

UNITED FOR A HEALTHY GULF

330 Carondelet Street, 3rd, New Orleans, LA 70130 Phone: 504.525.1528 Fax: 504.525.0833

2 June, 2016

Andi Zachary
State of Louisiana
Department of Natural Resources
Office of Coastal Management
Permit and Mitigation Division
Post Office Box 44487
Baton Rouge, LA 70804-4487
(225) 342-6862
Andi.Zachary@la.gov

re: **P20141709**; Transcontinental Gas Pipe Line Company, LLC in Calcasieu and Cameron Parishes

Dear Ms. Zachary,

I am writing on behalf of Gulf Restoration Network ("GRN"), a diverse coalition of individual citizens and local, regional, and national organizations committed to uniting and empowering people to protect and restore the natural resources of the Gulf of Mexico. We have serious concerns about the application for a Coastal Use Permit (**P20141709**) submitted to the Louisiana Department of Natural Resources ("LDNR") by Transcontinental Gas Pipe Line Company, LLC ("Applicant").

The Applicant requests a Coastal Use Permit ("CUP") for the potential installation of a 6.97-mile, 36-inch pipeline ("Gulf Trace Lateral"), a new meter station, and two new compressor stations, all to serve the Sabine Pass Liquefied Natural Gas ("SPLNG") Terminal (collectively, "Project"). The Project as proposed will impact 176 acres, of which over 100 are jurisdictional wetlands. These impacts appear needlessly disproportionate with the Project's scope, especially after considering their inconsistencies with various state regulations and related indirect and cumulative impacts. GRN opposes the Applicant's request for a CUP, and we ask LDNR to deny this request based on the following concerns:

1. The Project is inconsistent with Louisiana's Comprehensive Master Plan for a Sustainable Coast and a 2016 Executive Order.

Disrupting these wetlands directly conflicts with Louisiana's restoration and community-protection goals. The *Comprehensive Master Plan for a Sustainable Coast* ("Master Plan") clearly states that valuable wetlands must be preserved.

One of the key assumptions of 2007's Master Plan is that "a sustainable landscape is a prerequisite for both storm protection and ecological restoration." And in 2012's iteration, these land-use specifications were further clarified:

"We do not want construction of new hurricane protection systems to encourage unwise development in high risk areas, as has occurred in the past. Such development increases overall levels of risk and diminishes the effectiveness of the protection structures themselves. This phenomenon is called "Induced Risk," and it runs counter to the master plan's objectives of sustaining wetland ecosystems and reducing the flooding risks borne by coastal communities. Similarly, wetland areas inside the hurricane protection system need to remain intact and undeveloped [emphasis added]."²

Disrupting wetlands hinders both their ecosystem and flood-protection functions, in direct conflict with the state's goals. The Master Plan further states that "overall hydrology must be improved by minimizing impediments to water flow." Allowing the Applicant to impact upwards of 100 acres of wetlands not only limits functionality, it also fails to minimize water-flow impediment or improve overall hydrology.

The Louisiana Legislature approved the latest version of the Coastal Master Plan during the 2012 Regular Session,⁴ with overwhelming public support.⁵

On April 4th, 2016, Louisiana Governor John Bel Edwards gave even greater weight to the foundational recommendations laid out in the Master Plan by issuing Executive Order No. JBE

¹ Coastal Protection and Restoration Authority of Louisiana, *Executive Summary*, *in* Louisiana's Comprehensive Master Plan for a Sustainable Coast 3 (2007).

² Coastal Protection and Restoration Authority of Louisiana, *2012 Comprehensive Master Plan for a Sustainable Coast*, p 159).

³ *Id*.

⁴ SCR No.62, 2012 Leg., Reg. Sess. (La. 2012).

⁵ Louisiana Coastal Master Plan Public Opinion Survey, Southern Media & Opinion Research, Inc. Online at http://www.mississippiriverdelta.org/files/2012/04/2012-Louisiana-CMP-Opinion-Survey.pdf.

2016-09 ("Executive Order"). Like Executive Order No. BJ 2008-7 issued by his predecessor, the Governor's mandate again requires all state agencies, departments, and offices to "administer their regulatory practices, programs, projects, contracts, grants, and all other functions vested in them in a manner consistent with the Coastal Master Plan and public interest to the maximum extent possible." This requirement is intended to "effectively and efficiently pursue the State's integrated coastal protection goals."

The Executive Order strives to implement the Master Plan's goals to preserve wetland areas. The Applicant seeks a CUP for a project that will potentially destroy over 100 acres of coastal wetlands that protect communities from localized flooding, all to support the development of liquefied natural gas ("LNG") infrastructure.

LDNR cannot both follow the Executive Order and issue a CUP to the Applicant.

2. Direct, indirect, secondary, and cumulative impacts must be fully considered.

Article IX, Section 1 of Louisiana's Constitution provides that "the natural resources of the state, including air and water, and the healthful, scenic, historic, and esthetic quality of the environment shall be protected, conserved, and replenished insofar as possible and consistent with the health, safety, and welfare of the people."

