2025 LAW & POLICY, LLC
Comments/Document Compilation

Please hover over page numbers on the right column and hit CONTROL ENTER to go directly to referenced document.

TAB 1 11.29.2017 Comments of the Blueprint 2025 Working Group on the November 29, 2017 oversight hearing on "Modernizing NEPA for the 21st Century" to Chairman Rob Bishop

December 17, 2017

The Honorable Rob Bishop, Chair
Committee on Natural Resources
US House of Representatives
Washington, DC

Cody.Stewart@mail.house.gov

Electronically Delivered

Re: Comments of the Blueprint 2025 Working Group on the November 29, 2017 oversight hearing on

"Modernizing NEPA for the 21st Century"

Dear Chairman Bishop:

The Blueprint 2025 ("BP2025") initiative is a collaboration among infrastructure professionals, leading infrastructure development companies and public sector project managers, which advances and supports plans and policies to restore the U.S. position as the country with the world's best, most efficient and most productive infrastructure. We are writing on behalf of BP2025's Regulatory Reform Working Group.

The BP2025 working group is most appreciative of the oversight hearing held on November 29, 2017 by the House Committee on Natural Resources entitled "Modernizing NEPA for the 21st Century." We strongly agree with the consensus expressed at the hearing that the basic purpose of NEPA is laudatory, that the implementation of NEPA has seriously deteriorated over the past 47 years since passage, and we strongly agree with the four major themes expressed at the hearing:

- The federal permitting process is substantially too long and cumbersome,
- The federal permitting process as currently designed does not facilitate meaningful public participation,
- The process costs substantially more than it should and discourages private sector participation because of uncertainties and fear of litigation, and
- The permitting process is too often applied randomly, creating action on the part of project petitioners even when there is very minimal impact to federal lands.

Members of the Committee and the consensus testimony of witnesses was correct and did an extremely good job of highlighting and documenting these problems. We do however strongly disagree with the testimony and views expressed by the former Council on Environmental Quality General Counsel, Dinah Bear. The call by her and several committee members from the minority for additional layers of government personnel is misplaced. Our view is that increased bureaucracy is the source of the problem and not the solution to it.

Our working group prepared has prepared a position paper on modernizing the entire Act and process that we believe is very consistent with the Committee's laudable goals and provides concrete recommendations to help strengthen the Act and process. We would welcome the opportunity to meet with you and other legislators to discussions these important observations and recommendations.

Sincerely,

Norman Anderson
Blueprint2025 Working Group, Chair

Attachment: "Modernizing the NEPA Environmental Review Process," December 2017

Modernizing the NEPA Environmental Review Process, December 2017

This note briefly outlines deficiencies in the NEPA review process which have developed over time since the National Environmental Policy Act ("NEPA") was enacted nearly fifty years ago and suggests how modern technologies might be utilized to resolve those problems.

The issue to be addressed:

Despite the well-intentioned goals of NEPA to help public officials make decisions based on an informed understanding of environmental consequences, and take actions that protect, restore, and enhance the environment, there is a large and growing number of actors in both the public and private sectors that feel the Act has evolved into an unintended project-stalling process of administrative hurdles. What was originally designed to encourage simple informed decision making has become a burdensome and expensive process resulting in undue delays, loss of investment and, perhaps, even environmental harm.[1]

According to this view:

- Environmental analyses are routinely conducted for actions that reasoned judgment would conclude are not major and should not be subject to such onerous agency oversight.
- Though the act was intended to facilitate public input and participation, the environmental review process as it currently exists is esoteric and inaccessible to the average citizen who might like to weigh in. Data on the average length of an EIS is lacking, but it is not uncommon for these reports to span in excess of 1,000, 2,000, and even 3,000 pages, though CEQ regulations state that the text of final EIS reports should "normally be less than 150 pages and for proposals of unusual scope or complexity … be less than 300 pages."[2] This added complexity often means that participation only comes from well-funded organizations or experts in a particular field. While expert comments are appreciated, and encouraged, the process was meant to invite participation on a much broader scale.
- While agencies do not routinely track data on the cost of completing NEPA analyses, it is clear that the cost of an environmental review process for a single project can run into the millions of dollars. For instance, the Department of Energy (DOE) tracks limited cost data associated with NEPA analyses, specifically, funds the agency pays to contractors to prepare NEPA analyses. According to DOE data, the average payment to a contractor to prepare an EIS from calendar year 2003 through calendar year 2012 was $6.6 million, with the range being a low of $60,000 and a high of $85 million.[3] DOE's median EIS contractor cost was $1.4 million over that time period.[4]

