

IMPACT OF LNG TERMINALS ON THE BOATING COMMUNITY

A Position Paper Against LNG Terminals

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The Chesapeake Bay Yacht Clubs Association (CBYCA) has represented boating interest in five states from Trenton, NJ to Norfolk, VA for almost 50 years. During these years we have successfully represented the concerns of the recreational boating society of about 65,000 citizens.

The CBYCA supports actions to:

- **Minimize the environmental impact of dredging recognizing such actions rarely are without cost**
- **Opposed to restrictions on speed, wake, bridge openings, boating activities, etc. which are not based on consideration of the needs and interests of all affected parties**
- **For protection of the rights and interests of recreational boaters in the course of commercial interactions**
- *In that the development of an LNG facility on an active waterway will require extensive dredging, impacting the environment and will have adverse effects on land side access and in that the operation of such facilities will adversely affect the societal rights, interest and operation of recreational vessels in normally traveled waters and further that the interest of all affected parties are impacted negatively: **The CBYCA therefore is opposed to the installation of any LNG facility in a metropolitan area or within the normal maritime transited channels of the indigenous maritime community. We strongly suggest that these operations be moved to offshore locations following the lead of California or to remote non-strategic locations, where neither land or maritime community is affected.***

With the LNG industry moving at breakneck speed and FERC pushing to find off load terminals, it is important to establish reasonable impact study and obvious exclusions of proposed locations when impairment issues of safety, environment and community societal disruptions are evidenced.

It is also useful to discover how the industry approaches these obstacles in other locations and adopt these practical alternatives to local issues.

1. **On the first issue of safety**, many regulatory agencies have studied the transport of the LNG in vessels sighting safety records but the actual safety of the LNG transfer and processes on land is a greater issue. The transfer of LNG is very intense and incorporates many pressure changes, valve operations and refrigerant processes one of which causes the greatest problem – propane. In cases where ignition has occurred, the attributed cause has been individual oversight or failure of equipment. In all instances, the outcome was massive reduction of the facility. For this reason, LNG terminal should not be in populated areas. NFPA requires the calculation of fire radiation based on the assumption of zero wind speed. With wind factors, a vapor cloud may travel great distances before finding an acceptable ignition source. Once ignition is found, the burn flame will continue to the source of vapor point with catastrophic results. California has delayed on-shore projects, by the need to respond to about 6,000 public comments and is now entertaining a move to off-shore locations where the citizenry will not be affected, such as in the Cabrillo Port, involving an offshore terminal.
2. **Environmental issues** normally involve the primary construction impacts of dredging and marine life. Whenever materials covering the waters bottom ground are disrupted, many of the chemicals and persistent toxic ingredients are re-floated and carried elsewhere by the currents impacting

marine life and contaminating aquatic recreation. In addition, dredge material must be relocated to a safe area where runoff will not reenter the water table or otherwise affect marine life. States still have the ability to effectively "veto" an LNG facility by denying permits associated with the Clean Water Act, the Coastal Zone Management Act, and the Clean Air Act. An LNG project proponent must certify that the proposed activity in a designated coastal zone complies with the enforceable policies of the affected state's coastal zone management program.

Section 401 - A certification of compliance with the state's water quality standards is required from the responsible state agency for any activity (including construction and operation of LNG import facilities) that may result in a discharge into navigable waters. If the 401 certification is denied, the LNG facility cannot be constructed.

Section 404 – A permit is required from the U.S. Army Corps of Engineers for discharge of dredged material. The Corps permit requires applicants to obtain a section 401 certification, which can be blocked as stated above

A secondary environmental issue is the air quality as it is affected by the burn off of toxic components, vapor dispersion and jet dispersions into ambient air with the LNG transfer process.

Section 502 – A permit is required for any person to operate a source of air pollution, as detailed in the Act. If the responsible state agency does not issue the permit, the project cannot go forward

Agencies in various states, which control these environmental issues are:

NJ- DEP Commissioner – Appointed (Air, Water & CZMA)
PA – DEP Commissioner – Appointed (Air, Water & CZMA)
MD- D of E Secretary – Appointed (Air & Water)
MD – DNR Secretary – Appointed (CZMA)
DE – DNR & EC Secretary - Appointed (Air, Water & CZMA)
VA – DEQ Director – Appointed (Air, Water & CZMA)

The state also has the ability to be a cooperating agency with FERC during the review of a project under the National Environmental Policy Act (NEPA), and can contribute to the complete environmental review of the proposal.

3. **The social and economic impacts** of LNG terminal development activities can be substantial. Recognizing and understanding that the potential of negative social impacts on normal activities will become increasingly complex as operations grow if located near vulnerable major populations and communities.

Where LNG facilities are located in populated areas, negative impacts on the safety, security of assets, land rights, population disruption, maritime cultural heritage, travel restrictions, economy, tourism of the surrounding communities, the loss of future development of traditional infrastructure or the interference with other users of infrastructure and natural resources all diminish. The changes to norms, values and beliefs that guide a society particularly, in a large metropolitan or indigenous community based on a maritime economy can not offset by a promise of sustained commercial success or the best assured promise of a healthy social environment or future social and economic development in the affected communities.

Applications of social impact assessment will eliminate significant metropolitan projects if the above potential impacts on local communities and wider society are identified. We, the maritime community are the primary stakeholders on these issues.