In its 'Save Ourselves' decision, the Louisiana Supreme Court outlined how state agencies, as public trustees, can implement this constitutional guarantee. All agencies must determine whether a project avoids or minimizes adverse environmental impacts, while balancing environmental costs and benefits with economic and social factors. Agencies must also consider whether alternate projects, sites, or mitigating measures would better protect the environment.¹⁰

It's apparent that the Applicant has engaged in some form of alternative analysis, by examining the 'no-action' alternative and a single pipeline route variation. Energy alternatives were also considered, though these only included oil, coal, biomass and nuclear fuels. When framed in this limited capacity, natural gas becomes the cleanest, most quality fuel choice. It's

http://dnr.louisiana.gov/assets/docs/conservation/groundwater/Appendix B.pdf

http://senate.la.gov/Documents/Constitution/Article9.htm#%C2%A71.%20Natural%20Resources%20and%20Environment;%20Public%20Policy

⁶ See Exec. Order No. BJ 2008-7, issued 1/23/08:

⁷ See Exec. Order No. JBE 2016-09, issued 4/4/16: http://gov.louisiana.gov/assets/ExecutiveOrders/JBE16-09.pdf
⁸ Id.

⁹ See Article IX of Louisiana Constitution:

¹⁰ 452 So. 2d 1152 (La. 1984).

¹¹ Coastal Use Permit Alternatives and Justification Analysis, August 2015.

unfortunate that this does not reflect reality. Offshore wind, onshore wind, solar panels, solar collectors, tidal turbines, and storage batteries are just some of today's proven renewable-energy technologies. When these alternatives are included in decision-making processes, natural gas no longer reigns as the most sensible option.

Given the information available in public documents, it does not appear that the Applicant has fully weighed the costs and benefits relevant to the Project. Direct, indirect, secondary, and cumulative impacts of the proposed wetland fill and clear remain overlooked.

As mentioned above, the Project's direct impact to upwards of 100 wetland acres is certainly significant. The fill of such a large area is also in violation of state anti-degradation policy. Louisiana policy states "administrative authority will not approve any wastewater discharge or certify any activity for federal permit that would impair water quality or use of state waters." ¹²

The cumulative impacts on storm and flood protection must be taken into consideration. The destruction of these wetlands, in direct opposition to the Master Plan, would further weaken the state's storm defenses. When combined with similar wetland-destroying projects, this CUP approval could result in more flooding in nearby communities, as well as degraded water quality in surrounding watersheds. The whole area must be looked at as an interrelated ecological unit in order to truly assess impacts.

There presently exists a significant push to develop and construct LNG-associated infrastructure along the Gulf Coast. Thanks to hydraulic fracturing, domestic natural-gas producers now possess historic supplies, along with the expectations that they will be sold to highest bidders. Allowing this project to proceed would reaffirm regional precedent for unrestrained fossil-fuel expansion, in turn jeopardizing even more valuable wetland habitat. To emphasize, the approval of this permit could induce many other permit applications for LNG development within surrounding coastal communities.

Crucially, the eventual export of LNG is not isolated from natural-gas extraction. *Natural gas must first be removed from underground deposits, before it can be transported anywhere.*Recognizing this connection can then allow for the 'total cost' of the Project to be calculated. The Applicant is currently unwilling to ground itself in this reality.¹³

¹² La. Admin. Code tit. 33, pt. IX §1109(A)(2).

¹³ See Section 12, part C, Joint Permit Application For Work Within the Louisiana Coastal Zone, filed 5/5/16: http://sonris-www.dnr.state.la.us/sundown/cart_prod/cart_crm_application?pcup_num=P20141709&pline_id=12&pshow_appl_email=N

The Project's external costs in the forms of environmental and health damages will be felt by communities in coastal Louisiana and beyond. Citizens across the Gulf are exposed daily to water and airborne contaminants because of the natural-gas industry. All the while, surrounding natural beauty is impacted by drilling wells, compressor stations, storage facilities, train cars, rail lines, access roads, and miles and miles of pipe. Together, these all form the collective LNG infrastructure.

Since the Applicant does not assess the potential direct, indirect, and cumulative impacts that will result from the disruption of over 100 acres of wetlands, LDNR cannot approve this CUP application as submitted.

3. The Applicant must develop disaster-response plans, and local floodplain officials should be included in the notification of this permit since the Project sits in areas vulnerable to flooding.

The Applicant must have disaster response plans in place prior to project permitting. We have yet to see mention of this sort, in public documentation. The location of this proposed project is especially critical, given the threats to coastal parishes posed by storms.

LDNR cannot be a "passive umpire" when it comes to permitted materials. This duty was distinctly highlighted in the recent ruling, *Sierra Club Delta Chapter v. La. Dep't Nat. Res.*, No. 00060916, Div. A.¹⁴ LDNR must accept responsibility for materials permitted under the umbrella of coastal-use. Until the Applicant has drafted disaster-response plans, its application for a CUP ought to be deemed inadequate.

