

NATURAL GAS

GOP flip, confusion stall decision on Ore. export terminal

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Published: Thursday, February 20, 2020



The proposed Jordan Cove liquefied natural gas export plant in Oregon. Jordan Cove LNG

The Federal Energy Regulatory Commission was poised to approve a controversial liquefied natural gas export terminal on Oregon's Pacific coast today.

But deliberations hit an unexpected snag this morning following confusion stemming from a recent state permit denial.

Republican FERC Commissioner Bernard McNamee — in a surprise move — voted against a key certificate for the \$10 billion Jordan Cove project after learning of a decision yesterday from Oregon's Department of Land Conservation and Development to reject a needed permit for the site.

McNamee said he learned of the permit rejection via his news clips prepared by staff this morning and wanted more information before casting a vote in favor of the project.

"I want to see what the state of Oregon said, and I need that information to inform my decision about whether I'm ultimately going to vote for or against Jordan Cove," McNamee said.

The project has faced an uphill battle to secure state permits, with many Oregon Democratic leaders opposing the development.

Oregon's Department of Land Conservation and Development rejected a permit because of the adverse effects the facility would have on coastal and critical habitats as well as on endangered species.

State leaders also stopped two other permits for the venture late last year related to water quality and dredging ([Energywire](#), May 7, 2019).

McNamee cautioned that his vote was "for the time being" rather than a firm decision on the project's future.

He predicted that the commission could vote again as soon as next week when he has had time to further grasp the implications of the state's decision.

"This is a complex project," McNamee said. "It's one that has come to commission multiple times, and it needs to be considered carefully because there are many people for it and many people against it."

The FERC approval would clear a federal pathway for the development of the first LNG export hub on the West Coast, closer to energy-hungry Asian markets.

Should McNamee eventually support Jordan Cove along with Chairman Neil Chatterjee, the commission would reverse course on a project it had previously discarded.

The project and corresponding pipeline infrastructure build-out failed to garner enough FERC support in 2016 under the Obama administration because of concerns about consumer demand and a failure to secure voluntary agreements with landowners along the pipeline route.

That 2016 rejection marked a rare permit denial by FERC for natural gas infrastructure. The developers decided to reapply under a more natural gas-focused Trump administration.

"I want to reassure people that today's vote is not a denial of Jordan Cove's application," Chatterjee said. "It remains pending before the commission, and we will vote on this matter when we are ready."

FERC staff clarified after the hearing that the application remains pending because the commission rejected the order that would have approved it.

To scrap the docket, the commission must vote with a majority on an order stating FERC is actively rejecting the project, staff added.

Protesters disrupted the FERC meeting on seven occasions, in part because of the commission's expected action on Jordan Cove, with much of the complaints focused on the climate impacts and the flip-flop by the commission on the project.

Environmental groups have long opposed the project because of its climate impacts. They are now looking to build momentum amid the permit confusion.

"FERC got it right when it rejected the Jordan Cove proposal back in 2016," said Gillian Giannetti, a lawyer for the Sustainable FERC Project at the Natural Resources Defense Council. "The latest rejection by Oregon demonstrates this project should not move forward. This project is not in the public interest and we will continue to fight it."

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