



For Immediate Release
May 28, 2019

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Delaware Riverkeeper Network Claims LNG Cover Up

Greenwich Township, Gloucester County, NJ; In a scathing letter sent to the Federal Energy Regulatory Commission (FERC), Delaware River Basin Commission (DRBC), Army Corps of Engineers (Army Corps), US Coast Guard, and state environmental regulatory agencies, the Delaware Riverkeeper Network asserts there has been a failure to disclose to the public a proposal, currently being reviewed and approved by multiple agencies, to export Liquefied Natural Gas (LNG) from the Gibbstown Logistics Center located in Gibbstown, Greenwich Township, New Jersey.

According to the letter the Delaware Riverkeeper Network learned of the LNG export proposal by communicating with various agency staff, but that no documents or permit applications discussing development of the site since 2016 mentions the site is intended to be used for LNG export, including recent permit applications dated March 2019 that have been submitted to the state of New Jersey and the DRBC. Original proposals and documents propose a multi-use Marine Terminal, including for exporting Natural Gas Liquids (NGLs) but none discussing the export of Liquefied Natural Gas. The letter describes multiple efforts to learn about, and comment upon, the proposed site uses; including outreach to FERC that has no information on the LNG export proposal.

“This looks to us like a deliberate cover-up. LNG export facilities are under increasing scrutiny because of the significant environmental and safety concerns they generate. There would be no reason not to disclose this critical body of information other than to evade full and fair review by agencies and the public and to avoid the public outcry of opposition that such news would be sure to generate,” said Maya van Rossum, the Delaware Riverkeeper and leader of the Delaware Riverkeeper Network.

“Delaware Riverkeeper Network has participated in the public review process for this facility in good faith since 2016 only to find out that apparently there was a hidden purpose for the Gibbstown terminal. New Fortress Energy and Delaware River Partners may have thought they could

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avoid public scrutiny by sneaking in their intended use but they are dead wrong; we are demanding the comprehensive and public process this exceedingly dangerous proposal requires,” said Tracy Carluccio, Deputy Director, Delaware Riverkeeper Network.

According to information described in the letter, it appears as though fracked shale gas will be liquefied in Pennsylvania near shale gas fields and then transported, including by truck, to Gibbstown for proposed export.

The Delaware Riverkeeper Network describes a rush to hearings and likely approvals by the Delaware River Basin Commission and demands that the public hearing planned for June 6 be cancelled until full and fair information regarding the LNG aspects of the proposal be made public. The letter also urges all agencies who have given any approval for this site rescind such approval until they and those agencies who have not yet been informed of the proposal have had a full and fair opportunity to review the ramifications of LNG export from the site and have had the full benefit of a genuine and fully informed public review and comment process.

A copy of Delaware Riverkeeper Network’s letter to the agencies attached.

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Neil Chatterjee, Chairman
Cheryl A. LaFleur, Commissioner
Richard Glick, Commissioner
Bernard McNamee, Commissioner
Federal Energy Regulatory Commission

Lieutenant Colonel Kristen Dahle, Commander
Mike Hayduk, Chief, Application Section II
US Army Corps of Engineers Philadelphia District
100 Penn Square East
Philadelphia, PA 19107

Commissioners & Executive Director
Delaware River Basin Commission
25 Cosey Road
P.O. Box 7360
West Trenton, NJ 08628

Captain Scott Anderson
Commander of U. S. Coast Guard Sector Delaware Bay & Captain of the Port in Philadelphia
US Coast Guard
1 Washington Ave
Philadelphia, PA 19147

Catherine R. McCabe, Commissioner
NJDEP
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Shawn M. Garvin, Secretary
DNREC
89 Kings Highway
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Re: LNG Cover Up -- Gibbstown Logistics Center and New Fortress Energy LNG Terminal Being Proposed But Not Disclosed to Agencies or Public.

Dear FERC Commissioners, DRBC Commissioners, Army Corps of Engineers Leadership, Captain of the Port, Secretary of PADEP, Commissioner of NJDEP, Secretary of DNREC,

The Delaware Riverkeeper Network (DRN) has learned of a plan to develop a Liquefied Natural Gas (LNG) export terminal on the Delaware River in Greenwich Township, Gloucester County, New Jersey. The facility is proposed at the former DuPont Repauno site at 200 North Repauno Avenue in Gibbstown. Since 2016, agencies and the municipality have processed applications submitted by Delaware River Partners for permits for this facility, known as Gibbstown Logistics Center, to be established as a multi-use Marine Terminal that includes a warehouse and natural gas liquids (NGL) export terminal. As recently as March 2019 the NJ Department of Environmental Protection and the Delaware River Basin Commission have received permit applications seeking to expand the project to include an additional dock in order to expand proposed port activity at the site. **No public documents, permit applications or public notices for public comment, including those dated March 2019, have ever included any mention that this site is in fact to be developed, in part, as a facility to handle and export Liquefied Natural Gas (LNG). In addition, Freedom of Information Act requests and materials filed with the Federal Energy Regulatory Commission (FERC) make no mention of this site as a proposed LNG export facility. And yet, the Delaware Riverkeeper Network has received information that there is in fact an intention by site developers, owners, and/or operators to develop and use this site as, at least in part, an LNG export facility.**