The Project is clearly susceptible to storm-surge events (Figure 1). Yet, the Applicant has not produced readily visible containment plans. The responsibility of managing flood risk in Louisiana lies largely with individual parishes, so they should be informed of this CUP request that impacts flood-mitigating wetlands. For reference, relevant contacts are listed below:

Calcasieu Parish - Dana Watkins, 337-721-3600, dwatkins@cppj.net Cameron Parish - Myles Hebert, 337-775-2800, mh_cppj@camtel.net

¹⁴ La. 19th JDC Dec. 23, 2014.

¹⁵ SONRIS Interactive Maps



Figure 1: The Project as proposed sits in flood-prone parishes, seen here alongside the 2012 Coastal Zone Boundary

The Applicant's application must be deemed inadequate until it submits disaster-response plans. We also request that local floodplain managers be notified of the associated, significant flood and spill risks.

4. The Project does not appear to offer public benefit or be in the public interest.

Although paraphrased above, for the sake of emphasis, below is the Project's Purpose and Need as described by the Applicant in its Joint Permit Application:¹⁶

"The purpose of the Project is to provide firm transportation of natural gas on Transco's interstate natural gas transmission system from Transco's Station 65, Zone 3 Pool in St. Helena Parish, Louisiana, to the SPLNG Terminal in Cameron Parish, Louisiana. The Project is designed to meet the demand for natural gas required to feed LNG process trains 3 and 4. The proposed

¹⁶ See Section 8, part E, Joint Permit Application For Work Within the Louisiana Coastal Zone, filed 5/5/16: http://sonris-www.dnr.state.la.us/sundown/cart_prod/cart_crm_application?pcup_num=P20141709&pline_id=12&pshow_appl_email=N.

Project will enable Transco to provide 1.2 MMdth/day of new firm transportation capacity from Transco's Station 65, Zone 3 Pool to the SPLNG Terminal. Transco and Sabine Pass have executed a binding precedent agreement for 1.2 MMdth/day of incremental year-round firm transportation service."

The Applicant makes little to no mention regarding how the actual residents Calcasieu and Cameron Parishes would benefit from the Project. *Community members are instead likely to be left with all the unaccounted, external costs of the Project: health and environmental impacts, reduced flood protections, heightened spill risks, and the countless other costs associated with the climate-disrupting reliance on fossil-fuel infrastructure.*

In its Alternatives and Justification Analysis, the Applicant does express that the Project will "stimulate the local and regional economies by job creation and increase tax revenue." Nowhere however is it explicit that this job creation will stimulate employment within the affected Parishes. All too often, the workers hired to construct these sorts of projects are contractors hailing from outside of coastal Parishes, even beyond Louisiana. The transplants live in 'man camps,' injecting stimulus into local economies solely via gas pumps and their adjoined casinos.

There is currently a race to approve LNG-related projects throughout watersheds of the Gulf Coast. This scramble threatens significant, maximal wetland destruction, all to overbuild industrial infrastructure of limited use. Companies with undue advantages are skirting environmental-review processes, leaving the United States and Louisiana depauperate. Just as the LNG-import fad filled many wetlands to no economic benefit, this fad in a capital-intensive, volatile industry will leave empty industrial spaces where once coastal communities had flood protection and fisheries habitat.

Given the well-known volatility of natural-gas markets, the Applicant ought to demonstrate the long-term viability of the Project. To demonstrate at least some of the projected project-related benefits, an analysis that includes no fewer than five years of historical market data should be included and weighed in the decision-making process.

-

¹⁷ Coastal Use Permit Alternatives and Justification Analysis, August 2015.

SUMMARY

- 1. The Project is inconsistent with Louisiana's *Comprehensive Master Plan for a Sustainable Coast* and a 2016 Executive Order.
- 2. Direct, indirect, secondary, and cumulative impacts must be fully considered.
- 3. The Applicant must develop disaster-response plans, and local floodplain officials should be included in the notification of this permit since the Project sits in areas vulnerable to flooding.
- 4. The Project does not appear to offer public benefit or be in the public interest.

LDNR must take seriously the mandates put forth by Louisiana's *Comprehensive Master Plan for a Sustainable Coast,* Governor John Bel Edwards, Louisiana's Constitution, and the Louisiana Supreme Court. These responsibilities are only heightened when faced with the inadequacies of the Applicant's public documents.

The Applicant has not assessed significant impacts, has not developed disaster-response plans, and has not demonstrated that the Project offers public benefit or is in the public interest. This all comes after displaying clear inconsistency with the Master Plan and Executive Order.

Over a decade since the 2005 hurricane season, GRN is beyond alarmed by the wetland destruction occurring throughout Louisiana and the Gulf Coast. We hope LDNR will act upon the above comments accordingly.

In order to keep us and the public properly informed, we request notification of denials, approvals, and/or changes to the Applicant's request for a CUP.

We look forward to a written response.

For a healthy Gulf, [sent via e-mail]

James G. Hartwell, MSPH Coastal Wetland Analyst

Gulf Restoration Network 330 Carondelet Street, 3rd Floor New Orleans, LA 70130 (504) 525.1528 x209 James@healthygulf.org

cc: Matt Rota, Senior Policy DirectorScott Eustis, Coastal Wetland SpecialistJohanna de Graffenreid, Coastal Campaign Organizer