Liquefied Natural Gas Ports and Pipelines:

Putting Our Economy, Communities and Quality of Life at Risk

OVERVIEW OF WHAT IS PROPOSED:

Energy speculators from New York, Texas and California have descended on Oregon with plans for three massive Liquefied Natural Gas (LNG) port and storage terminals. Even one of these plants would import twice as much gas as Oregon currently uses. If all three were approved it would increase Oregon's gas imports by more than 500%. The primary goal of the projects is to send gas to California, which has itself denied every LNG terminal that has been proposed to date because of LNG's public safety and environmental impacts. The plan of the proposed LNG projects is to use Oregon as a backdoor for sending LNG-derived gas to California.



Over 500 miles of planned gas pipelines would cut across many of Oregon's most valuable family farms and through critical fish and wildlife habitats across Oregon.

Two LNG terminal ports are proposed for the lower

Columbia River and one is planned for Coos Bay. Each of these terminals would include over 220 miles of high-pressure gas pipelines that would rip across sensitive wildlife habitats in Coos Bay and the Columbia Estuary, across thousands of Oregonian's family farms and forestlands, and through important forest habitats including Mt. Hood. Numerous state agencies from Oregon DEQ to ODFW have raised serious concerns about the project's impacts, and a diverse coalition of conservationists, farmers, commercial and sport fisherman, business leaders, private property rights advocates, Native Americans are opposing one or more of these projects.

WHAT'S LNG:

LNG is methane gas (aka "natural gas") that has been cooled to - 261° F for high density transport from places like the Middle East, Russia, and Indonesia where it is produced.

The top 5 problems with LNG projects in Oregon:

- LNG would increase our dependency on foreign fossil fuels and undermine efforts to address global warming, promote conservation and renewable alternatives.
- High-risk LNG terminals would put communities around the Columbia Estuary and Coos Bay at risk of the type of LNG accident that has lead many new LNG terminals to be planned offshore.
- Over 500 miles of new gas pipelines would unfairly impact farmers, forestland owners and others whose lands face condemnation by <u>private</u> energy speculators despite the fact the projects are primarily intended to send gas to California, not Oregon.
- The proposed pipelines would cross thousands of Oregon rivers, streams and wetlands, threaten salmon, and seriously degrade key habitats in the Columbia Estuary, Coos Bay, as well as the Mt. Hood and Umpqua National Forests.
- The LNG projects would seriously impact commercial shipping due to security buffers around LNG tankers, adversely impact commercial and recreational fishing, tourism, farming and operations along the proposed pipelines. LNG is more expensive than domestic gas LNG could mean increased prices for consumers.

The projects up close

NorthernStar's Bradwood Landing: This project is being planned for a site 38 miles up the Columbia River by a recently formed Texas energy company that has never built a gas station, let alone an LNG project. The project is funded by a New York hedge fund called Matlin Patterson. The project would import 1.3 billion cubic feet a day of gas, which is twice Oregon's current gas usage. In addition to a 36-mile pipeline through Cowlitz County, NW Natural has proposed the 220-mile long Palomar pipeline that would connect the LNG terminal to the California-bound TransCanada pipeline near Madras. This pipeline would degrade the salmon nurseries of the Columbia Estuary, rip across farm and forestlands of the Willamette Valley, and through the Mt. Hood National Forest and across the Deschutes River.



LNG tankers would pass just hundreds of feet from Astoria's revived waterfront



Jordon Cove LNG project. This project is being planned in Coos Bay by Jordan Cove Energy Project, a Canadian "Th[e] [Bradwood Landing] site has a severe natural hazard potential"

Oregon Dept. of Geology and Mineral Industries

controlled corporation with close ties to California's Pacific Gas & Electric. PG & E is a partner in the proposed 231-mile Pacific Connector pipeline which would send this gas to the California-bound TransCanada pipeline in Malin, Oregon. This project would import over 1 billion cubic feet a day of

gas into Oregon and could threaten plans for a new container port at Coos Bay because of the serious safety restrictions around LNG tankers. The project is less than one mile away from the City of North Bend.

Oregon LNG. This LNG project is planned for Warrenton, OR just west of Astoria. It is being planned by a newly formed company called "Oregon LNG." New York investing company Leucadia National is financing the project and created "Oregon LNG." Like NorthernStar, Oregon LNG has never built an LNG terminal. This project would import 1.3 billion cubic feet a day into Oregon and anticipates using a pipeline route from Warrenton to Molalla that would connect to the eastern half of the Palomar line near Molalla.



"If it's up to the energy speculators behind the LNG projects they will condemn our land, damage our farms, forests, and vineyards, ravage our environment, and make Oregon even more dependent on foreign fossil fuels. Our leaders need to stand up and help us stop these projects.

-Anne Berblinger, Gales Creek farmer, Oregon Citizens Against the Pipelines

IMPACTS OF LNG TERMINALS AND PIPELINES:



• Safety Threats - Almost daily LNG tanker traffic would threaten the communities around the proposed LNG terminals, such as Coos Bay and Astoria, and massive gas pipelines would pose a threat to thousands of Oregonians from Forest Grove and Molalla to Coos Bay and Douglas County.

Federal LNG safety experts with Sandia National Labs estimate that an LNG tanker breach could have a 1.55 mile radius fire hazard zone. The City of Astoria sits just 500 feet from the Columbia River shipping channel. As even Peter Levene, Chairman of Lloyds of London, an insurer of LNG

facilities, noted; "[A] terrorist attack on an LNG tanker would have the force of a small nuclear explosion." The U.S. Government Accountability Office recently reported that the U.S. Coast Guard lacked adequate resources to protect LNG tankers from terrorist attacks. See www.msnbc.msn.com/id/22580256/.

