



## Biden Admin Halts 2nd Largest US LNG Plant From Restarting Operations After Blast

### Description

**USA:** The Biden administration is preventing the second-largest US liquefied natural gas export facility from repairing or restarting operations in the wake of a fire earlier this month over ‘risks to public safety.’



*Smoke billows from the Freeport LNG plant in Quintana, Texas, U.S., June 8, 2022, in this still image obtained from a social media video on June 9, 2022. Courtesy of Maribel Hill/via REUTERS*

As *Reuters* reports, the U.S. Pipeline and Hazardous Materials Safety Administration (PHMSA), which

operates under DOT Secretary Pete Buttigieg, **has prevented Freeport LNG's 15 million tonne per year (mtpa) Quintana plant** in Houston, TX, exacerbating the global energy crunch.

**"Continued operation of Freeport's LNG export facility without corrective measures may pose an integrity risk to public safety, property or the environment,"** PHMSA said in its preliminary report, after a problem with a safety valve led to an 18-inch stainless steel pipe to overpressurize and burst. This released LNG and methane, leading to the blast.

***It laid out a series of steps** for investigating what caused a 300-foot (91-m) section of pipe to burst and release about 120,000 cubic feet of LNG.*

***The root cause analysis likely will delay a partial restart of the plant for 90 to 120 days,** and could delay a full restart, analysts said.*

*Closely-held Freeport said it will continue working with PHMSA and other regulatory bodies to obtain necessary approvals to restart operations. It estimated resumption of partial liquefaction operations to be in early October and a return to full production by year-end. - Reuters*

"The actual process (of reviews, repairs and approvals) will take longer than three months, and potentially take six to 12 months," said Alex Munton, director of global gas and LNG at consultants Rapidan Energy Group.

According to the report, PHMSA ordered the company to **submit a plan within 60 days for an outside investigator** to report on the extent of the damage to the facility – and gave no indication of how long it would take to approve a plan. Freeport must also contract with a third-party to review the condition of its LNG storage tanks.

Then, and only then, can the company submit a repair plan, derailing their goal of a partial restart in September, and full operation by year-end.

by Tyler Durden

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