

May 7, 2019

**Organizational Sign On Letter Opposing the Department of Energy
Financially Backing the Appalachia Storage Hub**

Dear Chairwoman Lowey and Subcommittee Chairwoman Kaptur,

The fossil fuel and petrochemical industries are targeting the Ohio River Valley region of Ohio, Pennsylvania, West Virginia, and Kentucky for a massive fossil fuel and petrochemical infrastructure project that would lock in decades of pollution, lead to more drilling, and cause regional environmental and public health problems.

The industry is interested in the region because the Marcellus and Utica shale formations that lie under these states contain the natural gas liquid ethane, a fracking byproduct used to produce petrochemicals and plastic. This industry-proposed regional buildout could include five or more large ethane crackers (that turn the natural gas liquid ethane into a chemical used to make plastic) and a labyrinth of interconnected pipeline infrastructure and multiple underground natural gas liquid storage facilities.

We, the undersigned community, health, environmental, and public interest groups, write you to express our opposition to the proposed Appalachia Storage and Trading Hub (“Storage Hub”)– and to urge the Appropriations Committee to deny the Appalachia Development Group (“ADG”) the \$1.9 billion Title XVII loan guarantee that it seeks from the Department of Energy to finance this proposed project because the Storage Hub:

1. Does not meet the criteria provided by the Energy Policy Act,
2. Would be a major health risk for the region, effectively creating another “Cancer Alley”,
3. Would also be a major financial risk due to the instability of the plastics and LNG markets, and
4. Would contribute large volumes of carbon emissions at a time when the country should be decreasing emissions in the face of global climate change.
5. Lastly, this region is in need of an investment in clean, diverse, and forward-looking economic development with good jobs, instead of being taken advantage of by investors looking to make profit over the welfare of American citizens.

The Storage Hub and its associated infrastructure will pose serious public health and environmental risks to the region and the federal government should not facilitate this potential damage with a federal loan guarantee. It would be irresponsible to use taxpayer dollars to support building out more fossil fuel-related infrastructure at a time we should be investing in renewable energy infrastructure.

Food & Water Watch and others have filed Freedom of Information Act requests with the U.S. Department of Energy for materials surrounding this project’s loan guarantee application; however, based upon the information currently available it appears that the use of Department of Energy loan guarantees for this Storage Hub project does not meet the required criteria as outlined in Section 1703 of Title XVII of the Energy Policy Act, 42 U.S.C. § 16513. That is because Title XVII loan guarantees are designed to fund energy projects that “avoid, reduce or sequester air pollutants or anthropogenic [human-caused] emissions of greenhouse gases”.

The DOE’s Title XVII Loan Guarantee Program is meant to foster innovative clean energy technology that will reduce air pollution and greenhouse gas emissions. However, this Storage Hub project is neither innovative, nor is it clean. It will do

little more than prop up the Appalachian natural gas industry whose dangerous methane emissions pose an even greater threat to climate change than coal and serve as a precursor to ground-level ozone. A better use of this loan guarantee would be for regional manufacturing jobs in renewable energy that give workers a family-supporting wage.

The public awareness about the damage of single-use plastic to wildlife is high, and efforts to reduce plastic use are advancing all over the world. Many of the largest markets in the world are banning single use plastics, driving down demand. Additionally, the Ponzi scheme of the fracking industry is destabilizing, which makes a loan guarantee a high risk financial decision. Fracking has not been profitable without historically low interest rates on loans, continual cash input from Wall Street, and an unceasing expansion of drilling. Many industry experts believe that industry speculation of shale reserves has been grossly overestimated and that the shale bubble is liable to burst with minor market fluctuations. It would be a travesty for taxpayers to take on the financial burden of a likely default.

The Storage Hub would ultimately supply natural gas liquids to a region full of polluting petrochemical facilities and plastics plants that would rival the Gulf Coast, making it the next "Cancer Alley." These plants emit large amounts of hazardous air and climate pollutants and studies have found that long-term exposure to these pollutants is associated with increased cancer risks, nausea, eye and throat irritation and respiratory problems, especially among children. The Storage Hub is also likely to be sited along the Ohio River, the drinking water source for over 5 million people. Any environmental damage will endanger this vital water source.

The U.S. is already seeing the impacts of climate change, from the recent floods in the plains to the constant wildfires in the west, and the increasing intensity of hurricanes along the coasts. It is imperative that we decrease our carbon emissions and move off of a fossil fuel driven economy, and the Storage Hub is one massive step in the wrong direction. The infrastructure built in Appalachia would lock in decades of not only air and water pollution that is directly hazardous to human health, but would also unleash a colossal amount of greenhouse gases, which will impact not only Appalachians, but people all over the globe.

Appalachia is an area that has long suffered from extractive industries like coal mining and fracking, has borne the brunt of the opioid crisis, and continues to be an area of economic divestment. But it is also an area of great natural beauty, culture, and resilience. The federal government should be playing an active role in supporting economic development in Appalachia. Rather than subsidies for fossil fuel infrastructure, the region needs multi-sector economic development that improves the health of the region and provides good-paying union jobs in green energy, sustainable agriculture, healthcare and more as our nation moves towards clean energy.

