

Since launching Southeast LNG Distribution Company (Southeast LNG), we have received many questions about the new venture. As part of the local community, we are committed to having an open dialogue with our neighbors about the company and the anticipated economic and environmental benefits it can deliver to the Savannah area as well as the broader Southeast region. This document is designed to address many of the questions received to date.

## **Who is Southeast LNG?**

Southeast LNG is a joint venture between AGL Resources Inc. and El Paso Corporation. The company plans to distribute liquefied natural gas (LNG) across the southeastern U.S. to the heavy-duty transportation market, which includes trucks, buses and waste haulers, and to peak-shaving facilities in Georgia. By owning and operating a fleet of LNG-fueled tankers and constructing distribution facilities, the company can support the use of LNG as an alternative fuel source for this emerging market segment.

## **What is LNG?**

LNG, or liquefied natural gas, is natural gas that has been cooled to -260 degrees Fahrenheit. When cooled to this temperature, natural gas converts from a vapor to a liquid. One (1) cubic foot of LNG is equivalent to approximately 600 cubic feet of natural gas vapor. This conversion maximizes the capacity to store and transport natural gas on transport ships, and at receiving and storage terminals.

## **Why is greater availability of LNG as a transportation fuel important?**

LNG is a cleaner alternative to diesel fuel for the heavy-duty vehicle market in the U.S. According to recent studies, LNG trucks are capable of reducing greenhouse gas emissions by 21 percent when compared with even the most advanced diesel-fueled trucks. The proposed facilities at Elba Island are expected to enable the displacement of more than 80 million gallons of diesel fuel consumption annually. Additionally, locating the proposed truck loading facilities near the existing LNG terminals avoids additional downstream fuel use to liquefy natural gas, which further reduces greenhouse gas emissions and preserves domestic energy resources while still providing cost savings that can be passed on to consumers.

Approximately 26.7 million gallons of LNG were sold to the trucking market in 2009. About 3,000 heavy-duty trucks, transit buses, waste collection trucks and other vehicles now use LNG as a primary fuel. While the majority of these vehicles are in California, Arizona and Texas, increasingly stringent emissions standards and rising petroleum prices are motivating owners of heavy-duty vehicles in other parts of the country to consider alternative fuel options.

## **What will be the source of the LNG transported by Southeast LNG?**

The LNG transported by Southeast LNG will initially come from Southern LNG's Elba Island terminal near Savannah. The LNG at Elba Island is imported from various production facilities around the world.

## **Who regulates LNG truck transportation?**

LNG truck transportation is regulated by two divisions within the United States Department of Transportation: the Pipeline and Hazardous Materials Safety Administration and the Federal Motor Carrier Safety Administration. There are also various state agencies that regulate LNG trucking. Additionally, the National Fire Protection Agency sets the codes and standards for the handling of LNG, and the American Society of Mechanical Engineers sets standards for the design, fabrication, testing and inspection of LNG tankers.

## **What measures will be taken to ensure the safe ground transportation of LNG?**

The tanker trucks used to transport LNG have many safety components, including an outer vessel of carbon steel and inner pressure vessel made from nickel steel or aluminum alloys, in addition to several inches of insulation between the outer jacket and inner pressure vessel. The double-walled construction of an LNG tanker truck is more robust than the equivalent tanker truck design for transport of other liquid fuels such as diesel. Safety equipment, such as pressure relief valves, gas detectors and safety shut-off valves are standard on LNG tankers. Finally, comprehensive driver training and monitoring further ensure the safe ground transport of LNG.

### **What could happen if an LNG tanker is involved in a traffic accident near my property?**

Given the safety features built into each LNG tanker, and because natural gas will not ignite in its liquid state, a fire is highly unlikely. In addition, the pressure-relief equipment and safety shut-off valves on each truck are designed to contain the LNG in the event of an accident. If LNG were to spill, it would vaporize. LNG trucks have an excellent safety record. There has been no recorded incidence of explosion or uncontrolled fire as a result of an LNG truck accident, and in accidents that have involved an LNG spill, the leak has been minor.

### **How does the transport of LNG compare to the transport of gasoline?**

The tankers used in LNG transportation are different from the tankers used for gasoline transportation. An LNG tanker is insulated with fiberglass, has a carbon steel outer jacket and double walls that are vacuum insulated. Additional safety features include pressure-relief valves, gas detectors and safety shut-off valves.

### **What is the proposed route for Southeast LNG trucks?**

The proposed route is approximately 8.4 miles long and travels the following path: Elba Island Road → President Street → Truman Parkway → DeRenne Avenue → Interstate 516 / Lynes Parkway.

President Street passes through a primarily industrial section (2.2 miles) leading to the Truman Parkway interchange. There are three intersections with traffic signals on President Street through which trucks would pass. The Truman Parkway – President Street interchange is a partial cloverleaf, where trucks entering from the east would be required to enter at minimal speeds. Truman Parkway is a limited access road approximately 4.5 miles in length from President Street to the DeRenne Avenue interchange. The DeRenne Avenue corridor is approximately 1.7 miles long and contains eight intersections with traffic signals. The corridor is mixed use with commercial/professional uses on the north side of the roadway and residential properties on the south side of the roadway for the first 1.2 miles. The remaining 0.5 miles transitions to a commercial corridor that connects to Interstate 516 / Lynes Parkway.

### **Why was the proposed route chosen?**

The President Street to Truman Parkway route is most favorable because of its shorter distance, lower accident rate and avoidance of Savannah's historic district. Two alternative routes were considered. The first alternative route considered (Elba Island Road – Islands Expressway – US80 – Truman Parkway – DeRenne Avenue – I516 / Lynes Parkway) is longer, has higher traffic volumes, more intersections (including one with a dangerous turning radius for trucks), and a higher historical collision rate. Another alternative route (Elba Island Road – President Street – Bay Street – Lathrop Avenue – Louisville Road – US17 – I16) was considered and then eliminated because it travels through the historic district of downtown Savannah.

### **How many trucks are projected to travel the proposed route each day?**

Initially, only 10 trucks per day are planned to travel the proposed route. This number represents less than 0.1% of current daily vehicle traffic volumes. Additional trucks will be phased in as the market develops, but maximum capacity (58 trucks) will still represent less than 1 percent of current daily vehicle traffic.

### **What impact will the LNG trucks have on traffic in Savannah?**

The impact of the LNG trucks on Savannah traffic is expected to be minimal. The number of trucks being added to the daily traffic patterns is nominal and the route was carefully chosen to ensure the least impact possible to the Savannah community.

### **What impact will the use of LNG for heavy-duty trucks and buses have on the environment?**

According to the U.S. Department of Energy, when compared to current advanced diesel alternatives, the use of LNG can reduce toxic and carcinogenic pollutants, particulate matter by 86 to 96 percent, non-methane hydrocarbons by 56 to 96 percent, nitrogen oxides (NOx) emissions by 17 to 80 percent, and carbon dioxide (CO<sub>2</sub>) emissions by up to 30 percent.

### **Where can I find more information about Southeast LNG?**

Visit [www.southeastlng.com](http://www.southeastlng.com) to learn more about Southeast LNG. Members of the media may also contact Alan Chapple, media relations manager, at 404-783-3011 for assistance.