

July 22, 2024

Dear Leaders of Financial Institutions,

The undersigned organizations representing millions of members and supporters write to express grave concerns regarding the adverse environmental justice, climate, and conservation impacts caused by the proposed methane export terminals: NextDecade's Rio Grande LNG, Glenfarne Group's Texas LNG Project and Enbridge's associated Rio Bravo pipeline. We caution that if your institution supports these dangerous projects in the Rio Grande Valley, it faces both substantial financial risk – as the projects continue to face delays and legal hurdles – and significant reputational damage – as the public urgently demands responsible and sustainable financing practices.

To reach a liveable climate, financial institutions must phase out financing for fossil fuels. According to the recently published *Banking on Climate Chaos: Fossil Fuel Finance Report 2024*, Banks are moving in the wrong direction with financing USD \$705.8 billion towards fossil fuels in 2023. USD \$120.9 billion went to liquified methane gas (LNG) expansion projects.¹

There's nothing natural about methane gas, the key component of liquified "natural" gas (LNG). Methane is a potent greenhouse gas that has more than 80 times the warming power of carbon dioxide over the first 20 years after it reaches the atmosphere.² Methane is not a bridge fuel, but a continuation of fossil fuel expansion.

There are serious issues regarding the adverse impacts to Indigenous rights, environmental justice, climate, and conservation caused by the proposed methane export terminals;³ NextDecade's Rio Grande LNG, Glenfarne Group's Texas LNG Project and Enbridge's associated Rio Bravo pipeline. **As NextDecade⁴ and Glenfarne are reportedly⁵ moving to execute project financing, we urge you to refrain from financing Texas LNG, Rio Grande LNG, and the Rio Bravo Pipeline.**

Over the past eight years, public opposition has mounted against Rio Grande LNG and Texas LNG, in addition to all methane export (LNG) terminals that have been proposed in

¹ <https://www.bankingonclimatechaos.org>

² <https://www.iea.org/reports/methane-tracker-2021/methane-and-climate-change>

³ https://www.ran.org/wp-content/uploads/2022/10/RGV_LNG_2022_FINAL_WEB.pdf

⁴ <https://www.hartenergy.com/exclusives/nextdecade-targets-second-half-2024-phase-2-fid-rio-grande-lng-208478>

⁵ <https://www.businesswire.com/news/home/20240314777298/en/Glenfarne-Energy-Transition%E2%80%99s-Texas-LNG-Moves-to-Execution-Phase-of-Project-Financing>

Texas' Rio Grande Valley. Rio Grande LNG, Texas LNG, and the Rio Bravo Pipeline are formally opposed by the City of South Padre Island, the City of Port Isabel, the Town of Laguna Vista, Long Island Village, the Laguna Madre Water District, and the South Padre Island Business Owners Association.⁶

Indigenous peoples and additional local communities have joined environmental and climate justice organizations in warning banks away from supporting this project, garnering global media coverage in outlets including the Houston Chronicle,⁷ The Financial Times,⁸ Le Monde,⁹ and many more. In response, French banks BNP Paribas,¹⁰ Société Générale and Crédit Agricole¹¹ have effectively severed their relationships with these projects.¹² Additional major European banks have adopted policies that would limit their ability to finance this project along with other similar proposed methane export (LNG) projects.

1. The Texas LNG, Rio Grande LNG, and the Rio Bravo Pipeline projects violate the rights of Indigenous Peoples.

The Texas LNG terminal site contains Garcia Pasture, a sacred burial site of the Carrizo/Comecrudo Tribe of Texas. This burial site is on the National Park Service's list of historic places and declared an endangered site by the World Monuments Fund in 2022. Rio Grande LNG and the Rio Bravo Pipeline projects are also proposed on land that is sacred to the Tribe. The Tribe is yet to be consulted by the companies proposing these projects. The Carrizo/Comecrudo Tribe is legally challenging the construction of Enbridge's Rio Bravo Pipeline, which would intersect land that the Tribe owns.¹³

The protection of cultural sites is a human rights issue under the United Nations Declaration on the Rights of Indigenous Peoples. The Garcia Pasture site, which is listed on the National Register of Historic Places, has known burials, village remains, discrete

⁶<https://www.bizjournals.com/sanantonio/print-edition/2016/06/17/texas-lng-supporters-opponents.html>

