Extracted portion of the following document:

[Banking on Climate Change – Rainforest Action Network Fossil Fuel Finance Report Card 2018]

"LIQUEFIED NATURAL GAS EXPORT (LNG)

CASE STUDY: Jordan Cove: Bad Idea, Bad Investment

Even while investment in renewable energy is surging, countries like China, India, and Pakistan are planning on importing increasing quantities of gas. In the United States, the Trump Administration wants to ramp up LNG exports — and the production of the fracked gas that is the LNG feedstock — aspart of its "energy dominance" agenda.

What is LNG?
Liquefied natural gas, or LNG, is fossil gas cooled to liquid form. LNG can be shipped across oceans on massive barges, to be re-gasified and then burned in power plants around the world.[119] Electricity generated by LNG has a huge carbon footprint. Just the extra energy used to liquefy, ship, and regasify LNG makes it almost twice as carbon-intensive as natural gas, according to the U.S. Department of Energy.[120] On top of that, since methane is a potent greenhouse gas, it takes only a small percent of the gas to leak from wellheads and pipes to make LNG worse for the climate than coal.[121] Scientific estimates of natural gas leakage rates vary widely, but several studies have shown leakage rates that imply that over a 20-year period, LNG has a worse climate impact than coal.[122]

LNG terminals can put at risk the health, safety, and livelihoods of nearby coastal communities.[123] The Tacoma LNG plant in Washington, for instance, threatens the fishing culture of the Puyallup Tribe, and thus is opposed by their Tribal Council.[124] Increased LNG export also means more reliance on controversial fracked gas.

While it is positive for the climate and public health that countries, and in particular China, are switching away from domestic coal, choosing LNG instead of renewables is risky, both economically and environmentally. Like other extreme fossil fuels, LNG is expensive and carbon-intensive. The Jordan Cove LNG terminal and associated pipeline described below, for instance, would cost $10 billion.[125] This high price tag means the terminals have a high risk of becoming stranded assets under climate change regulation.[126]

Global LNG supply is currently driven by Qatar (26 percent of global exports) and Australia (21 percent).[127] However, there are a stunning 57 proposed and existing LNG terminals in North America,[128] and U.S. LNG capacity could potentially grow 700 percent by 2019 if the five terminals predicted to make it to the finish line first do in fact open.[129] Bank financing can be the make-or-break factor, and the drop in financing for LNG found in this report suggests that this buildout will be at least delayed.

Do Banks Realize the Risks?
Last year's report card highlighted the relationship between French bank BNP Paribas and a

company called Texas LNG.[130] Texas LNG is proposing one of three planned LNG terminals in the Rio Grande Valley, which would bulldoze Indigenous sacred and cultural sites, threaten biodiversity and ecotourism, destroy wetlands and pollute the air, and lead to more shale gas fracking in Texas.[131] Fracking is already endangering human health in the area with chemical releases into the air, water, and soil.[132]

In May 2017, a delegation from the Rio Grande Valley, including Native American leaders and Water Protectors, traveled to Paris to bring their message to BNP Paribas. With support from organizations including Friends of the Earth France, Rainforest Action Network, Carrizo/Comecrudo Tribe of Texas (Esto'k Gna), and Save RGV from LNG, they spoke at rallies, on popular radio shows, and at the annual shareholder meetings of various French banks. These activities garnered significant attention and support from social movements in France, where gas fracking is banned.[133]

Just months later, as part of its new oil and gas policy, BNP Paribas committed to not lend to the project. Going forward, BNP Paribas will not finance "LNG terminals that predominantly liquefy and export gas from shale," which should mean all LNG terminals in North America.[134]

The Rio Grande Valley community continues to resist the three planned LNG terminals (Rio Grande LNG, Texas LNG, and Annova LNG) and the Rio Bravo Pipeline, as well as any banks funding them. Protests continue in France, where groups are pressuring Société Générale to follow the lead of BNP Paribas. Société Générale is financial advisor for the Rio Grande LNG terminal and Rio Bravo Pipeline,[135] as well as the second biggest banker of North American LNG over the last three years. Morgan Stanley, MUFG, JPMorgan Chase, and HSBC round out the 5 biggest bankers of LNG, all with poor D and F range policy grades.[136]"

References

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134. "BNP Paribas Takes Further Measures to Accelerate its Support of the Energy Transition," BNP Paribas press release, 11 October 2017.
135. "NextDecade Engages Societe Generale and Macquarie Capital as Financial Advisors for Rio Grande LNG," Business Wire, 2 May 2017.
136. Though the financing for LNG focuses on companies building export terminals in North America, the policy grading schema looks at bank policies regarding LNG worldwide. This is because LNG is a global issue, and full alignment with a 1.5 degree world will require global exclusions.