

Members of the DOE-NARUC Natural Gas Partnership Visit Elba Island LNG Terminal and Port Fuel Center in Savannah, GA May 8-10



Fourteen NARUC members representing Alabama, Florida, Georgia, and Massachusetts visited Savannah, GA on May 8-10 to tour Kinder Morgan's Elba Island liquefied natural gas (LNG) export terminal and the Port Fuel Center at the Port of Savannah. During this visit, members participated in discussions with Kinder Morgan, Atlanta Gas Light, and Chesapeake Utilities representatives to learn more about how these facilities support broader natural gas infrastructure throughout the country.

On May 9th, the NARUC delegation traveled to Elba Island, to tour one of seven LNG export terminals in the U.S. Kinder Morgan is one of the largest midstream natural gas companies in the country with 82,000 miles of pipeline and 140 terminals across 42 states. The original construction of the Elba Island facility began in 1973 and was completed in 1978; this facility was developed to import LNG during the 1970s energy crisis. Imports were suspended in 1982, and the facility was not returned to operation until 2001. The facility grew its capacity in the 2000s; adding additional tanks in 2006 and 2010 and completing dredging work to allow larger ships to dock. In 2016, the facility undertook a three-year liquefaction project which converted the terminal into a bidirectional facility (allowing the plant to support both import and export activities). Today, Elba Island provides mostly export LNG services: in 2022, 88% of the facility's LNG was exported to European countries including the Netherlands, France, UK, Spain, and Italy. Elba Island can also send gas to local pipelines; most recently to support local reliability during the December 2022 cold snap.

In the afternoon, NARUC members traveled to the Savannah offices of Atlanta Gas Light where they received briefings on AGL's 2021 Integrated Capacity Delivery Plan (iCDP) and Chesapeake Utilities' compressed natural gas business. AGL's iCDP was created as part of a 2019 rate case agreement to support long term gas planning activities (similar to an Integrated Resource Plan for an electricity company). AGL's 2021 plan is a ten-year forward-looking plan, which includes a detailed 3-year capital spend plan. As part of this plan, AGL has expanded its LNG peaker plant in Cherokee county, GA to provide a short duration solution for days with high gas demand (such as cold winter days). Such peaker plants allow AGL to meet their peak demand without costly pipeline capacity increases.

Chesapeake Utilities shared a presentation about compressed natural gas and virtual pipelines. Chesapeake's CNG business provides customers with compressed natural gas delivered on tractor trailers. These short-term deliveries provide continued gas supply when pipelines are damaged or during pipeline expansion projects when gas would otherwise be shut off. As part of this work Chesapeake partnered with AGL and Marlin Fueling Station to support CNG trucks, which offer a lower-emissions alternative to traditional diesel trucking. CNG fuels not only produce lower emissions, but the fuels are also less expensive (averaging \$2.00 - \$2.50 compared to \$4 - \$5 / gallon for diesel fuel). Only 20% of



CNG's costs are driven by gas prices, so even when gas prices go up, CNG fuel only sees a slight increase, reducing fuel pricing volatility risks.

On May 10th, NARUC members toured the Port Fuel Center, which provides CNG fueling services, primarily to Port of Savannah trucks. During this tour, participants learned more about how CNG trucks serve the Port of Savannah and viewed a CNG truck fueling demonstration. CNG fueling takes the same amount of time as diesel fueling (thanks to the gas compressors) and produces significantly less noise than

traditional diesel fueling. NARUC's visit to the Port Fuel Center provided helpful context and hands-on demonstrations to compliment Chesapeake Utilities' earlier presentations.

NARUC thanks DOE for supporting this site visit and Kinder Morgan, Atlanta Gas Light, Chesapeake Utilities, and the Marlin Port Fuel Center for arranging tours and presentations. For questions about this activity, contact Kiera Zitelman at kzitelman@naruc.org or visit the [DOE-NARUC Natural Gas Partnership webpage](#) for more information about this partnership.