PROPOSED RIO RANCHO LIQUEFIED NATURAL GAS PLANT - BERNCO RESOLUTION

KNOW THE FACTS

On Tuesday, October 24th at 5:00PM the Bernalillo County Commission will vote on a resolution to oppose NM Gas Company (NMGC)'s proposed Liquefied Natural Gas (LNG) plant near the Double Eagle Airport and Ventana Ranch. If this plant is approved by the PRC, New Mexicans would be paying a lot more for 30 years, but get very little, if any, benefit in return. Public support at the 5:00PM meeting will be critical to encourage the Commissioners to Vote YES.

Where: Ken Sanchez Commission Chambers, 415 Silver Ave. SW, First Floor, Albuquerque, NM 87102 When: Tuesday, October 24th, 2023 at 5:00PM How to sign up for Public Comment: https://www.bernco.gov/boards-commissions/speak-at-a-meeting/

- NMGC's claimed operational benefits don't outweigh the significant risks. As designed, the LNG Facility is within ten miles of the Double Eagle Airport, 51 public schools, residential neighborhoods, and a housing shelter. LNG, derived from fracked methane gas, poses significant risks to public safety and the environment. The proposed facility includes liquefaction, storage and regasification components for injection into NMGC's existing distribution lines. The application also anticipates transport of LNG by trucks to other parts of the state, leading to increased traffic and dangers along congested transportation corridors. Health and safety risks to Rio Rancho, Bernalillo County and surrounding communities include:
 - Physical danger from the ignition of leaking gas forming a low-lying cloud that drifts until it hits an ignition source even simple static electricity — igniting an inferno.
 - LNG production lines are rife with heavier hydrocarbons such as ethane & propane that present a higher risk of exploding.
 - Emergency personnel (fire and hospital) require special training & equipment to respond to LNG fires. LNG poses unique safety risks and related fires are extremely difficult to control.
 - Proposed LNG tanker trucks will endanger New Mexico drivers and communities throughout the state.
 - Impacts from boil-off gas and other necessary intermittent venting could increase cumulative emissions and further exacerbate existing air quality issues in Rio Rancho and Albuquerque. According to a 2022 report from the American Lung Association Bernalillo County alone has 63,480 residents with asthma, 32,622 with COPD, 250 with lung cancer, 42,466 with heart disease, 147,370 children under 18, and 111,216 adults over 65, all of whom are prone to experiencing adverse health effects such as coughing, breathing difficulty, chest pain, and throat irritation, among more severe consequences.

These dangers are not hypothetical. Even if safety procedures and technology are robust, leaks and explosions at LNG facilities have resulted in numerous fatalities, fires, widespread evacuations of communities in the US and around the world, and property damage in the billions.



- NMGC's LNG facility is not cost effective. It does not protect against future price spikes, and may even make us more vulnerable to them. The \$180M or more that could be charged to ratepayers to build the plant will not reduce price volatility because the capacity of the plant less than half the contracted capacity from the current supplier in Texas could mean that even more gas would have to be purchased on the swing market at high prices. In fact the real motivation for building the plant is the ability for NMGC to add \$180M with a guaranteed 9.375% return on equity to rates for the next thirty years, resulting in at least \$3 more in costs for each NMGC customer each month.
- Improvements and upgrades have been made to Keystone storage facility in Texas, where NMGC currently stores its gas supply, including enhanced investments to prevent the kinds of freeze offs that caused a shortage in 2021, and electric & gas coordination for critical functions.
- The proposed facility could decrease property values of nearby communities and will create just 8 to 10 permanent jobs.

New fossil fuel investments will slow the adoption of alternatives and ultimately turn into stranded assets when those alternatives become inevitable. Now is not the time to build new infrastructure that makes decarbonization more difficult!