The Delaware Riverkeeper Network has actively participated in the public permit review process, engaging experts in various environmental fields to substantively review and comment on the NJ Department of Environmental Protection (NJDEP) permit applications, the Delaware River Basin Commission (DRBC) docket, the Army Corps of Engineers permit application (Army Corps), and the Greenwich Township Zoning and Planning Board applications. Delaware Riverkeeper Network has attended and verbally commented at public hearings regarding the review of the project held by the municipality and by the DRBC and took part in NJDEP phone calls regarding the project's permits, including at least one conference call, throughout 2016, 2017, and 2018. Delaware Riverkeeper Network has been following up with NJDEP in 2019 for any new developments at the site but was informed that there were no new permit applications. One NJDEP stormwater permit that Delaware Riverkeeper Network has been tracking to review and comment on, was finally released to Delaware Riverkeeper Network as an approved permit in 2019 even though the permit was issued in March 2017. Delaware Riverkeeper Network had been told by NJDEP that the permit did not exist until the approved permit was released in March 2019 after repeated requests to NJDEP by Delaware Riverkeeper Network. At no time throughout Delaware Riverkeeper Network's participation in the public review of this project was the export of LNG from the facility ever discussed.

Delaware Riverkeeper Network has been investigating a project in Wyalusing Township, Pennsylvania proposed by New Fortress Energy, LLC. The proposed \$800 million plant in Browntown would convert natural gas to liquefied natural gas (LNG). New Fortress Energy describes itself on its website as:

New Fortress Energy is managed by an affiliate of Fortress Investment Group, a highly diversified global investment manager with approximately US\$36 billion of assets under management and US\$17 billion deployed within infrastructure, transportation, and energy sectors. <http://www.newfortressenergy.com/>

According to SEC filings by New Fortress Energy (as filed with the Securities and Exchange Commission on November 9, 2018, Registration No. 333-UNITED STATES SECURITIES AND EXCHANGE COMMISSION, Washington, D.C. 20549. FORM S-1, REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933. New Fortress Energy LLC.):

We are an integrated gas-to-power company that seeks to use “stranded” natural gas to satisfy the world’s large and growing power needs. Our mission is to provide modern infrastructure solutions to create cleaner, reliable energy while generating a positive economic impact worldwide. Our business model is simple, yet, we believe, unique for the liquefied natural gas (“LNG”) industry. We aim to deliver targeted energy solutions to customers around the world, thereby reducing their energy costs and diversifying their energy resources, while also reducing pollution and generating compelling margins.

We aim to deliver targeted energy solutions by employing a four-part integrated LNG production and delivery model:

Liquefaction – Our approach is to enter into long-term, largely fixed-price contracts for feedgas, then liquefy that gas at or proximate to its site of extraction, minimizing transport and pipeline costs for the feedgas producers. We are currently developing two liquefiers in the Marcellus area of Pennsylvania, each of which is expected to have the capacity to produce approximately 3 to 4 million gallons of LNG (which is the equivalent of 250,000 to 350,000 MMBtu) per day, and intend to develop five or more additional liquefiers over the next five years.

Logistics – We expect to own or control the logistics assets necessary to deliver LNG to our customers through our “logistics pipeline.” Tanker trucks will transport LNG from our liquefiers to a port on the Delaware river for Marcellus sourced LNG or the Gulf of Mexico for Mid-Continent sourced LNG, at which point LNG will be transloaded directly to large marine vessels.

Shipping – We have long-term charters for both large-scale floating storage units (“FSUs”) and floating storage and regasification units (“FSRUs”), and smaller liquefied natural gas carriers (“LNGCs”). These assets transport LNG from ports to our downstream terminals for ultimate delivery to our customers. There is approximately a five day sail time from port to our downstream terminals in the Caribbean.

Terminals – Through our network of current and planned downstream terminals, we will be positioned to deliver gas and power solutions to our customers seeking either to transition from environmentally dirtier distillate fuels such as ADO and heavy fuel oil (“HFO”) or to purchase natural gas to meet their current fuel needs. Our goal is to build 10 - 20 downstream terminals over the next five years.

(note: yellow highlighted added for emphasis)

Also, reported in local news in Pennsylvania:

New Fortress said it is focused on providing liquefaction solutions in remote areas with stranded gas. The company also said in its prospectus that a tanker truck fleet would move LNG from its first facility in Pennsylvania to a port along the Delaware River about 200 miles away, where it soon expects to finalize a lease for a facility.

