



April 27, 2022

Richard Glick, Chairman
James Danly, Commissioner
Allison Clememts, Commissioner
Mark Christie, Commissioner
Willie Phillips, Commissioner

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Rio Grande LNG, LLC (Docket # CP16-454-000, CP16-454-001, CP22-17-000) request for extension of time

Save RGV (formerly Save RGV from LNG) moves to intervene in the request for extension of time. Rio Grande has not demonstrated good cause for FERC to grant an extension. Incorporated in the State of Texas, Save RGV is a non-profit corporation organized for educational and environmental advocacy to promote environmental justice and sustainability primarily in the Rio Grande Valley. Members of Save RGV primarily reside in Cameron County, Texas.

Public Opinion Clearly Against RGLNG and TXLNG and Pipelines

The Rio Grande Valley community has voiced its unanimity that this build-out of LNG fossil fuel infrastructure and operations is NOT in the public interest, specifically, the RioGrande LNG export infrastructure and operations proposed for the Port of Brownsville. Non-governmental organizations and local governments in the Rio Grande Valley opposing LNG, its gas pipelines and CCS operations, include the Rio Grande Delta Audubon Society, Laguna Madre Water District, Surfrider Foundation South Texas Chapter, Port Isabel City

Commission, South Padre Island Business Owners Association, Laguna Vista Town Council, South Padre Island City Commission, Rio Grande Valley Hispanic Chamber of Commerce, Save RGV (formally Save RGV From LNG), Lower Rio Grande Valley Sierra Club Group, Port Isabel Economic Development Council, Point Isabel School Board, Friends of Laguna Atascosa National Wildlife Refuge, Friends of the Wildlife Corridor, Defenders of Wildlife, Cameron County Democratic Party, and the Hidalgo Democratic Party.

The Rio Grande LNG project is not in the public interest, and extending its deadline will not change that. None of the project's product (LNG) is for local use, consumption or benefit. Incentivizing increased drilling, fracking, gathering, piping, purification & refrigeration of natural gas, with their associated methane leakages is not in the public interest. Filling in wetlands and destroying natural wildlife habitat is not in the public interest. Large-scale air emissions of 2.5 particulates, NOx & VOC's is not in the public interest. Heavy petrochemical industrialization in a greenfield and tourism-dependent area is not in the public interest. Destroying a Native American archeological site (Garcia Pasture) is not in the public interest. Allowing new fossil fuel infrastructure build-out with its 25-30 year lifespan of GHG emissions is not in the public interest, the national interest, or in the interest of maintaining a livable planet.

Misleading Claims by RG LNG

In Rio Grande's application for a tax abatement with Cameron County, TX, Rio Grande states, "customers have delayed entering into long term commitments due to an over supply of LNG in the global market, while low, volatile oil prices further threaten LNG prices.¹ Rio Grande LNG also states in their tax abatement application that "over-supply in the global oil market also drives down LNG pricing and discourages customers from entering into long term purchase contracts."² Rio Grande has recognized an over-supply of LNG and projected challenges in acquiring long term contracts in 2017. Rio Grande LNG, in their tax abatement agreement, had set a deadline to start construction in October of 2020. Their claim of COVID-19 being the cause of their inability to secure long term contracts is deceptive and false.

Rio Grande set deadlines for their FID in early 2017, 2019, 2020, then in 2021 before COVID lockdowns, projecting confidence in their operations, and made misleading public

¹ Rio Grande Tax Abatement Application to Cameron County p7

² Rio Grande Tax Abatement Application to Cameron County p7

statements in press releases, e.g., that their project was shovel ready.³ Furthermore, regarding COVID, Rio Grande LNG stated:

...(T)he long-term fundamentals of the global LNG market and the Permian and Eagle Ford producing basins that will supply RGLNG have not changed. NextDecade continues to progress (sic) LNG opportunities with a significant number of prospective LNG customers... reflect the global nature of the LNG business and with U.S. producers interested in supplying natural gas to RGLNG... plan for negotiating this potential logistical hurdle should be specified.⁴

This is yet another example of Rio Grande LNG's incoherence, lack of transparency and integrity, misleadingly overselling the need for their project in a market of oversupply.

Other agreements and deadlines are not addressed in Rio Grande's request for extension, which further demonstrates their lack of viability and illogic. The Rio Bravo Pipeline was sold to Enbridge, which holds the option to sell the pipeline back, if RGLNG's FID is not made by the end of 2023. The initial tax abatement deadline was missed and Rio Grande LNG had to pay penalties to Cameron County including \$200,000 for every year after 09/18/2023. RGLNG's multiple amendments with Bechtel and contract expiration date in July, 2022.

Since RGLNG's last request for an extension, the market has demonstrated that there is little to no demand or need for Rio Grande LNG's project. FERC, in denying Rio Grande LNG's request for an extension, would be consistent with its mission to "assist consumers in obtaining reliable, safe, secure, and economically efficient energy services at a reasonable cost through appropriate regulatory and market means, and collaborative efforts." Renewables are a safer option.

Dubious Claims by RGLNG of Future Market Demand and Conflicting Public Interest

Since 2014, Rio Grande LNG has consistently communicated a misleading narrative of a great need for LNG and the need for their project. They addressed this false narrative to FERC, the state of Texas, and the community of the Rio Grande Valley. However, their narrative contradicts consistent avoidance of their FID, push-backs on construction timelines, and missed

³ "NextDecade Provides Corporate Update, Confirms Capital Resources Sufficient to Sustain Operations Through Year-End 2021," Business Wire, <https://www.businesswire.com/news/home/20200518005303/en/>).

⁴ "NextDecade Provides Corporate Update, Confirms Capital Resources Sufficient to Sustain Operations Through Year-End 2021," Business Wire, <https://www.businesswire.com/news/home/20200518005303/en/>).

agreement/contract deadlines. Rio Grande LNG's narrative denies reality and the facts of low market demand. In Rio Grande's request for an extension of time, they now point to Russia's invasion of Ukraine to claim a need for the project to meet the energy independence of Europe. It would be prudent for FERC to remind Rio Grande LNG that FERC regulates the safety and reliability of our country's natural gas industry, hydroelectric projects, oil pipelines, and wholesale rates: Europe's energy independence from Russia is not within FERC's purview. Consequently that claim of purpose is not, nor should it ever be a valid narrative for FERC to consider.

Save RGV therefore urges FERC to deny Rio Grande LNG an extension of time, because Rio Grande has not demonstrated good cause for FERC to issue an extension. Such an extension would not be in the public interest.