 degrees Fahrenheit, loading it into tanker ships, transporting it thousands of miles (often using ships burning bunker fuel), and then re-heating it to turn LNG back into gas. These polluting steps are in addition to the basic pollution to find, tap, pipe, and burn natural gas supplies. Some argue that the gas used to generate LNG would otherwise be flared off. This is a red-herring issue and flaring is increasing despite growing LNG exports. Finally, it is important to note that while natural gas is perceived as “clean”

and green, it is not. Though it burns cleaner than coal or oil, natural gas has its own significant greenhouse gas footprint, and indeed natural gas is, by far, NJ's largest carbon dioxide source behind gasoline.

The industrialization of the ocean with tankers and facilities would have substantial environmental consequences to the marine environment threatening our fishing and tourism industry and the economy.

The Jersey Shore has not always been the treasure that it is today—a source of multibillion-dollar tourism and fishing industries and a thriving ecosystem. Not so long ago, the shore was a national joke with dead and dying dolphins, hundreds of beach closings, medical waste and garbage washing up on the beaches, as well as having the title of the Ocean Dumping Capitol of the World. We have all worked hard, in a non-partisan effort, to create the premier environment of today—not that it is perfect, but it is well on its way.

The building of an island by an unknown entity that admits no experience in this maritime construction building, or an experimental floating storage-tanker facility brought in by Exxon (a notoriously bad environmental neighbor), or Excalibur's (a new conglomerate formed for this purpose) underwater hoses will each have different, varying degrees of significant and profound effects on the marine environment. However, all of the facilities will cause:

- hundreds of acres of habitat to be destroyed for infrastructure – including prime fishing grounds;
- death to billions of marine animals as a result of entrainment and impingement;
- water pollution from wastewater, biocides, nitrogen, and possible spills;
- extensive air pollution, including CO₂ emissions, sulfur dioxide, and nitrogen oxide (particularly bad for marine waters by adding nitrogen);
- harassment of or death by ship strikes to marine mammals, including endangered species.

Lest we forget, the mid-Atlantic can often turn turbulent and mean. Nor'easters, tropical storms, and hurricanes take a bite out of coasts. The impressive waves and winds that we see hit the beach are in fact buffered by near shore shallower waters. Offshore, these waves are giants and can easily destroy infrastructure. We need only look to Hurricanes Katrina and Rita, which destroyed 113 oil platforms and over 400 miles of pipelines in the Gulf of Mexico. Finally, there is the issue of the slippery slope. Where LNG facilities go, other industrial facilities will follow.

LNG at Sea--Unsafe and Not Secure

LNG tankers and facilities are security risks and vulnerable to attack. Thus in this regard, it may seem wise to place them offshore. However, as mentioned, the USCG is already spread thin and is unable to adequately police existing facilities. Although large exclusion zones are proposed and will reduce or eliminate public access, these facilities are still vulnerable. These large ocean areas will be challenging to monitor, will be hard to patrol, and are far from aid and support services.

Importantly, these LNG facilities are also located at the gateway to the NY/NJ harbor, the Atlantic coast's premier port and number three in the nation. Not to mention the financial importance of the region in finance and commerce industries. Security consultants also raise serious concerns regarding the LNG tanker ships becoming hijacked by unfriendly governments.

In the end, who will be the boss of NJ's energy future? LNG will shift us from independent to dependent for natural gas—a policy that is antithetical to the national call for Energy Independence.

In the 20th century, the U.S. became dependent on foreign oil to drive our cars and heat many of our homes. The consequences are now painfully evident. In stark contrast, today, we are 97% self-reliant with domestic sources of natural gas that can be sustained for 60 and perhaps 120 years or more. So, for now, we are the boss of our energy future. There is more than enough domestic natural gas to serve as a “bridge fuel.”

IF we open our doors to LNG it will only serve as a bridge to another foreign fossil fuel dependency and addiction—only this time it will be power plants for electricity and many of our home heating and cooking needs.

IF we are lured into LNG, other governments, primarily Russia and the Middle East, will control our energy. These countries are not the friendliest to the U.S., nor are they consistent.

Shifting to a foreign dependency for fossil fuels is not a wise energy policy decision; in fact it is antithetical to the national call for Energy Independence. As today's energy needs prove, been there done that, let's not be fooled again.

In conclusion, the answer to the question, “Should New Jersey and New York embrace offshore Liquefied Natural Gas facilities,” is clear. No. LNG is not in the public interest.