Though the extent and impact of these problems may be subject to debate, it seems clear that there is a great deal of room for improvement in order to mitigate what many interpret to be excessive delay, cost, and complexity.

As a recent House Natural Resources Committee hearing on the need to modernize NEPA highlighted, there remains broad support for the act's basic objective of informing agency decision makers.[5] However, there seems to be a consensus that the process is plagued by the kinds of problems outlined here and that as a result, NEPA has failed to fulfill the basic purpose for which it was enacted, resulting in unintended adverse impacts on the U.S. economy, the

---

[1] *See Modernizing NEPA for the 21st Century: Oversight Hearing Before the H. Comm. on Natural Resources*, 115th Cong. (2017) (statement of Philip Howard, Chairman Common Good).

[2] 40 C.F.R. § 1502.7.

[3] U.S. GOV'T ACCOUNTABILITY OFFICE, GAO-14-370, NATIONAL ENVIRONMENTAL POLICY ACT: LITTLE INFORMATION EXISTS ON NEPA ANALYSES 13 (2014) (According to DOE, the cost for the $85 million Hanford Tank Closure and Waste Management EIS includes the costs for three major EISs—waste management, high-level waste tank closure, and disposition of a nuclear reactor—that were started separately and ultimately integrated into one document spanning 3,600+ pages including agency responses to public comments).

[4] *Id*.

[5] *See* 42 U.S.C. § 4321 (NEPA's congressional declaration of purpose states that the purposes of the act are "to declare a national policy which will encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man; to enrich the understanding of the ecological systems and natural resources important to the Nation; and to establish a Council on Environmental Quality.").

quality of our infrastructure, and in fact, on the environment itself. Solutions like those suggested at the hearing, by former CEQ General Counsel, Dinah Bear, that more and better-trained federal employees are needed—are both unrealistic and rooted in the past.[6] NEPA, like other elements of our infrastructure, needs to be updated and brought into the 21st century. New tools including data analysis, artificial intelligence, and even virtual reality modeling can and should be effectively utilized to expedite and simplify the NEPA process, making it more accessible to ordinary citizens and yielding superior analytical results.

Outlining a 21st century solution –Current Process Dynamics

NEPA requires federal agencies to analyze both the nature and the extent of a project's potential environmental effects and, in many cases, document these analyses.[7] While much has been said about the merits of this process in furthering a public dialogue and improving the quality of decision making at the federal level, CEQ regulations make explicit the need for a level of analysis that is timely, efficient, and genuinely useful. For instance, under the CEQ's own articulation of NEPA's purpose, "NEPA documents must concentrate on the issues that are truly significant to the action in question, rather than amassing needless detail."[8] "NEPA's purpose is *not* to generate paperwork—even excellent paperwork— but to foster excellent action."[9] "Ultimately, it is not better documents but better decisions that count."[10] The regulations go on to include specific instructions targeted at two additional goals: (i) to reduce paperwork and (ii) reduce delay.[11] Among these instructions include the need for agencies to reduce the length of environmental impact statements (EIS); emphasize the portions of the EIS that are useful to decision makers and the public; integrate NEPA requirements with other environmental review and consultation requirements; require comments to be as specific as possible; eliminate duplication with state and local procedures by providing for joint preparation; emphasize interagency cooperation before the EIS is prepared; establish appropriate time limits for the EIS process; and use accelerated procedures for proposals for legislation.[12]
Title 41 of the "Fixing America's Surface Transportation" Act ("FAST Act") --- establishes a new interagency committee (the Federal Permitting Improvement Steering Council "FPISC"), which is directed to ensure use of most efficient and timely processes for environmental review, and establishment of performance schedules for the completion of the environmental reviews. Title 41 thus both confirms the basic principles outlined above and augments them by a requirement that the Council established by the Act must ensure that "best technology" will be fully utilized in the environmental review process.