We envision a different future than that of the Appalachia Storage and Trading Hub; one of true economic development that supports health and environment. The Storage Hub and its interconnected infrastructure and associated drilling and fracking would be a huge source of pollution for the communities in the Appalachian basin, and would compound environmental and public health challenges that residents of the Ohio River Valley already suffer due to a century of industrial pollution.

We ask that you, as members of the Appropriations Committee, include a provision in the Fiscal Year 2020 appropriations that explicitly prohibits the Department of Energy from providing any funding to further process ADG's application or grant loan guarantees related to the Storage Hub project.

Sincerely,

AAUW Kingston
Allegany County Women's Action Coalition
Alliance for a Green Economy
Animals Are Sentient Beings, Inc.
Appalachian Faith & Ecology Center
Arvadans for Progressive Action
Atchafalaya Basinkeeper
Athens County Fracking Action Network
Aytzim: Ecological Judaism
Benedictine Sisters of Erie PA
Berks Gas Truth
Better Path Coalition
Breast Cancer Action
Breathe Easy Susquehanna County
Breathe Project
Bronx Climate Justice North
Bucks Environmental Action
BWCUMC Creation Care Action & Advocacy
Calhoun County against MXP
Center for Biological Diversity
Center for Coalfield Justice
Central Jersey Environmental Defenders
Central NJ Chapter-The Climate Reality Project
Chatham Research Group
Christians For The Mountains
Church Women United in New York State
Clean Air Council
Climate Disobedience Center
Coalition Against the Pilgrim Pipeline NJ
Columbus Community Bill of Rights
Committee for Constitutional and Environmental Justice
Common Ground Rising
Communities First – Sewickley Valley
Concerned Citizens For Change
Concerned Citizens of Lebanon County
Concerned Residents of Oxford
Daughters of Wisdom
Do the Right Thing NJ
Don't Gas the Pinelands Coalition
Dryden Resource Awareness Coalition
Earth Care
Earth Forum of Howard County (Maryland)
Earthworks
East Goshen Safety and Environmental Advocates
EcoPoetry.org
Eight Rivers Council
Environmental Justice Committee - Thomas Merton Center
Extinction Rebellion KY

Food & Water Watch
Fox Valley Citizens for Peace & Justice
Frack-Free Frostburg
FracTracker Alliance
Franciscan Action Network
Franciscan Response to Fossil Fuels
FreshWater Accountability Project
Friends of the Earth U.S.
Gas Drilling Awareness Cortland County
Gas Free Seneca
Global Witness
Grassroots Coalition - Los Angeles
Guernsey County Citizens Support on Drilling Issues
Howard County Climate Action, Maryland
Illinois People's Action
Institute for Policy Studies
Interfaith Moral Action on Climate
Jewish Climate Action Network - MA
Kentucky Interfaith Power & Light
Lancaster Against Pipelines
Lebanon Pipeline Awareness
Livelihoods Knowledge Exchange Network
Maryland Conservation Council
Mid-Ohio Valley Climate Action
Midwest Environmental Justice Organization
Mountain Lakes Preservation Alliance
Mountain Watershed Association
Peace Action Bay Ridge
Nature Coast Conservation
NEOGAP (Network for Oil and Gas Accountability and Protection)
New Energy Economy
New Mexico Interfaith Power and Light
NJ Skylands Sunrise Hub
NJ State Industrial Union Council
No Waste Louisiana
North American Climate, Conservation and Environment(NACCE)
Northeast Organic Farming Association of New York
NYCD16 Indivisible
Occupy Bergen County
Ocean Conservation Research
Oil Change U.S.
OVEC - Ohio Valley Environmental Coalition
People Demanding Action
People for a Healthy Environment
People Over Pipelines
Physicians for Social Responsibility

Physicians for Social Responsibility, Arizona Chapter
Plymouth Friends of Clean Water
Project: Outreach
Protect Earth
Protect PT
Rachel Carson Council
Residents Allied for the Future of Tioga
Reach Out America
Rio Arriba Concerned Citizens, New Mexico
River Guardian Foundation
Rochester People's Climate Coalition
RootsAction.org
Rootskeeper
Sane Energy Project
Save the Pine Bush
Seeding Sovereignty
Sisters of Charity of New York
Sisters of Mercy
Sisters of St. Dominic of Blauvelt, New York
Sisters of St. Francis of Philadelphia
SoCal 350 Climate Action
South Asian Fund For Education, Scholarship and Training
(SAFEST)
Southern Illinoisans Against Fracturing Our Environment
Southwest Native Cultures
SouthWings
Stay Together Appalachian Youth Project
Stop NY Fracked Gas Pipeline
Sustainable Warwick
Sustainable Warwick Infrastructure Committee
The Climate Mobilization
The Greenbrier River Watershed Association
Thomas Berry Forum for Ecological Dialogue
Unitarian Universalists for a Just Economic Community
United for Action
Upper Green Side
We The People - NJ07
Westmoreland Marcellus Citizens' Group
White Rabbit Grove RDNA
Wisconsin Network for Peace, Justice & Sustainability
West Virginia Interfaith Power and Light
198 methods
350 Brooklyn
350 Charlotte
350 Colorado
350 New Mexico
350 Pittsburgh
350.org