



THE LONE STAR PORTS PROJECT: A DEEPLY FLAWED PLAN AND PERMITTING PROCESS

The Port of Corpus Christi entered into an agreement with Lone Star Ports (LSP), a Berry Group company, to develop a \$1 billion crude oil loading terminal on 200 acres of Harbor Island, located within the city limits of Port Aransas. The project requires 12.8 miles of dredging the channel to 80 feet, a desalination plant, pipelines through sensitive habitats, oil storage tanks, and berths for the largest tankers in the world.

This project will devastate the sensitive ecological habitats and fisheries in the Corpus Christi and Aransas Bay systems, as well as the jobs and revenue generated by ecotourism, fishing, water sports, vacation rentals, and quality of life that are so important to the Port Aransas community and economy.

A SUSPECT PERMITTING PROCESS

LSP has submitted inaccurate and misleading permit applications to the TCEQ related to air quality and emission source locations for the proposed crude oil terminal. In a recent hearing, LSP revealed that the company had submitted an incomplete description of what it intends to build to TCEQ, acknowledging the locations of emissions sources have been moved since the plan was filed:

- *When asked what emissions sources have changed from those proposed in the application, LSP's witness testified, "pumping station, storage tanks, containment berm, the location of the fire water pumps. **Those, those have all been moved around. So with the exception of, of the berths themselves – and, and even that it – they're not the same.**"*
- *When questioned about known emissions not being included in the permit application submitted by LSP, TCEQ's witness, Ruth Alvarez, testified, "We review what is given to us." When pressed further with the question "the TCEQ only reviews what's given to it in the permit application?" Ms. Alvarez responded, "Yes." **The TCEQ's attorney then went even further and asked Ms. Alvarez, "Do you ever ask questions of applicants to determine whether they've appropriately represented the sources in their application?" Ms. Alvarez answered, "No."***

LSP planned a bait and switch; they acknowledged that the company would make changes to their plans after receiving a permit from TCEQ, a move that would allow them to bypass public comment:

- *When asked about all of the changes to the proposed design for the facility, LSP's witness testified, "So if they vary from those representations, they will need to, you know, to discuss that with TCEQ. And on a case-by-case basis, they'll have to hash it out, you know, whether they need a permit amendment or, you know, maybe, you know, maybe they can update the modeling." **He testified this would happen after the hearing and after a draft permit was issued by TCEQ. And he also testified he could not think of a single permit alteration that required notice to the public.***

HARBOR ISLAND IS THE WORST POSSIBLE LOCATION FOR A DESALINATION PLANT

Marine science experts agree that the desalination plant LSP plans to build on Harbor Island would devastate the sensitive ecological habitats and fisheries in Port Aransas, consistent with the findings of a Texas Parks & Wildlife/General Land Office study:

- *"From the perspective of fish ecology, ecosystem health, and fisheries, the location chosen by the Port of Corpus Christi for the discharge is literally **the worst possible location.**"*
– Brad Erisman, Ph.D., Director of Coastal Fisheries Research Program, UT Marine Science Institute

- *“If I had to choose **the absolute worst location on the Texas coast**, from an ecological perspective, to place a desalination plant, I would choose Harbor Island in the Aransas Pass inlet.”*
– Greg Stunz, Ph.D., Endowed Chair for Fisheries and Ocean Health, Director of Center for Sportfish Science and Conservation, Harte Research Institute for Gulf of Mexico Studies
- *“Simply put, the area where the Port of Corpus Christi seeks to discharge effluent is **one of the worst places** that could have been chosen on the Texas coast for such an activity.”*
– Andrew Esbaugh, Ph.D. – UT Marine Science Institute Professor; specialist in impact of salinity on aquatic life
- According to a Sept. 2018 study on desalination by the **Texas Parks & Wildlife Department and the Texas General Land Office**, Aransas Pass is one of five major coastal passes connecting the Gulf of Mexico with Texas coastal bays and estuaries that **should be protected**. According to the study, the water quality and chemistry within these passes directly influences marine life and the habitats upon which they depend for food and shelter. An offshore terminal would not require a desalination plant, eliminating this risk to the area’s ecology, water quality and fisheries.
- LSP’s proposed tanker berths are located in the exact same location as the diffuser for the Port’s proposed desalination plant, which is physically impossible. This type of engineering oversight demonstrates the carelessness of the company’s permit application and disregard for the impacts of its proposed project on a sensitive environmental area.

AN OFFSHORE TERMINAL: THE COMMONSENSE ALTERNATIVE FOR THE PORT AND PORT ARANSAS

- **Safer, Proven Technology:** Were an oil spill were to occur at an export terminal on Harbor Island, the effects would be disastrous for wildlife habitats, fishing, and the Coastal Bend as a tourist destination. An offshore terminal would eliminate this risk by using a proven method in use around the globe, including the Louisiana Offshore Oil Port (LOOP), located 18 miles off the Louisiana coast.
- **Increased Oil Capacity:** The offshore terminal would almost double the Port’s current export capacity by adding 1.9 million gallons of capacity per day.
- **No Desalination Plant:** An offshore terminal would not require a desalination plant, eliminating this risk to the area’s ecology, water quality and fisheries.
- **No Dredging of the Channel:** An offshore terminal would not require the disruptive and environmentally harmful process of dredging the channel. Harbor Island is in the Redfish Bay State Scientific Area (RBSSA), a sensitive environmental area home to numerous birds, fish, oysters, crabs, and endangered species protected by the State of Texas.
- **Proposed Interest:** Phillips 66 and Trafigura have created a joint venture – Bluewater Texas Terminal LLC – to build a deepwater port 21 miles offshore that will allow for the safe and environmentally responsible loading of crude oil tankers.
- **Protects the Tourism Economy:** The Coastal Bend economy depends on tourism. Were an oil spill to occur on Harbor Island, tourism-related jobs and revenue across the Coastal Bend could suffer immensely.

Spending, jobs, wages, and taxes are dependent on Corpus Christi and Port Aransas tourism:

- \$1.24B annual traveler spending
- 15,200 jobs
- \$438.4M in annual wages and salaries
- \$126.3M in tax collections

Local businesses in the Coastal Bend depend on recreational fishing for:

- \$44.9 million in labor income
- 1,249 jobs
- \$69.5 million in GDP contribution
- \$122.7 million in total economic impact