5-18-2005

NAFTA Panel to Review Complaint About Gas Plant in Baja California

LADB Staff

Follow this and additional works at: https://digitalrepository.unm.edu/sourcemex

Recommended Citation

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in SourceMex by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.
NAFTA Panel to Review Complaint About Gas Plant in Baja California

by LADB Staff
Category/Department: Mexico
Published: 2005-05-18

The Montreal-based Commission for Environmental Cooperation (CEC) has agreed to review a complaint by several US and Mexican environmental organizations against the US-based multinational company Chevron Corp. and its plans to build a liquefied natural gas (LNG) terminal just off the coast of Baja California. The CEC is an environmental advisory body created under the North American Free Trade Agreement (NAFTA). The panel is not empowered to stop the project, near the Coronado Islands, but can issue recommendations.

In agreeing to take on the project, the NAFTA environmental commission said it is first analyzing the complaint to establish whether it falls under its jurisdiction. "The CEC might decide to investigate the complaint and publish a factual record of its findings, which then would be forwarded to the...parties," the CEC said.

Environmental advocates say a ruling in their favor could boost their position as they seek other avenues to stop construction of the terminal. The groups that filed the complaint including Greenpeace Mexico, Wildcoast, the Los Angeles Audubon Society, the Pacific Environment and Resources Center, the Center for Biological Diversity, and the American Bird Conservancy argue that the LNG plant will threaten the breeding activities of the endangered Xantus's Murrelet and other at-risk species that make a home in the Coronado Islands.

The Secretaria de Comunicaciones y Transportes (SCT) formally approved the project in March of this year after reviewing an environmental-impact report by the Secretaria del Medio Ambiente y Recursos Naturales (SEMARNAT). The report said the project would not significantly harm bird, plant, and sea life nor pose a safety threat to metropolitan communities in northern Baja California and Southern California.

Groups concerned about damage to local wildlife
"The submitters assert that the Environmental Impact Assessment that Mexico approved...did not adequately take into account the impacts of light pollution on nocturnal seabirds, the risk of catastrophic explosions, the risks of introducing rats to the Coronado Islands or other impacts related to tanker and gas terminal activity," the CEC said in its decision to accept the complaint from the environmental groups.

The environmental organizations also contend that the SEMARNAT report did not sufficiently assess the risks to wildlife and that the plant does not comply with standards established by Mexico's Ley General del Equilibrio Ecológico y de Protección al Ambiente (LGEEPA) and the Ley General de Vida Silvestre. "It's great that the CEC is willing to take on the complaint, but we shouldn't have to resort to an international tribunal," Wildcoast project manager Aaron Quintanar
told The San Diego Union Tribune. "Mexico should be upholding its environmental laws and regulations."

Additionally, the groups said, the Coronado Islands was designated as a specially protected area in 2003, which the SEMARNAT report failed to take into account. The Chevron plant has been controversial since the project first came to light in early 2004. Critics accused President Vicente Fox's administration of negotiating the US$650 million project in secret (see SourceMex, 2004-03-03).

The SCT permit granted Chevron, which recently changed its name from ChevronTexaco, a 30-year concession to construct and operate the plant. The facility, which will be anchored on the ocean floor 13 km off the Tijuana coast, is intended to store and process supplies of natural gas imported from Western Australia, which is liquefied for transport in tankers across the ocean. The plant, which will have the capacity to process 700 million cubic feet of gas a day, will primarily service the industrial corridors in Baja California and Southern California.

Some Tijuana residents who joined Greenpeace Mexico in a protest against the plant in April are concerned that the other similar facilities could be constructed nearby. "We are alarmed about proposals to construct two other similar facilities," said Olga Leticia Martinez Tirado, a representative of the Comite Ciudadano Estatal Contra la Instalacion de las Plantas Regasificadoras. California-based Sempra Energy also is planning a LNG plant off the Baja California coast about 23 km north of Ensenada. The company has already awarded construction contracts for this project.

The Fox administration, which predicts an annual growth of 6.8% in consumption of natural gas through 2012, sees the plants as another partial solution to boost domestic supplies. Much of the demand is driven by a rapid growth in demand for electrical power, with natural gas used as the primary fuel to operate plants.

Some officials say the LNG plants could help end Mexico's dependence on imports of US natural gas, which is more expensive than liquefied natural gas. "We are importing from an importer," said Dionisio Perez Jacome, president of the Comision Reguladora de Energia (CRE), in reference to the imports from the US. "It's always better to be at the beginning of the chain rather than at the end." (Sources: Bloomberg news, 01/07/05; The Herald-Mexico City, 06/16/04, 01/19/05; North American Commision for Environmental Cooperation, http://www.cec.org/, 05/06/05; Frontera (Tijuana), 04/25/05, 05/07/05; Notimex, 05/08/05; La Jornada, 03/15/05, 05/10/05; Infosel Financiero, The San Diego Union-Tribune, 05/10/05)