> **The objective of the FAST Act is very clear: Require federal regulators to achieve "Modernization of Environmental Review."**

That mandate requires timely action to integrate modern technology into the NEPA process. An approach to such an effort might be roughly outlined as follows:
Since its inception over 45 years ago, NEPA has developed into a fairly well choreographed set of procedures designed to fulfill agencies' environmental review obligations.[13]

- Identify the need for action in connection with a proposal.
- Determine whether the action is a federal action subject to NEPA review.
- Determine whether the proposed action is a "major federal action" with the potential to significantly affect the quality of the human environment. [14]

---

[6] *See Modernizing NEPA for the 21st Century: Oversight Hearing Before the H. Comm. on Natural Resources*, 115th Cong. (2017) (statement of Dinah Bear, Former General Counsel, Council on Environmental Quality).
[7] Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act (CEQ regulations), 40 C.F.R. Parts 1500-1508, set out the level of analysis and documentation for complying with NEPA. The scope and form of these analyses can take the form of a Categorical Exclusion (CE), Environmental Assessment (EA), or Environmental Impact Statement (EIS).
[8] 40 C.F.R. § 1500.1(b).
[9] *Id*. at § 1500.1(c) (emphasis added).
[10] *Id*.
[11] *See* 40 C.F.R. §§ 1500.4-1500.5.
[12] *Id*.
[13] *See* COUNCIL ON ENVIRONMENTAL QUALITY, A CITIZEN'S GUIDE TO THE NEPA: HAVING YOUR VOICE HEARD 8 (2007).
[14] *See* 40 C.F.R. § 1508.27.

    - If "no," then the project may quality for a categorical exclusion (CE).
    - If significant environmental effects are uncertain or the action fails to qualify for a CE, then agencies must move forward with an environmental assessment (EA) providing for public involvement to the extent practicable.[15]
- Determine whether the EA revealed a potential for significant environmental effects.
    - If "no," then agencies must issue a Finding of No Significant Impact explaining the reasoning for their decision.
    - If, however, in the process of completing the EA, it is determined that significant environmental effects *are* likely to result, a notice must be published in the federal register of intent to prepare an Environmental Impact Statement (EIS).
- A public process to determine the "scope" of the EIS must be conducted.
- A draft EIS will be prepared and published for, with a minimum 90-day period for public review and further comment.
- After addressing public input, a final EIS is published (no time limit).
- Finally, a Record of Decision is issued by the lead agency detailing their decision to move forward with the proposal or not.

It's important to note that at its core, NEPA is primarily a procedural statute. It does not require an agency to pursue the least environmentally harmful alternative, only that the agency give adequate consideration to the potential benefits and harms of the proposed action in order to demonstrated informed decision making.[16]

NEPA for the 21st Century

From a procedural standpoint, ample room exists to benefit from the economies and efficiencies associated with digitization and networking available to us in 2017. Much of the environmental review process has yet to embrace the efficiencies associated with software development and technological integration. While people who wish to comment on a draft EIS can now do so through online portals instead of having to mail in written comments, there are additional opportunities to take the choreographed stages of review and introduce coordination that is currently missing.
Under the framework of a modern, digital, analytic protocol, there could be an opportunity to introduce a discipline for reviewing some of the mistakes and inefficiencies embedded in the existing regulations and guidance, and perhaps even codify and replace the countless pages of existing guidance proven to be redundant or unnecessary.