⁷<https://www.houstonchronicle.com/business/energy/article/The-Great-LNG-Debate-A-growing-industry-faces-13958286.php>


⁸ <https://www.ft.com/content/5c051556-6efd-4db3-9152-508d7e0de566>

⁹https://www.lemonde.fr/planete/article/2017/03/01/des-ong-reprochent-a-bnp-paribas-de-financer-l-exportation-du-gaz-de-schiste-americain_5087238_3244.html

¹⁰<https://group.bnpparibas/en/press-release/bnp-paribas-details-and-strengthens-its-energy-transition-ambitions>

¹¹<https://www.amisdelaterre.org/communique-presse/french-bank-societe-generale-withdraws-from-rio-grande-lng/>

¹²<https://www.sierraclub.org/texas/blog/2017/10/bnp-paribas-makes-sweeping-announcement-cut-business-tar-sands-pipelines-and-lng>

¹³  press release: nextdecade letter on clear cutting

shell working areas, and contact period artifacts. Texas LNG, Rio Grande LNG, and the company Enbridge behind the Rio Bravo Pipeline project have failed to consult with the Carrizo/Comecrudo Tribe, which is a violation of the principle of Free, Prior, and Informed Consent (FPIC), for the protection of Indigenous Peoples' rights guaranteed under international law.¹⁴

2. Building any new fossil fuel infrastructure is incompatible with meeting net-zero by 2050.

New and expanded methane (LNG) export terminals are fundamentally incompatible¹⁵ with the goals of limiting temperature rise to 1.5°C or reaching net-zero emissions by 2050.¹⁶ According to Sierra Club's LNG Tracker, the annual combined lifecycle greenhouse emissions from Rio Grande LNG and Texas LNG would be equivalent to the annual emissions of 50 coal plants, or about 46.2 million gasoline-powered cars.¹⁷ It would also expand fracking in the Eagle Ford and Permian shale basins – an extraction practice that not only harms community health by contaminating local water and air, but also results in higher methane leakage rates.¹⁸

Recent research on the climate pollution from LNG exports confirms that liquified methane (LNG) is as bad as coal or much worse than coal, because of upstream methane leakage and boil-off during shipping.¹⁹ Wind, solar, and storage are among the zero-GHG energy options that are available and competitive today, further dispelling the notion that methane gas is needed as a “bridge fuel.” It is imperative that we stop building new methane gas export terminals to decrease greenhouse gas emissions and adhere to domestic and international climate goals and commitments, including the Paris Agreement and the Global Methane Pledge.²⁰

3. Texas LNG, Rio Grande LNG, and the Rio Bravo Pipeline threaten the local economy and ecosystem and exacerbate environmental injustice.

¹⁴<https://oxfamibrary.openrepository.com/bitstream/handle/10546/620854/bp-consent-is-everybodys-business-200819-en.pdf?sequence=3&isAllowed=y>

¹⁵ <https://www.iea.org/topics/world-energy-outlook>

¹⁶ <https://www.sierraclub.org/articles/2023/09/president-biden-must-defuse-another-carbon-bomb>

¹⁷ <https://www.sierraclub.org/dirty-fuels/us-lng-export-tracker>

¹⁸ https://www.biologicaldiversity.org/campaigns/fracking/10_questions.html

¹⁹ See, for example, a forthcoming study by Cornell University climate scientist Robert Howarth: https://www.research.howarthlab.org/publications/Howarth_LNG_assessment_preprint_archived_2023-11_03.pdf

²⁰ <https://www.globalmethanepledge.org/>

These methane export (LNG) terminals would emit thousands of tons of harmful and cancer-causing pollutants into the air, disproportionately impacting the health of nearby low-income, immigrant, Indigenous, and communities of color. The facility would also degrade the local fishing, shrimping, and nature tourism industries, which represent a significant part of the local economy.²¹

The methane export (LNG) and pipeline projects would also pave over a “greenfield” of undeveloped wetlands, pollute two federal wildlife refuges, and divide a national wildlife corridor. The Texas LNG site would span about 625 acres – four times the size of Disneyland. The Rio Grande LNG site is 984 acres and is bigger than New York City’s Central Park.

