

GUEST VIEW

Natural gas is common-sense energy solution

By E.J. Smith

You have to wonder just how serious the Obama administration is about fighting terrorism and saving the environment when the one solution that can help alleviate both — natural gas — faces developing government-induced headwinds. Terrorists would love to explode a ship importing liquefied natural gas near a major population center. Why then don't we move away from LNG, since natural gas, thanks to new discoveries, is more plentiful?

Another reason to shift energy policy toward natural gas is that it's a cleaner hydrocarbon. Once again, common sense seems to be lost on Washington. All the rhetoric about the green movement is just a diversion for more government control and redistribution of wealth.

Just under a quarter of the energy consumed in the U.S. comes from natural gas, of which 98 percent is from North America and 2 percent is imported LNG from



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Trinidad and Tobago, Egypt, Norway, Nigeria and Qatar.

LNG is received either offshore or onshore by one of eight import facilities. Some of these shipping routes and final destinations come dangerously close to major population centers — Boston, for example. And the shipping route for another proposed site in Weaver Cove, Mass., which begins in Newport, passes through thickly populated neighborhoods like thread through a needle. So why do we deal with LNG at all?

LNG supplies 20 percent of New England's natural gas supply because of current pipeline and storage limitations. Both can be solved with new pipeline construction and recent discoveries. Take the

new Rockies Express pipeline or REX East, which connects the Rockies natural gas market to the Appalachians and has closed the pricing gap between the two regions, creating a more vibrant market. The pricing spread between the two regions is now only 30 to 35 cents/MMBtu, down from \$1.80/MMBtu. And the Marcellus shale discovery is a game-changer for the Northeast and the overall natural gas market as it ushers in a new era for North America's natural gas supply.

The Potential Gas Committee's (PGC's) biennial report, "Potential Supply of Natural Gas in the United States," released in 2009, shows the U.S. with a total available recoverable natural gas supply of 2,074 trillion cubic feet

(Tcf) — the highest natural gas resources evaluation in the PGC's 44-year history. Since the U.S. consumes 22 Tcf per year, that's about 100 years of supply. And if Canada is included, the supply is off the charts.

Terrorists would love to explode an LNG ship. Al-Qaida literally wrote the book on such attacks. The U.S. government holds al-Qaida operative Abd al-Rahim al-Nashiri responsible for masterminding the attack on the USS Cole when it was rammed by a small boat loaded with explosive. He's incarcerated at Guantanamo Bay. In 2007, Jane's Terrorism & Insurgency News reported that The Lebanese Daily Star quoted an unnamed Western counterterrorism official as saying: "They actually have a naval manual on this. It tells them the best places on the vessels to hit, how to employ limpet mines, fire rockets or rocket-propelled grenades from high-speed craft and turn LNG tankers into floating bombs."

Richard Clarke, the former White House counterterror-

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ism chief, wrote in his 2004 book "Against All Enemies" that had a giant tanker been blown up in Boston harbor it would have wiped out downtown Boston.

The free market has found natural gas to be a winner. There's no need for the U.S. to import LNG. If anything, we should be exporters. A shift to 100 percent North American natural gas could eliminate deliveries through high-population centers like the existing site in Boston. And future

sites requiring delivery through densely populated neighborhoods like the one beginning in Newport would be rejected.

Last week, Obama's interior secretary, Ken Salazar, announced he would bring more scrutiny and a greater public voice on how oil and gas leases are awarded on public lands, potentially slowing the development of the nation's natural gas resources. Why does the Obama administration want to put on the brakes? Is it because their green initiatives are proving to be unsustainable — without taxpayer subsidies, at least?

I agree with the Independent Petroleum Association of Mountain States' statement that "the changes will create an extra layer of red tape that will allow government bureaucrats to trump the expertise of geologists and engineers." Sounds to me like that's exactly what the Obama administration wants. Let's hope they don't blow another common-sense solution.