In addition to introducing efficiencies that could cut down on delay and associated development costs, there is reason to believe that digitization could not only provide a quality of analysis currently lacking in NEPA review but could also substantially reduce Government costs. Two NEPA-related studies completed by federal agencies show clearly that there is no current "handle" on the total governmental cost of NEPA compliance. A 2007 Forest Service report on competitive sourcing for NEPA compliance stated that it is "very difficult to track the actual cost of performing NEPA. Positions that perform NEPA-related activities are currently located within nearly every staff group, and are funded by a large number of budget line items.

There is no single budget line item or budget object code to follow in attempting to calculate the costs of doing NEPA."[17] Similarly, a 2003 study funded by the Federal Highway Administration evaluating the performance of

---

[15] There is no statutory basis for the current requirement that there must be environmental review unless there is a categorical exclusion. The mandatory C.E exercise is unduly cumbersome and unduly restricts the exercise of reasoned judgment by the agency head in determining whether an action is "major" An intelligent computer aided approach to this analysis could provide the equivalent of reasoned judgment based on the thousands of relevant factors which might affect a reasoned human decision.
[16] *See Robertson v. Methow Valley Citizens Council*, 490 U.S. 332 (1989); *Vermont Yankee Nuclear Power Corp. v. Natural Resources Defense Council, Inc.*, 435 U.S. 519 (1978).
[17] U.S. FOREST SERVICE, COMPETITIVE SOURCING PROGRAM OFFICE, *Feasibility Study of Activities Related to National Environmental Policy Act (NEPA) Compliance* (Washington, D.C., Aug. 10, 2007).

environmental "streamlining" noted that NEPA cost data would be difficult to segregate for analysis."[18] Since, as noted the *outside contractor cost* of environmental review of a single proposal can range to $85 million or beyond it is clear that the overall cost of NEPA review is very, very substantial. , Digitization could introduce analytics that break down the silos of knowledge described in the Forest Service report and allow us to know, at least, what NEPA is costing. Even more important, the use of modern communications and analytical technologies can allow us to obtain more effective reviews, more expeditiously and at a much lower cost.

Implementation

One of the obvious questions associated with achieving this kind of integration and development is who will be responsible for coordinating the efforts involved. Clearly this subject matter falls within the purview of Title 41 and the Federal Permitting Improvement Council. Experience to date, however, suggests that the Council will not be able to address these issues effectively unless there is a clear lead agency for the substantive issues (OMB?) and adequate support from experts in analytics, data processing and artificial intelligence. One governmental option that merits consideration is the U.S. Digital Services team ("USDS"). USDS was started recently to bring together the best technology, design and government talent targeted at three critical national priorities: modernizing immigration, Veterans' benefits, and HealthCare. The group recruits top designers, engineers, product managers, and digital policy experts from some of the leading technology firms across the country, including Google, Apple, and Facebook. These experts are paired with civil servants in a variety of agencies and together they work to untangle some of the most important government services. As their website notes, they "help to manage technology projects relying on (1) a user-centered design framework to prioritize user needs; and (2) modern software development practices to enable iterative development and the ability to rapidly respond to change and feedback."[19] USDS partners with agencies to identify and implement tools and services to address common technical issues and usability challenges in a variety of contexts across the government. The potential partnership for a team like USDS with the integration challenges associated with NEPA is a promising start to modernize the review process and could help realize some of the instructions already ensconced in CEQ regulations like eliminating duplication with state and local procedures by facilitating joint preparation, accelerating proposal procedures, and better integrating NEPA requirements with other environmental review and consultation requirements.
There will also, of course, be a need for input from outside professionals and it is suggested that the Blueprint 2025 team might be ideally situated to coordinate contracting with key companies as Booz Allen

Conclusion

Over the past several decades, we've split the atom, we've spliced the gene, and we've harnessed the modern electron. New science and new technology is fostering change at a breakneck pace and we are at a crossroads. The need to bring NEPA — arguably one of the most influential pieces of environmental legislation ever enacted — up to speed in a way that's attendant to the needs of 21st century development is not a partisan issue. This was recognized in the FAST Act by specifically including a title designed to improve the timeliness, predictability, and transparency of the Federal environmental review and authorization process for covered infrastructure projects.[20] President Trump has targeted nearly a trillion dollars in infrastructure packages across the country given the state of our bridges, highways, and waterways. We are in a unique position to leverage knowledge available from actors in both the public and private sectors to bring to bear the full measure of our know-how on environmental review. Now is the time to bring the full resources of the federal government and the full reach of our collective expertise to this fundamental goal: we must modernize the NEPA environmental review process.[†]

