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WWALS is an IRS 501(c)(3) nonprofit charity est. June 2012

WWALS Watershed Coalition advocates for conservation and stewardship of the Withlacoochee, Willacoochee, Alapaha, Little, Santa Fe, and Suwannee River watersheds in south Georgia and north Florida through education, awareness, environmental monitoring, and citizen activities.

Suwannee RIVERKEEPER® is a program and a paid staff position of WWALS.



July 30, 2021

To: Chairman Richard Glick
richard.glick@ferc.gov
Enforcement, Jeffrey Phillips
Jeffrey.Phillips@ferc.gov
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Cc: Ms. Kimberly D. Bose, Secretary
kimberly.bose@ferc.gov
Mr. Nathaniel J. Davis, Sr., Deputy Secretary
nathaniel.davis@ferc.gov
Toyia Johnson, FERC FOIA Public Liaison
foia-ceii@ferc.gov

Re: **Need Show Cause for NFE Miami LNG; see FOIA No. FY21-04, plus Strom LNG, etc.**

Dear Chairman Glick and Enforcement Officer Phillips,

FERC has set a precedent with its March 19, 2021, Order on Show Cause, *174 FERC ¶ 61,207*.
<https://www.ferc.gov/sites/default/files/2021-03/C-2-CP20-466-000.pdf>

“For the reasons discussed below, we find that the LNG handling facility is subject to the Commission’s jurisdiction under NGA section 3 and direct New Fortress Energy to file an application for authorization to operate the facility within 180 days of this order.”

Filing Petitions for Declaratory Order with FERC should be mandatory. FERC serves as the lead agency via MOUs and Interagency Agreements with other federal agencies. Without FERC, developers are ignoring compliance with the Federal Safety Standards for LNG Facilities (CFR Title 49, Subpart B, Part 193) and NEPA. Further, the U. S. Department of Energy through its Office of Fossil Energy (FE) is usurping FERC's authority by accepting claims from developers that their LNG export projects are not FERC-jurisdictional.

In addition to the New Fortress Energy (NFE) Miami LNG export facility, subject of our FOIA No. FY21-04, we know of four LNG facilities that have bypassed FERC: at least four more in Florida, as well as in Georgia, Alabama, and Tennessee.

1. New Fortress Energy, Miami, Florida; see FERC FOIA FY21-04.
2. New Fortress Energy, Titusville, FL.
3. Strom, Inc., Crystal River, Florida.
4. Eagle Maxville LNG, Jacksonville, FLorida.
5. JAX LNG, Jacksonville, Florida, of Pivotal LNG, Georgia, Alabama, Tennessee.

Pivotal LNG filed a Petition for Declaratory Order in 2015, which FERC approved, setting the previous precedent for FERC not overseeing inland LNG facilities, which curiously seems to have extended to Pivotal’s later installation of JAX LNG on an inlet of the St. Johns River. Chairman Glick has mentioned that FERC might decide to revisit that 2015 decision. That would be a more general solution, and easier for FERC to implement.

Below we provide a bit more detail on each of the above-listed inland LNG facilities.

Thank you for your consideration,

John S. Quarterman
Suwannee RIVERKEEPER®

/s/

WWALS Watershed Coalition, Inc.

Appendices: More detail on the above-listed inland LNG facilities

More detail on specific inland LNG facilities

LNG is not regulated in the state of Florida. There are no state or local agencies that approve the siting, construction, operation and maintenance of inland LNG export facilities that are operating or that have been proposed for development in densely populated communities in Florida. Unaware that FERC has disclaimed jurisdiction over inland LNG export facilities, local agencies punt citizen questions and concerns to the Commission. FERC has created a regulatory gap. It is time for FERC to fix that gap by revoking its 2015 Order that caused the gap.

New Fortress Energy, Miami, Florida

6800 NW 72nd Street, Miami, Florida. See FERC FOIA FY21-04. Also known as American LNG Marketing LLC, LNG Holdings. Approved by DOE for LNG export, DOE/FE ORDER NO. 3690 AUGUST 7, 2015, FE DOCKET NO. 14-209-LNG. <https://www.energy.gov/sites/prod/files/2015/08/f25/ord3690.pdf> Facility is producing 100,000 gallons/day of LNG and storing 270,000 gallons onsite. <https://www.energy.gov/fe/american-lng-hialeah-facility-terminal> First containerized LNG export occurred on February 5, 2016. As of November, 2015, PHMSA had not received required data for analysis to ensure compliance with CFR Title 49, Subpart B, Part 193). Facility claimed a B5.7 Categorical Exclusion from NEPA review by the DOE in order to export LNG to non-FTA nations that went unchallenged by any federal agency.

New Fortress Energy, Titusville, FL

Titusville Logistics Center, 7600-7724 US-1, Titusville, FL 32780. Also known as American LNG Marketing, TICO Development Partners. DOE/FE ORDER NO. 3656 MAY 29, 2015, authorized LNG export to Free Trade Agreement countries, *“up to 600,000 metric tons per annum, which American LNG states is equivalent to approximately 30.2 billion cubic feet per year (Bcf/yr) of natural gas (0.08 Bcf per day).”*

<https://www.energy.gov/sites/prod/files/2015/08/f25/ord3656.pdf>

But PHMSA denied approval on October 2, 2018, because of lack of a “Draft Environmental Assessment (DEA)” with “site drawings, maps, and other supporting documents.”

