Liquefied natural gas terminal south of Dauphin Island approved

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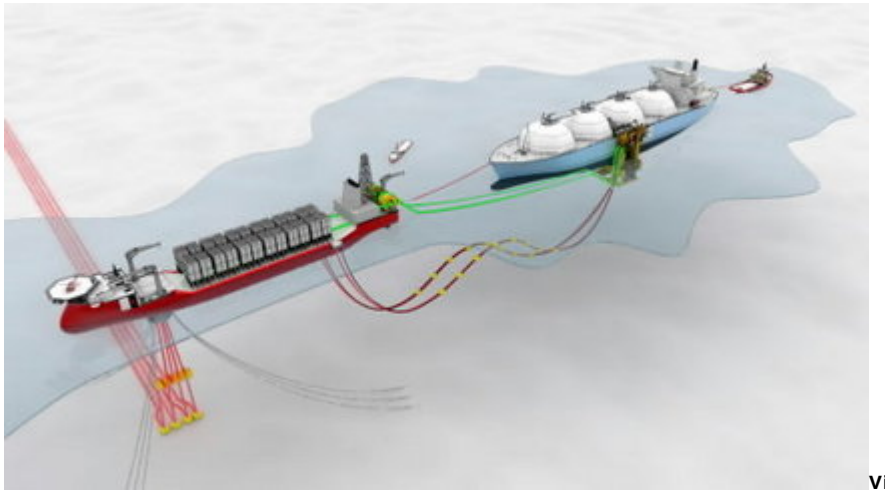
 **George Altman, Press-Register**

 **View full size**(Courtesy TORP)Houston-based TORP Technology is proposing to use a "closed-loop" system that does not rely on Gulf seawater to warm superchilled LNG and turn it back into natural gas that can be injected into the nationâ☐™s pipeline network. This company-supplied computer image shows how the LNG tanker would connect with pipes to the ship that then warms the gas.

Gov. Bob Riley on Wednesday approved the creation of a liquefied natural gas terminal 63 miles south of Dauphin Island, after years of rejecting other LNG projects.

Central to Riley's approval of the TORP Technology proposal was its "closed-loop" system of warming the super-cold gas, which environmentalists say poses a much smaller risk to marine life and habitats than other designs.

The governor's office said in a news release that the LNG project — dubbed the Bienville Offshore Energy Terminal by the company — would create 250 direct and indirect jobs.

Sweetening the deal, TORP agreed to pay $25 million over several years, to the Alabama Department of Conservation and Natural Resources for protection and restoration of marine and coastal environments, Riley's press secretary said.

"Instead of using technology that would harm our valuable marine resources, now they will use an environmentally safe system," Riley said in a written statement.

"At the same time, the project will generate new jobs and help the state establish a fund that will enhance our environment," Riley added.

LNG terminals receive shiploads of natural gas that has been chilled to extremely low temperatures to greatly condense it and convert it into a transportable liquid. When warmed and returned to a gaseous state, it can be injected into the nation's pipeline network.

Casi Callaway, executive director of the environmental group Mobile Baykeeper, said that the "closed-loop" plans submitted by TORP are much less destructive than "open-loop" designs that the company, and others, pursued in the past.

"Open-loop facilities pull in millions of gallons of ocean water daily," Callaway said. "The warm Gulf waters are used to reheat the super-cooled LNG, and then that water is chlorinated and then redischarged, cold, back into the Gulf."

She said, "Everything that goes through that cycle dies."

By contrast, the closed-loop system will use the sun's warmth to heat the gas, through vaporizers housed on a ship.

"They're basically very large radiators, and we draw air from those, and we draw heat from the air," TORP Terminal CEO Joe Berno said.

The heating process, and the methanol liquid it uses, will be kept insulated from the sea water, Berno said.

He added that the project has not yet been put out for bid, but he expects it to cost "well north of half a billion dollars." The closed-loop system adds $125 million to $150 million to the price, Berno estimated.

“We’re happy to come up with a solution that we feel continues to be environmentally sensitive, while also being commercially competitive,” he said. “It’s probably more expensive all the way around, to be honest with you, but it’s the cost of doing business.”

Citing concerns over potential harm to fish, Riley announced in 2008 that he would not allow an open-loop terminal in Alabama waters. TORP shelved its open-loop proposal soon after.

“I believe that we owe TORP a thank you for listening to the community,” Callaway said.

She also spoke highly of Riley.

“He asked the opinion of this community over and over and over again,” Callaway said. “He was very thoughtful and very careful.”

The facility will be used to receive LNG brought from overseas, not to drill or explore for gas.