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## THE TRANSFORMATION OF THE ENERGY SECTOR

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### LNG

#### E&E News seeks open PHMSA hearing on Cheniere leaks

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Federal pipeline regulators are keeping the doors closed on a hearing next week into leaks at the country's first modern liquefied natural gas export facility.

But E&E News, with the assistance of the Reporters Committee for Freedom of the Press, has requested that the hearing be opened to the public and reporters.

Cheniere Energy Inc. requested the hearing to challenge an order from the Pipeline and Hazardous Materials Safety Administration. The agency ordered two tanks shut down at the company's Sabine Pass facility in Louisiana after inspectors investigated leaks from the tanks.

The hearing is set for Wednesday in Houston. When E&E News asked PHMSA to provide the time and specific location so a reporter could attend, an agency spokesman refused.

"Our hearings are not open to the public," said spokesman Darius Kirkwood.

Attorneys for the Reporters Committee sent a letter on E&E News' behalf that was to be received yesterday by PHMSA officials requesting that the hearing be open. It also provided legal reasons for opening the hearing.

"Open judicial proceedings serve a critical function in our democracy," said the [letter](#), submitted over the names of Reporters Committee attorneys Katie Townsend and Sarah Matthews. "Courts have long recognized that the First Amendment and federal common law require legal proceedings to be conducted in public view."

The PHMSA order to shut down two tanks that leaked at Cheniere's Sabine Pass facility came at a crucial juncture for the industry. In 2016, Sabine was the first of several U.S. LNG export projects under development to start shipping gas. Around the time the order was issued, Cheniere announced a long-term LNG supply agreement with the China National Petroleum Corp.

This month, Maryland's Cove Point became the second major terminal for LNG exports. And several other U.S. LNG export facilities are expected to come online either this year or next, including another Cheniere facility in Corpus Christi, Texas.

Natural gas is highly flammable and under certain conditions explosive. PHMSA describes LNG spills as "low-frequency, high-consequence events." The Jan. 22 incident did not result in any reported injuries, fires or explosions.

LNG is natural gas that is cooled to a liquid at minus 260 degrees Fahrenheit. Its volume is then reduced six-hundredfold. When supercooled LNG encounters ambient air temperatures, it quickly expands and turns back into a gas. Each of the tanks can store up to 3.4 billion cubic feet of natural gas.

PHMSA issued the order more than two weeks after the leak incident, giving the first public notice that there had been a problem. Agency inspectors discovered that LNG had been leaking into a containment ditch around a storage tank. Further inspection revealed that natural gas vapors were leaking from 14 points around the base of a second LNG storage tank ([Energywire](#), Feb. 12).

There also were indications that Sabine Pass personnel had been grappling with a series of storage tank issues dating back to 2008.

PHMSA allowed the company to continue importing and exporting gas and use three other LNG storage tanks at the site.

Cheniere requested the hearing in mid-February, challenging PHMSA's assertion that continued operation of the two tanks without fixing the problems would "be hazardous to life, property and the environment." The company said the order isn't supported by the evidence or the state of the tanks.

Cheniere has said it hopes to address its differences with PHMSA "informally" before the hearing.

[Click here](#) to read the Reporters Committee for Freedom of the Press letter sent to PHMSA on behalf of E&E News.

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