<https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/docs/standards-rulemaking/pipeline/special-permits-state-waivers/69596/2016-0073-tico-lod-denial.pdf>

PHMSA still lists it as denied, *“Last updated: Wednesday, October 17, 2018”*.

<https://www.phmsa.dot.gov/pipeline/special-permits-state-waivers/phmsa-2016-0073>

If constructed, this facility would be in violation of CFR Title 49, Subpart B, Part 193.2155(b). Citizens were forced to (1) obtain a legal opinion from PHMSA that the Federal Safety Regulation was, in fact, applicable, and (2) retain an attorney to ensure compliance.

Strom, Inc., Crystal River, Florida

6700 N Tallahassee Rd, Crystal River, FL 34428. This proposed LNG export “terminal” was approved by DOE for LNG export. Strom did file a Petition for Declaratory Order with FERC back in 2014 when it still planned to locate in Starke, Florida. FERC made no decision on the actual request; instead FERC responded: *“Because Strom has not submitted the filing fee within the required time, Strom’s petition for declaratory order is dismissed, and Docket No. CP14-121-000 is terminated.”*

DOE has authorized Strom, Inc., to export 1,000,000 gallons of LNG/day. Strom has been telling FE every six months since 2016 that *“Strom has reached a tentative agreement with the Port of Tampa in Tampa Florida, for long-term leases for shipping of LNG.”* <https://wwals.net/?p=55788>

<https://www.energy.gov/fe/articles/semi-annual-reports-strom-inc-fe-dkt-no-14-56-lng-order-no-3537>

Yet on June 16, 2021, during a Port Tampa Bay Board meeting, the Port’s Principal Attorney, Charles E. Klug, said, *“I just want to clarify that Tampa Port Authority as a corporate entity doing business as Port Tampa Bay, does not have an agreement with Strom, and is not in negotiations with Strom, and does not plan to negotiate with Strom. Further, the port has no plans to export LNG through Port Tampa Bay, and any indication to the contrary is not correct.”*

<https://wwals.net/?p=55794>

Following up on that Port Tampa Bay revelation, the *Tampa Bay Times* discovered that Strom had also failed to reach export agreements with other ports, that Duke Energy says its new electric power substation at Crystal River could not serve an LNG facility there, that Strom, Inc. does not own its proposed site in Crystal River and does not have an office at its stated office address, and that back in 2014 the Citrus County Board of County Commissioners (BOCC) declined to deal further with Strom after the BOCC discovered Strom had failed to pay that fee to FERC. <https://wwals.net/?p=56247> See Malena Carollo and Jay Cridlin, *Tampa Bay Times*, 20 July 2021, [A company asked to ship gas through Tampa's port. Then it 'disappeared.' A plan to transport liquefied natural gas from Citrus County to Tampa has activists concerned — even though details are scant.](https://www.tampabay.com/news/business/2021/07/20/a-company-asked-to-ship-gas-through-tampas-port-then-it-disappeared/)

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While we are not known as cheerleaders for FERC, it nonetheless seems clear that if FERC had retained oversight of Strom, LNG, most of the above would not have happened. We urge FERC now to send Strom, Inc., a SHOW CAUSE ORDER.

Eagle Maxville LNG

16236 Normandy Blvd, Jacksonville, FL 32234. 16236 Normandy Blvd, Jacksonville, FL 32234.

<https://www.eaglelng.com/facilities/maxville-facility> DOE/FE Order No. 4078, September 15, 2017, authorized Eagle Maxville to export 0.01 billion cubic feet per day (Bcf/d) of LNG, *“to anywhere in the world not prohibited by U.S. law or policy. Eagle Maxville intends to export to markets in the Caribbean Basin and elsewhere in the region.”*

https://www.energy.gov/sites/prod/files/2017/09/f36/ord4078_0.pdf

<https://www.energy.gov/articles/us-department-energy-authorizes-eagle-maxville-small-scale-liquefied-natural-gas-exports>

Operating since 2018. We do not locate a PHMSA Operator Identification Number. We do not know if this facility is in compliance with all of the Federal Safety Standards for LNG Facilities found in CFR Title 49, Subpart B, Part 193. In December 2020 Eagle Maxville LNG asked DoE/FE to extend its export permit term through 2050.

<https://www.federalregister.gov/documents/2020/12/07/2020-26780/eagle-lng-partners-jacksonville-ii-llc-application-to-amend-export-term-through-december-31-2050-for>

This company has a FERC-jurisdictional sister company: Eagle LNG Partners Jacksonville, LLC.

JAX LNG of Pivotal LNG

9225 Dames Point Rd, Jacksonville, FL 32226. <https://jaxlng.com/> JAX LNG was installed years later than the three Pivotal LNG liquefaction facilities in Georgia, and one each in Alabama and Tennessee. JAX LNG thus was not mentioned in the 2015 FERC Order regarding its Petition for Declaratory Order, because JAX LNG did not exist at that time. We can find no authorization for JAX LNG by FERC, FE, or MARAD; only a letter from the Coast Guard. Nonetheless, JAX LNG in May 2021 announced plans to triple its liquefaction capacity and double its LNG storage, both by 2022. <https://www.jaxdailyrecord.com/article/jax-lng-tripling-liquefaction-capacity-at-dames-point-facility>