“In answer to a question about where the LNG would be shipped, McElmurray said, “We know for sure that it’s going to a couple facilities along the Delaware River. We expect to supply LNG to utilities such as Con ED that are having difficulties getting gas because of restrictions on building pipelines. They are very interested in this type of facility.”

http://www.rocket-courier.com/node/290069?pk_campaign=Newsletter

(note: yellow highlighted added for emphasis)

In April 2019, the DRBC issued a Notice of Applications Received that listed a new activity for the proposed Gibbstown Logistics Center site in Greenwich Township, NJ

(<https://www.nj.gov/drbc/programs/project/pr/status-pg.html>):

An application for a new dredging project at the Delaware River Partners (DRP) Gibbstown Logistics Center, a multi-use deep-water seaport and international logistics center currently under development, located at River Mile 86.5 of the Delaware River in Greenwich Township, Gloucester County, New Jersey. The new project consists of the construction of an additional dock/wharf containing two deep-water berths, which will include the dredging of approximately 665,000 cubic yards of sediment from the Delaware River to a depth of 43 feet below mean lower low water (MLLW) elevation.

Conversation with agency staff revealed that the application is related to the addition of a new activity for the project site, the export of LNG that would be “layered on” to the already approved NGL terminal and warehouse activities at the facility.

The Delaware Riverkeeper Network has been actively submitting Freedom of Information Act Requests to the Army Corps and FERC, has been engaged in conversations with staff, and have been reviewing any and all agency materials related to this site we have been able to find. At no point have any of the materials received mentioned that this site is to be developed and used for LNG export. In fact, in response to Freedom of Information Act Requests submitted to FERC we find no information discussing any proposal for an LNG export facility to be located on the Delaware River or referencing the Gibbstown Logistics Center.

Today we learned that the DRBC is rushing to hold a hearing on a draft docket dated May 24, 2019, and posted on the DRBC website May 24, based on the March 11, 2019 application that was submitted to DRBC for expansion of activity at the site (primarily construction of a new dock, as well as associated dredging and construction activities) and yet nowhere in the application materials, DRBC public notices, or other information associated with this hearing is there any mention of proposed LNG exports. (**DOCKET NO. D-2017-009-2**). Written comments will be accepted on the proposed docket through 5:00 p.m. on Friday, June 7, 2019 and the DRBC will consider approval at their June 12 business meeting. This schedule is extremely compressed compared to the usual 14 to 15 days notice of a docket hearing and a one-month review period by DRBC Commissioners prior to a vote. (https://www.nj.gov/drbc/home/recent/approved/20190524_public-hearing.html)

The export of LNG from the Gibbstown Logistics Center requires public notification, and a significant level of environmental and safety information, as well as additional review and consideration by all regulatory agencies involved to date (and those that have apparently not been involved, such as FERC) is needed.

All agencies, communities, elected officials and the public must be given clear and detailed information on the LNG export proposal before any additional consideration or progress can and/or should be made by regulatory agencies for this site.

Obviously, the DRBC must cancel the planned June 6, 2019 hearing until full and fair disclosure of the true facts have been made.

That the liquefaction is potentially going to take place at another location with the LNG being brought to the site for storage and ultimate export does not in any way negate consideration of the significant environmental, safety and climate changing impacts of the proposal.

LNG brings with it the hazards of a spill and release. If LNG liquid is released it creates a serious safety hazard for those around. LNG vapor clouds can travel many miles if not ignited, transferring their threat of harm over a broad area – we have read 3 to 10 to even 50 miles depending on the size of the spill etc. Spills that catch on fire bring with them serious risk of burn – second degree burns within 30 seconds for those exposed within a mile.

LNG tankers require the use of ballast water to compensate for the on or off loading of the LNG cargo – this brings with it, among other things, concerns for the introduction of foreign and invasive species when ballast water is discharged. Intake of water is also required for cooling purposes for some ship engines. To the extent the intake and discharge of water is a threat of harm to Delaware River species, it is a serious and legitimate concern. Commercial and recreational fishing are vitally important to the communities of our region with the tidal Delaware River being the source of over \$34 million in fish landings alone.

And we cannot forget that bringing in to the Delaware River Basin a facility designed to support the transport of fracked shale gas brings with it also the responsibility for the upstream harms that occur from inducing and supporting increasing shale gas development. The harms of shale gas development includes significant climate changing emissions. The water, air, food, land and community destruction that is taking place from shale gas development is immense and growing. Drilling, fracking and all the activities needed to extract gas from shale is harming jobs, property values, recreation, and the health and safety of our communities and environment; and it is very literally making people, families and

communities sick. To take steps that further fuel these harms for both present and future generations must be taken into consideration under the state and federal laws that are implicated in the review and approval process of this proposed site.

The Delaware Riverkeeper Network writes this letter to expose this apparent cover-up and failure by parties involved and aware to ensure full public disclosure of this critical information.

We demand that the DRBC cancel the upcoming June 6 hearing. We demand that all agencies who have given any approval for this site rescind such approval until they have had a full and fair opportunity to review the ramifications of LNG export from the site and have had the full benefit of a genuine and fully informed public review and comment process.

Respectfully & Urgently,



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the Delaware Riverkeeper
Delaware Riverkeeper Network



Tracy Carluccio
Deputy Director
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