---

[18] U.S. DEPARTMENT OF TRANSPORTATION, FEDERAL HIGHWAY ADMINISTRATION, *Evaluating the Performance of Environmental Streamlining: Phase II* (Washington, D.C. 2003).
[19] U.S. DIGITAL SERVICES, https://www.usds.gov/mission (last visited Dec. 1, 2017).
[20] *See* 42 U.S.C. § 4370m *et seq*.
[†] On a related note, one of the goals for this project ought to include the creation of a comprehensive environmental database that includes subject specific information capable of being drawn upon to inform future projects. For example, U.S. Fish and Wildlife have a rudimentary system for archiving conservation plans across the country. It's not terribly user-friendly but it does allow landowners and developers a chance to see what's been done before and what they might reasonably expect going forward in similar situations. Artificial intelligence and networking capabilities ought to be employed to compile something that is (i) informative; (ii) comprehensive; (iii) user-friendly; and (iv) capable of cutting down redundant work that's already been done before.

TAB 2 11.29.2017 Comments of the Blueprint 2025 Working Group on the November 29, 2017 oversight hearing on "Modernizing NEPA for the 21st Century" to Chairman Blake Farenthold

BLUEPRINT 2025

The Honorable Blake Farenthold
Chair, Subcommittee on the Interior, Energy & Environment
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, DC

Re: Comments of the Blueprint 2025 Working Group

Dear Chairman Farenthold:

The Blueprint 2025 initiative is collaboration among infrastructure professionals, leading infrastructure development companies and public sector project managers, which, in late 2015, commenced an effort to develop a plan through which the incoming administration might restore the U.S. position as the country with the world's best, most efficient and most productive infrastructure. These comments are submitted for the record of the Committee's Hearing to be held on November 29, 2017.

From an energy perspective, the term "infrastructure" encompasses power generation and transmission, oil and gas transportation, processing plants, and import and export terminals – all projects which may be substantially affected by DOE's regulatory actions or failures to act. We submitted comments in response to the DOE's Federal Register notice, "Reducing Regulation and Controlling Regulatory Costs," published by the Office of the Secretary of Energy on May 30, 2017 and are generally pleased with the results of that review, as outlined in Secretary Perry's *Final Report on Regulatory Review under Executive Order 13783* dated October 24, 2017.

We do, however, have one serious remaining concern and that is with the following statement which appears under the Report's heading *Streamline Natural Gas Exports:*

"For applications to export natural gas to countries without a qualifying Free Trade Agreement...DOE must conduct a public interest review."

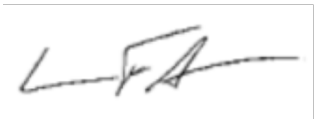
As the attached Analysis shows, there is no requirement or authorization under the Natural Gas Act for the conduct of such "public interest reviews". This requirement is directly contrary to the Act and has unnecessarily delayed projects which are critically important to our economy and fully consistent with this Administration's energy policy.

We hope your Committee will give this matter serious consideration and will facilitate a prompt revision of this policy. Please contact me with any questions via phone at 202.776.0990 or via email at norman@cg-la.com.

Best Regards,

Norman F. Anderson, President & CEOCG/LA Infrastructure, Inc. Founder, Blueprint 2025

November 28, 2017



CG/LA Infrastructure, Inc.

ANALYSIS: LEGALITY OF DOE'S "PUBLIC INTEREST REVIEW" POLICY

The "public interest review" concept has pervasively and adversely affected virtually all of DOE/ FE's export authorization proceedings. It has no basis in the statute and, indeed, is directly contrary to it.