The blast zones for the planned pipelines are at least 800 feet on either side of the line given proposed operating pressures. Just one of the 220-mile pipelines would create more than 40,000 acres of blast zone across Oregon. LNG speculators have no plans to odorize this gas meaning those along the pipeline would have no notice of gas leak.

• Economic Impacts -

LNG terminals and tanker traffic would threaten the lower Columbia River's more than \$100 million dollar a year commercial fishing industry in exchange for a mere \$3.9 million in income from the 35 to 40 post-



construction LNG jobs. Because of the large security exclusion zones around LNG tankers, the daily LNG tanker shipments could seriously impact commercial shipping, fisherman and many others on both the Columbia River and in Coos Bay. The 1,500 foot exclusion zone on either side of LNG tankers that likely will extend two miles in front of LNG tankers and one mile behind would also threaten commercial shipping and could undermine plans for a new container port in Coos

Bay that could generate over 1,000 jobs. The threat of even more restrictive security measures has raised serious concerns from a number of Columbia River ports. (See Columbia River ports wary of LNG plans, Longview Daily News, December 13, 2008). LNG terminals would also threaten growing tourism economies in both the Columbia Estuary and Coos Bay.

• Pipelines Land Condemnation and economic impacts from— Because the massive proposed pipelines would severely damage farm and forestlands, well and



2007 gas pipeline rupture fire in Russia

Oregon has the authority to say "NO" to LNG

While 2005 federal Energy Policy Act gave the Federal Energy Regulatory Commission primary siting authority over the planned LNG terminals, Oregon has multiple opportunities to deny the LNG plants. Federal statute specifically gives Oregon authority to deny the projects Clean Water Act permits, Clean Air Act permits and Coastal Zone Management Act authorization.

Additionally, while Oregon Water Resources Dept. (WRD) could deny water rights to these projects since it has the discretion to deny projects that are not "in the public interest," WRD is currently planning to issue the permits to NorthernStar's project before the impact statement for the project has even been finalized. Additionally, the Dept. of State Lands would have to approve wetland dredge and fill permits for the projects and the Oregon State Lands Board could deny a state lands lease the LNG projects would require for the massive dredging of state owned submerged lands.

Finally, other states like Maryland have adopted legislation that specifically bans LNG from certain coastal areas and this has been upheld by a federal district court.

Oregon has plenty of tools to stop LNG, but it just needs the political will to stand up for Oregonians and use the tools we have.

surface water supplies, and prohibit the replanting of trees LNG speculators are already threatening landowners who oppose the pipeline project with the condemnation of their land through eminent domain. The pipeline construction would disrupt farm and forest operations, decrease property values, and present a range of long-term management problems such as weeds, erosion, landslide risks and other impacts. Many landowners in northern Oregon are now facing the threat of having pipelines from both the Palomar and Oregon LNG pipelines planned for their properties.

• Environmental Threats - The LNG terminals would seriously degrade some of the most critical salmon nursery habitat in

"LNG is a dirty fuel that adds to the greenhouse gases we're putting into the environment,"

- Secretary of State Bill Bradbury

the entire Columbia River watershed, include the largest high-impact private dredging projects in recent history, and attract a wave of industrialization that would devastate one of the Northwest's most important freshwater wetlands. The LNG project planned for Coos Bay would similarly threaten a critical area for salmon in southern

Oregon, as well as, the biologically important Coos Bay spit and a wide range of threatened and endangered species that calls Coos Bay home.

The Pacific Connector, Palomar and Oregon LNG pipelines would all degrade critical stream and river habitats for salmon, as well as, important National Forest habitats for spotted owls and other species. The pipelines would together create over 500 miles of permanent clearcuts and would cut through Late Successional Reserves and near proposed Wilderness areas on Mt. Hood.



LNG DECREASES ENERGY INDEPENDENCE & INCREASES GLOBAL WARMING

- LNG keeps us dependent on foreign fossil fuels: Major sources of LNG include Indonesia, Russia, Algeria, Nigeria, and Qatar. Iran has some of the world's largest reserves. LNG ensures continued wars spurred on by conflicts over fossil fuels.
- LNG has a significant impact on global warming: Because of the energy used in gasifying, shipping and re-gasifying LNG, it has a lifecycle greenhouse gas impact that is 30% or more than domestic natural gas.

Methane, or "natural gas" is 20 times more powerful of a greenhouse gas than carbon dioxide.



- LNG imports would hurt conservation and renewable energy efforts: Importing twice the amount of gas into Oregon that we currently use would deter conservation and renewables.
- LNG would increase natural gas prices: Because of the large cost of liquefying, shipping, and then re-gasifying LNG, costs significantly more than domestically produced gas and could mean increased prices for residential and business customers.
- There's no demand to justify LNG in Oregon: According to LNG speculators, demand for natural gas is increasing by 2% a year. Even assuming that

is true, new conservation, energy efficiency and renewables could offset this demand. Additionally, two major new gas pipelines planned from the Rockies to Malin, OR, could more than meet this claimed need.

• LNG increases air pollution: Foreign LNG has many contaminants that domestic natural gas does not and therefore produces more air pollution whether it is being burned by industry, power plants or in your household heater.

For more information about LNG and how you can help stop it visit www.Nolng.net or contact Dan Serres with Columbia Riverkeeper (503) 890-2441

Take Action Today! Please contact your elected leaders today and ask them to oppose the Coos

Bay and Columbia River LNG projects and gas pipelines and demand to FERC that a single Environmental Impact Statement be prepared so that all of the project impacts will be considered together.

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