

expansion, or operation of an LNG terminal.”³

1 The 1977 Department of Energy Organization Act (42 U.S.C. 7151(b)) placed all section 3 jurisdiction under the Department of Energy. The Secretary of Energy subsequently delegated authority to the Commission to “[a]pprove or disapprove the construction and operation of particular facilities, the site at which such facilities shall be located, and with respect to natural gas that involves the construction of new domestic facilities, the place of entry for imports or exit for exports.” Department of Energy Delegation Order No. 00-004.00A, section 1.21A (May 16, 2006).

2 In addition to pipelines that cross the international border with Canada and Mexico, the Commission has also asserted authority over the portions of subsea pipelines planned to cross the “border” of the Exclusive Economic Zone between the U.S. and the Bahamas. See, e.g., Tractebel Calypso Pipeline, LLC, 106 FERC ¶ 61,273 (2004), vacated, Calypso U.S. Pipeline, LLC, 137 FERC ¶ 61,098 (2011).

3 15 U.S.C. 717b(e)(1).

FERC itself says it has “To date” it has only regulated LNG terminals at site of import or export or international borders, but in the next sentence it quotes NGA: “[t]he Commission shall have the exclusive authority to approve or deny an application for the siting, construction, expansion, or operation of an LNG terminal.” The NGA does not have the location restrictions FERC imposed upon itself in 2014 and 2015 with *Shell, Emera, and Pivotal*.

Without FERC environmental oversight, no-one knows how much risk inland LNG facilities and trucks and trains from them to export locations pose to nearby houses, schools, hospitals, and businesses. And no-one knows how much methane leaks from small inland LNG facilities, trucks, or trains contribute to the recently-discovered much greater methane emissions than previously known:¹⁷

Scientists have long struggled to pinpoint just how much methane is being released into the atmosphere. A series of earlier studies coordinated by EDF and hundreds of other researchers indicated that the U.S. oil and gas system leaked on average 2.3% of all the gas it produced. That’s about 60% more than the leakage rate reported by EPA, at 1.4%.

With U.S. LNG exports likely to ramp up as European countries stop buying Russian gas during the Ukraine war, environmental oversight is even more important for these inland LNG facilities that are the source of much exported LNG.

¹⁷ Benjamin Storrow (E&E News), Scientific American, May 5, 2020, Methane Leaks Erase Some of the Climate Benefits of Natural Gas, <https://www.scientificamerican.com/article/methane-leaks-erase-some-of-the-climate-benefits-of-natural-gas/>