The relevant language in Section 3 (a) of the Natural Gas Act reads as follows:

The Commission shall issue such order [authorizing export of natural gas] *on application*, unless, after opportunity for hearing, it finds that the proposed exportation . . . *will not be consistent* with the public interest. [Emphasis added]

DOE/FE has justified its position that public interest review is required by a contrasting reading of Section 3:

...[S]ection 3(a) of the NGA...expressly requires DOE to find that the proposed export of natural gas to non-FTA countries is not inconsistent with the public interest."

Even a cursory reading of the language of Section 3(a) set out above confirms that DOE/FE's reading is exactly backwards. Contrary to the Office's assertion, the Act does not require a "public interest review" or a finding that a proposed export is "not inconsistent with the public interest" in order to grant a license. In fact, the opposite is true – *the Act requires that the authorization must be granted*

unless DOE makes an affirmative finding based on evidence in the record and after opportunity for a hearing, that the proposed export will not be consistent with the public interest.

In other words, in order to justify a failure to grant an application for export authorization, DOE must, *based on evidence in the record, affirmatively find* a negative -- that the authorization requested "will not be consistent with the public interest." There is nothing in the Natural Gas Act that requires or authorizes a public interest review to go outside the record to determine whether or not authorization is in the public interest.

This was confirmed by the D.C. Circuit in its very recent August 15, 2017 decision ruling in favor of DOE and Freeport LNG and rejecting the Sierra Club's appeal of the Department's order granting approval to export to NFTA countries. The Court held that DOE's discretion under Sec. 3 of the NGA is limited, that Sec. 3 of the NGA creates a presumption in favor of the export applied for that even significant adverse environmental effects may not necessarily overcome, and that DOE must issue the approval *unless some evidence in the record supports a finding that the approval would not be consistent with the public interest*

Correction of this "public interest review" misconception, particularly if accompanied by a commitment to more rigorous adherence to the statute's adjudicatory procedure requirements and the requirements of DOE's own regulations, will greatly mitigate the regulatory impediments imposed by the policies established by the previous administration.

CG/LA Infrastructure, Inc.

TAB 3 1.19.18 HEARING, Blueprint 2025 Comments on H.R. 4605

The Honorable Fred Upton
Chair, Subcommittee on Energy
Committee on Energy and Commerce
US House of Representatives
Washington, DC

Electronically Delivered

Dear Chairman Upton:

Blueprint 2025 Comments on H.R. 4605

The Blueprint 2025 initiative is collaboration among infrastructure professionals, leading infrastructure development companies and public sector project managers, which advances and supports plans and policies to restore the U.S. position as the country with the world's best, most efficient and most productive infrastructure.

We are submitting this comment for the record of your Subcommittee's hearing scheduled for January 19, 2018 regarding Legislation Advancing LNG Exports.

As you will note from the attached comments submitted in connection with a recent hearing of the Subcommittee on the Interior, Energy and the Environment of the House Committee on Oversight and Government Reform, BP 2025 is of the view that the "Public Interest Review" which the Department of Energy's office of Fossil Energy conducts in connection with the granting of export authorizations under Section 3 of the Natural Gas Act is not authorized by law and is a redundant and unnecessary impediment to the development of the infrastructure necessary to support a robust new U.S. energy export industry. Our view is that the section

contemplates a mandatory decision to authorize the export unless it is determined based on evidence in the record that the quantity of natural gas to be exported is such that the export will "not be in the public interest". Given recent developments in U.S. technology for natural gas production, it is difficult to foresee a situation where exports, at least to countries not subject to sanctions, would not be in the public interest. We have therefore supported legislation which would eliminate or suspend this unnecessary regulatory requirement.

