

New Fortress Global Natural Gas Buildout Entrenches Fossil Fuel Dominance

New Fortress Energy, LLC (“New Fortress”), a self-described “gas-to-power” company, is proposing several new gas infrastructure projects¹ that would help prop up the faltering gas industry.



In the mid-2000s, the oil and gas industry accelerated the use of fracking to extract formerly inaccessible natural gas. But persistently low prices have challenged the economic viability of the fracking industry’s continuous and steady expansion.² In response to the oversupply of cheap gas, drillers are increasingly relying on liquefied natural gas (LNG) exports so that new markets can sop up their supply and enable continued production.³

New Fortress explicitly plans to “capitalize on this growing supply-demand gap and create new markets for natural gas.”⁴ The company currently liquefies natural gas at its facility in Miami, Florida and intends to build two new liquefaction facilities in northern Pennsylvania.⁵ The export terminal that will receive these trucked shipments of LNG will be located along the Delaware River.⁶ Three additional terminals have been proposed in Mexico, Puerto Rico and Ireland.⁷ These facilities link into New Fortress’ global ambitions, supplementing the company’s active LNG terminals in Jamaica.⁸

The Pennsylvania Liquefaction Proposals

The Marcellus and Utica shale basins that run through Appalachia have become a major source of shale gas, producing 7.6 trillion cubic feet of gas in 2016 — about 45 percent of all shale gas and a quarter of all gas produced in the United States.⁹ New Fortress’ plans would capitalize off of this overproduction by developing two liquefaction facilities in Pennsylvania.¹⁰

Liquefaction facilities — like the ones proposed for Pennsylvania — process natural gas because it is almost impossible to ship it in its gaseous state. Super-cooling natural gas

converts it to a liquid that takes up 600 times less volume, making it possible to load the LNG onto tankers; when it is unloaded, it is heated to return it to a gas.¹¹

It has yet to be publicized where in Pennsylvania the two new facilities will be located, but a plan approval application indicates that at least one will be built in Wyalusing Township in Bradford County.¹² The Wyalusing processing plant will receive local gas via pipeline, then a fleet of trucks will carry the liquefied gas to an export terminal along the Delaware River.¹³

Community members are concerned about the proposal. According to a local, “They’re taking everything of value that’s built our community, that’s built everything around here.”¹⁴ Another person expressed safety concerns, wondering about how noisy the facility would be and what would happen in the event of an explosion.¹⁵

These concerns are warranted. Increased truck traffic and drilling emissions reduce air quality,¹⁶ and LNG facilities emit large amounts of air pollution and methane, locking in decades of climate pollution.¹⁷ The tankers and storage facilities also pose significant risks of potentially catastrophic explosions.¹⁸

In 2014, a pipeline explosion at a Washington state LNG terminal sent shrapnel flying into a 14.6-million-gallon storage tank, causing it to leak.¹⁹ The accident injured five workers, forced the evacuation of a thousand residents within a two-mile radius and caused \$72 million in property damage.²⁰ In 2004, an LNG explosion at the Skikda, Algeria terminal killed 30 and flattened port infrastructure.²¹ And in 1944, an LNG explosion in Cleveland, Ohio killed 128 people, injured between 200 and 400 more and devastated the surrounding area.²²

The Delaware River Export Facility

Although New Fortress has not yet disclosed a specific location for the export terminal, it did indicate that it will be about 195 miles from a Pennsylvania liquefying facility.²³ Various ports along the river fit the description; three years ago the company attempted to transform a former DuPont dynamite factory in Gloucester County, New Jersey into a fuel terminal and export facility.²⁴ (New Fortress abandoned the project in 2016 amid opposition.²⁵) Some people speculate that this is going to be the new location for the Delaware River port because in recent months there have been numerous job postings at the New Jersey site, including one for a person with LNG expertise.²⁶



The Delaware River port will transport LNG in cargo ships to its overseas markets,²⁷ including to a planned terminal in Mexico as well as potentially supplying the company’s planned LNG import facility in Ireland.²⁸

The Shannon LNG Import Terminal

New Fortress has entered into an agreement to purchase the planned Shannon LNG import terminal project in Ireland from a different company that owns the rights to construct and manage an LNG terminal and gas-fired power plant.²⁹ The €500 million project, located near Ballylongford by the Shannon Estuary, will also include a connecting pipeline.³¹

The project was first proposed 13 years ago and will be Ireland’s first LNG import facility.³¹ It will receive LNG by cargo ship, then re-gasify it to supply gas to the country.³² All of the required planning and permitting approvals are in place for the facility, and it was recently designated by the European Commission as an EU Project of Special Interest.³³ Operations are expected to start by the end of 2020.³⁴

This infrastructure does not make sense. Ireland has already banned fracking, and the Dáil (the lower house of

the Irish legislature) has voted for full divestment from fossil fuels.³⁵ The facility, the pipeline and the on-site gas generator would increase the climate-destroying emissions from methane leaks. Widespread methane leaks from the oil and gas industry, including pipelines and other infrastructure, are the second largest human-caused source of methane pollution worldwide.³⁶

Conclusion

The U.S. gas industry is promoting exports to maintain fracking's profitability, which would drive additional drill-

ing and gas extraction.³⁷ Approving more LNG facilities like the ones proposed by New Fortress for the export and import of natural gas will spur more environmentally damaging drilling and fracking, and building these energy-intensive facilities will generate more greenhouse gas emissions.

The United States must stop fossil fuel exports and the construction of infrastructure that supports these exports. And the European Union should not accept fossil fuel imports and should stop the expansion of climate-polluting gas infrastructure.

Endnotes

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