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Nippon Export and Investment Insurance (NEXI)
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Re: Comments to NEXI on potential support for Cameron LNG (Phase II)

Dear Atsuo Kuroda, Chairman and CEO of Nippon Export and Investment Insurance (NEXI)

Thank you for the opportunity to comment on NEXI's consideration of support for Cameron LNG (Phase II). Friends of the Earth (FoE) Japan and FoE United States submit the following comments to strongly discourage NEXI from supporting this or any other LNG projects in the Gulf South of the United States because of the negative impacts on local communities and the climate. In addition to the points below, we have attached a document on the history of Cameron LNG from Louisiana Environmental Action Network, including reports of noncompliance with environmental standards.

Broader Negative Local Impacts

Southwest Louisiana has become a sacrifice zone to global dependency on LNG. Within a 40-mile radius of Cameron LNG, there are no fewer than 10 massive LNG export terminals that are already in operation or some stage of construction or planning. In addition to the Liquefaction operations, storage tanks, extensive network of pipelines, and constant LNG tanker traffic, pose a significant threat of explosions to surrounding communities.

Cameron LNG is located in Hackberry, Louisiana, a community that has been wrecked by powerful hurricanes in recent years. Many residents continue to live in homes damaged by strong winds and rains. The region and its residents are so vulnerable to storm damage that insurance companies will no longer cover them. With the El Nino weather pattern, the region is bracing for more storms. Wetlands throughout Southwest Louisiana are the natural barrier that protects people inland from storm surges and flooding. But the construction of Cameron LNG and their proposed CCS and gas storage projects, as well as the other industry being built along the coast are destroying the very wetlands that protect the region during storms.

Cameron and Calcasieu Parishes, where Cameron LNG is located, are already overburdened with industry and polluting facilities. Toxic pollution from industry disproportionately impacts low-income neighborhoods and communities of color located near these facilities along the Gulf Coast. Cameron LNG uses a 2-mile radius around their facility in doing an Environmental

Justice analysis. But the Federal Energy Regulatory Commission (FERC) has recently been using a 30-mile radius when conducting an EJ analysis for LNG facilities. Cameron LNG and this expansion project will have a disproportionate impact on EJ communities.

Cameron LNG and other LNG export terminals operating along the Louisiana coast are extremely vulnerable to massive hurricanes that are striking the region with greater frequency. In 2020, two category 4 hurricanes hit Southwest Louisiana causing widespread damage as far as 40 miles inland. The same flood protection walls being built around the LNG export terminals create the confined spaces necessary for vapor clouds to form and result in explosions. A [recent report from the Pipelines Hazardous Materials Safety Administration](#) outlines the risks of vapor cloud explosions and the conditions for vapor clouds gathering and exploding, and the cascading impacts such an explosion would have on the rest of the facility.

Cameron LNG, however, is unprepared for Louisiana's severe weather. The facility sustained significant damage during Hurricane Laura in 2020, leaving it non-operational. As a result, the plant dumped more than 217 tons of methane into the air over a two-day period.

Current Pollution at Cameron LNG

Sempra's Cameron LNG has been in operation for a few years and in that time has been a constant source of pollution. The LNG export terminal regularly exceeds its air permit allowances, and emits large quantities of benzene, NOx, methane, and other pollutants that cause cancer and other chronic disease, and contribute to climate change. In 2019, [Cameron LNG failed to disclose a methane gas leak](#) it experienced just one day after opening. Similarly, in 2021 the US EPA notified Cameron LNG that in 2019, Cameron LNG exceeded its permit authorization limits for criteria pollutants and hazardous air pollutants. These include emissions of Benzene, Carbon Monoxide, Methane, volatile organic compounds, and others. On January 6, 2021, the facility's thermal oxidizers shut down due to gusts of wind that topped out at 43 miles per hour, resulting in a major release of methane, benzene, and volatile organic compounds.

Cameron LNG has had 67 accidental releases since export operations began - averaging nearly 2 accidents per month. Forty-eight of these accidents were caused by trips of the thermal oxidizers. Each of these events results in releases of methane, volatile organic compounds, benzene, and other harmful pollutants. Regulatory agencies have investigated and twice concluded that Cameron LNG is operating in violation of their permits. It is only a matter of time before Cameron LNG and the regulatory agencies end up in litigation for these constant violations. In 2022, the Louisiana Bucket Brigade working with frontline communities published a [report on the operational problems at Cameron LNG](#). The report concludes that Cameron is a bad actor for failing to report emissions violations and its almost non-stop flaring. Nearby residents report

“regular spills of methane and benzene into the atmosphere, uncontrolled flaring, constant equipment failures, and weather-inflicted damage.”

The constant emissions of harmful pollutants has angered many residents in the region around Cameron LNG, who are concerned about their health and safety. But the constant violations also expose the company to paying significant fines and being sued by public interest groups. The pollution and harm will increase dramatically with this new expansion project. Experts estimate that the nitrogen dioxide emissions alone will exceed the NAAQS by as much as 18 times the allowed limit.

Cameron LNG pollutes the Calcasieu River, making it unsafe for local fishermen to harvest their shrimp, oysters, and fish in the region. Instead, they are being forced out into the Gulf of Mexico increasing their costs of operations and lowering their yields and profitability.

Cameron LNG Expansion

The Expansion Project will include a methane gas storage facility in the salt domes under the region’s wetlands. Similarly, Cameron LNG is adding carbon capture and storage (CCS) to its facility and plans to store the liquid carbon in the salt domes next to the gas storage facility. These projects will cause significant harm to local wetlands and other important habitats in the region. They also risk further contaminating the region’s water resources and fisheries. CCS is an unproven technology that poses serious risks to the region, and local communities are concerned about the risks they pose.

Endangered Species

We disagree with the ESIA’s assessment that the “Amended Expansion Project construction and operation would have no effect on the Eastern black rail or any other species.” Eastern Black Rail –nicknamed the “feathered mouse” – has been considered endangered by the US government since 2020 and is considered critically threatened in Louisiana since three quarters of its population has been wiped out. A precautionary approach is required to protect critical biodiversity and ensure that projects like the Cameron LNG expansion are not further endangering species that are already on the brink. Therefore, the ESIA should do a full analysis of the impact of this project on the Eastern black rail.

We appreciate you taking the time to review our comments. We look forward to discussing these issues with NEXI further.

Sincerely,



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