We do, however, have serious reservations about H.R. 4605 in that it could be interpreted to expand FERC's jurisdiction to cover facilities (e.g. CNG loading facilities, Containerized LNG shipping facilities, Gas Processing Plants and facilities loading gas/ngl mixtures) over which FERC has heretofore declined to exercise jurisdiction. It appears to us that this may be an unintended result, since there would appear to be no basis for exempting gas exported from LNG terminals from quantitative export regulation while leaving exports utilizing other technologies subject to onerous restrictions. This would seem to be an unreasonably discriminatory approach which penalizes efficient small footprint technologies and, by so doing, impedes the Administration's objective of returning the U.S. to a position of energy dominance. We strongly recommend an alternative approach. Either follow the example of the provision in the 2016 Consolidated Appropriations Act which simply eliminated export restrictions on the export of crude oil or condensates, now codified at 42 U.S. Code § 6212a (language to that end is attached) or adopt an approach similar to that laid out in Senator Cruz' bill (S. 1404) which would treat all nations which are not subject to sanctions as "FTA Countries" entitled to fair treatment regarding gas exports.

This is not a time for expansion of FERC's regulatory jurisdiction or for further embedding costly and disruptive export controls. Please feel free to contact us should you have questions or require additional information.

Best Regards,

Norman F. Anderson, President & CEO CG/LA Infrastructure, Inc. Founder, Blueprint 2025

TAB 4 3.16.18 Albert Binger, Comments on Oversight Hearing "Liquefied Natural Gas and U.S. Geopolitics" February 27, 2018

United Nations Decade of Sustainable Energy For All (2014-2024) ***"Island Energy For Island Life"***

March 16, 2018

The Honorable Paul Gosar
Chair Subcommittee on Energy and Mineral Resources
Committee on Natural Resources
US House of Representatives Washington, DC

Electronically Delivered

Dear Chairman Gosar:

I present my compliments and have the honor to share with you, in your capacity as Chair of the Subcommittee on Energy and Mineral Resources, Committee on Natural Resources, some energy induced economic realities of the small island states of the Caribbean, and links to the February 27, 2018 Subcommittee hearing on "Liquefied Natural Gas and U.S. Geopolitics," which I watched with interest, and feel compelled to bring to your attention the attached comments which I submitted to the US Department of Energy docket nearly two years ago.

As one born in the U.S.' neighboring Caribbean islands, and appointed Secretary-General by the Heads of State and Governments of the 32-country strong SIDS DOCK organization that includes the member states of Caribbean islands (as well

as the Pacific and Africa and Indian Ocean small island developing states [SIDS]), I have the challenge of identifying solutions to a situation that threatens the energy security of the Caribbean, a situation that has critically handicapped the region for years, due to the lack of reliable, clean fuels and feedstocks options in the fuel mix.

Our islands and low-lying coastal nations in the Caribbean and Latin America currently rely, with few exceptions, on liquid petroleum fuel for power and transportation, which results in very costly energy services and negative impacts on balance of trade and GDP. In some cases, energy imports represent more than one hundred percent of export earnings. Consequently, the SIDS economies have failed to generate sufficient employment, particularly for the youth - the Caribbean has one of the world's most rapidly growing youth populations and due to lack of

2nd Floor, Lawrence Nicholas Building P.O. Box 563, South Ring Road Belmopan, BELIZE
Tel: (501) 822-1104 or 1094 Fax: (501) 822-1365 www.sidsdock.org secretariat@sidsdock.org

opportunities many become social disruptors. Over the past five years, working with the island governments, SIDS DOCK has examined energy options ranging from biomass, wind, solar, waste, and ocean, and concluded that a transition fuel is need that allows a period of transition and capacity building to transform the energy sector to lower cost, cleaner renewable and efficient energy. We have carefully evaluated LNG and believe that the cost and size limitations of this option are such that it won't be viable for many, if not most, of our nations, and, additionally, it is not a very versatile fuel for application in private transportation and household situations.

For the last several years, we have been looking at a new and important type of feedstock called CGL or Compressed Gas Liquid (a blended natural gas liquid based products – composed of propane, other gas liquids and methane) for application in our countries. Through this new application of proven technology, CGL would be delivered to us in custom blends that are readily adaptable to burning with only very minor adjustments to our existing power generation furnaces and would serve as well as a fuel for our cooking stoves, motor vehicles, and the production of petrochemicals like fertilizers to support food production and expand rural employment. CGL in our energy mix provides the opportunity to help address our regional energy and food security policies and achieve our goals.