Construction and operation of these projects would destroy habitat for multiple endangered species. Habitat loss, industrial noise, and LNG ship traffic would mean “permanent and significant” impacts to the following species: Endangered Ocelot, Northern Aplomado Falcon,²² Rice’s Whale, and Kemp’s Ridley Sea Turtle.²³

Providing financial support for these projects poses both financial and reputational risks to your institution and would cause irreparable harm to local ecosystems, Indigenous rights, and the climate.

Your financial institution has been a key financier of NextDecade, through ownership stakes, loans or underwriting of Rio Grande LNG.²⁴ NextDecade is a company operating without 2030 or 2050 emissions targets. Many financial institutions follow the guidance of the Equator Principles. The Equator Principles note that projects that have an impact on Indigenous Peoples communities are transactions of high caution.²⁵ Financial institutions are failing to implement strong due diligence and their own environmental and social sustainability policies through its continued financial services to clients engaged in rights violations, and driving climate chaos through its financing of methane export (LNG) infrastructure.

²¹ “Texas Brownsville LLC Texas LNG Project Resource Report 8,” Natural Resource Group, March 2016; “TCEQ Stand With the Community: No Air Pollution Permits for LNG,” Save RGV from LNG, October 2016.

²² “Species Profile for Northern Aplomado Falcon,” U.S. Fish and Wildlife Service, accessed 16 September 2016; “Species Profile for Ocelot,” U.S. Fish and Wildlife Service, accessed 16 September 2016

²³ https://www.ferc.gov/sites/default/files/2020-05/FEIS-volume-I_0.pdf

²⁴ https://www.ran.org/wp-content/uploads/2023/10/RGV_LNG_2023_UPDATE-1.pdf

²⁵ https://equator-principles.com/app/uploads/Affected_Indigenous_People_Sep2020.pdf pgs 6-7

We urge your financial institution to end your relationship with NextDecade and their Rio Grande LNG export terminal, Enbridge and the Rio Bravo pipeline, and to not provide any additional financial support to these or other proposed projects in the Rio Grande Valley or throughout the U.S. Gulf Coast.

We will hold any financial institutions that choose to support these projects accountable for such impacts.

Sincerely,

Rio Grande Valley and Gulf Coast Residents, Nations and Organizations:

Amanda Jasso
Coral Bell
Daniela Villalobos
Dina Wilson
Esteban Ortiz
Florencia Pizana
Gwendolyn Jones
Kim Sandoval
Leslie Dare
Linda Crews
Lucinda Wierenga (business owner)
Marla Lopez
Martha Germany
Marvin Lovett
Mary Branch
Paloma Martijez
Prisilla Cope
Roel Cantu
Roishetta Ozane
Scarleth Lopez
Sky Lenaghan
Susan Hanson

Teofilo Aviles Jr
Trilby King
Carrizo/Comecrudo Traditional Tribal
Nation
Another Gulf Is Possible Collaborative
Better Brazoria
Border Workers United
Entre Film Center
For a Better Bayou
Ingleside on the Bay Coastal Watch
Association
Proyecto Libertad
South Texas Environmental Justice
Network
South Texas Human Rights Center
Texas Campaign for the Environment
Texas Rising
The Vessel Project of Louisiana
Voces Unidas Rio Grande Valley

Supporting Organizations and Institutions:

7 Directions of Service
350 Colorado

350 Conejo / San Fernando Valley
350 Yakima Climate Action

Alabama Interfaith Power & Light
Andy Gheorghiu Consulting
BankTrack
Bold Alliance
Center for Oil and Gas Organizing
Climate Stick Project
Dayenu: A Jewish Call to Climate Action
Earth Ethics, Inc.
Elders Climate Action
Green America
GreenFaith
Innovation for the Development and
Protection of Environment
Insure Our Future Network
Korea Sustainability Investing Forum
Les Amis de la Terre France
MARBE SA, Costa Rica
Mothers Rise Up

New Mexico Climate Justice
Oil and Gas Action Network
Our Zero Waste Future
Presente.org
Private Equity Stakeholder Project
RAND Corporation
Rainforest Action Network
Reclaim Finance
ReCommon
Sierra Club
Solutions for Our Climate
Stand.Earth
The People's Justice Council
Third Act
Turtle Island Restoration Habitat
Recovery Project
Urgewald
Youth Climate Finance Alliance