



Legislative Memo

Darren Suarez
Director of Government Affairs
T 518.465.7517 x245
www.bcnys.org

BILL: S.119A (Maziarz)

SUPPORT

SUBJECT: Liquefied Natural Gas Storage Facilities and Transportation

S.119A (Maziarz)

DATE: February 25, 2013

The Business Council supports S.119A, this legislation amends section 23-1706 of the environmental conservation law to provide an exemption for the transportation and storage of up to 50,000 gallons of Liquefied Natural Gas (LNG) if such activity conforms to federal, regulations and codes administered by the National Fire Protection Association.

LNG, is the same natural gas that we use in our homes for heating and cooling - except that it is condensed natural gas into a liquid. To become a liquid it is cooled to approximately 260 degrees Fahrenheit below zero (or minus 162 degrees Centigrade) at atmospheric pressure. The liquefying process removes impurities found in typical pipeline gas resulting in a LNG composition of mostly methane with small amounts of other hydrocarbons and nitrogen.

If LNG is spilled, the resulting LNG vapor will warm, become lighter than air and disperse with the prevailing wind. Although LNG is colorless, should it be released into the air, the cold vapor would appear as a white cloud. The lighter-than-air property of LNG actually makes it less hazardous than some other fuels, such as propane or butane which are heavier than air and tend to settle closer to the ground.

In gaseous form, LNG vapor can burn only if it is released into the air and mixes with the correct proportion of air (5 to 15 percent). Too little air, and there is not enough oxygen to sustain a flame, too much air and the natural gas is diluted too much to ignite.

The current State barriers to LNG downstream applications, have limited consumers energy choices. Elsewhere LNG has competed effectively with diesel fuel on a cost-per-energy-content (BTU) basis. Specifically, reductions in fueling and operational costs for transportation have been calculated at \$1-3 dollars per diesel equivalent gallon depending on source of LNG fuel supply.

Driven by the price advantages, the use of LNG fuel is increasing rapidly for long-haul trucks; delivery fleets; buses; ships, barges and ferries; railroad locomotives; and construction and mining equipment.

In addition to the economic benefits of LNG, fuel switching can result in air quality improvements through substantial emission reductions (Sulfur Dioxide, Nitrogen Oxides, Non-Methane Organic Compounds, Particulates, and Carbon Monoxide).

For these reasons, The Business Council urges enactment of this bill.