In the hope of helping to advance the authorization for export of CGL to our countries, we submitted comments urging the DOE to rapidly authorize the CGL manufacturers to send a portion of the product they were already authorized to ship to FTA countries in the Caribbean and Latin America to our islands, which, for the most part due to institutional capacity limitations, have not yet been able to negotiate such agreements.

I understand that despite the fact that there was no opposition to the granting of these non-FTA authorizations; despite the fact that no authorization to export any quantity beyond that previously authorized was requested; and despite the fact that no new facility would be needed to send CGL to our island nations, the DOE, apparently as an afterthought after the docket was closed, and without any notice or opportunity for us to comment, determined that the issuance of the requested authorization would require an environmental review proceeding.

It is our understanding that the CGL technology holder is not willing to have the record of the proceedings re-opened, given that it has now been closed for nearly two years and, to engage in an environmental review process that it considers to be unauthorized, unnecessarily costly and unreasonably time consuming. As a result, all of the CGL production will likely be subscribed by the FTA countries and our small island countries – strong strategic partners of the US and where it is most needed – will be deprived of this new versatile bridging fuel option, at a time when transformation of the energy sector is critical to generating additional economic resources to address the impacts of changing climate in our islands.

We greatly appreciate your observations and those of Chairman Bishop and other members, to the effect that the environmental review process needs to be simplified, expedited and improved if the U.S. is to maintain its technologic leadership in the energy area. One improvement would be to make clear that actions which have no environmental effects should not have to run the environmental review gauntlet, especially for gas and LPG's delivered in the form CGL which, when consumed, has one third the emissions of diesel fuel (the dominant fuel used in power generation in the islands) for example, and where it is critical for immediate emissions reductions and for an efficient transition to increased renewable energy in the energy mix . Plus,

again, our islands would receive the cost reduction benefits of access to gas and LPG fuels produced in the U.S.

This is particularly important at this time, when our islands are struggling to restore reliable power in the wake of the devastation caused during the 2017 Hurricane season. The SIDS DOCK organization is working closely with the CGL producer to take urgent interim steps to overcome the logistical difficulties and environmental risks associated with continued use of the various dirty liquid and solid fuels that we have had to rely on.

I think that DOE/FE's response is slowing deployment of an effective response to Caribbean islands needs and could unintentionally aggravate actual environmental harm. I hope you can do something to help advance access to CGL by non-FTA islands. Again, thank you very much for your concern and attention. I would be more than happy to brief you or your staff fully on the role we see for CGL in our economic recovery efforts, and the urgent need for prompt action to make it available to us.

From our island nations' perspective, we would be most grateful if your good offices could facilitate the environmental review of CGL exports to our islands with a sense of urgency, to allow the islands to access this CGL technology that our nations so sorely need, in the very near future. Your assistance is greatly appreciated.

Please accept my highest consideration. Sincerely,

Albert Binger, PhD Secretary-General

TAB 5 3.16.18 (Cover Letter) Comments on Oversight Hearing "Liquefied Natural Gas and U.S. Geopolitics" Feb. 27, 2018

March 16, 2018

Thomas Van Flein
Chief of Staff, Congressman Paul Gosar
General Counsel -- Western Caucus
Arizona's 4th District
2057 Rayburn HOB
Washington, DC 20515

Tom.Vanflein@mail.house.gov

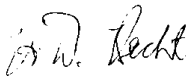
Comments on Oversight Hearing "Liquefied Natural Gas and U.S. Geopolitics" February 27, 2018

Electronically Delivered

Dear Mr. Van Flein:

On behalf of Blueprint2025 and Dr. Albert Binger, Secretary-General of SIDS DOCK, please see the attached comments submitting for inclusion in the public record regarding the hearing on "Liquefied Natural Gas and U.S. Geopolitics" held on February 27, 2018.

Regards,



Herbert W. Hecht, Esq.

2025 Law & Policy, LLC
2550 M Street NW
Washington, DC 20037
M + 1 703 380 8768
Hhecht15@gmail.com