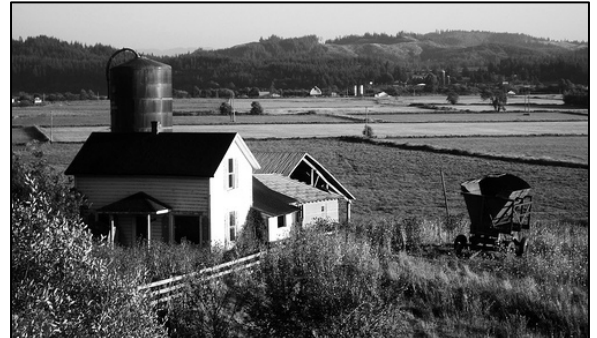


# Liquefied Natural Gas Ports and Pipelines: Putting Our Economy, Communities and Quality of Life at Risk

## 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.

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 on the Mt. Hood and Umpqua National Forests. A diverse coalition of conservationists, farmers, commercial and sport fisherman, business leaders, private property rights advocates, Native Americans and many others are opposing one or more of these projects for the reasons described below.



*Over 300 miles of planned gas pipelines would cut across many of Oregon's most valuable family farms and through critical fish and wildlife habitats of the Columbia Estuary, Willamette River watershed, and Mt. Hood.*

## 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:

- 1** LNG would increase our dependency on foreign fossil fuels and undermine efforts to address global warming, promote conservation and renewables.
- 2** 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.
- 3** Over 500 miles of new gas pipelines would un-fairly impact farmers, forestland owners and others whose lands face condemnation by private energy speculators despite the fact the projects are primarily intended to send gas to California, not Oregon.
- 4** 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.
- 5** Any of 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. Additionally, because LNG is significantly more expensive than domestic natural 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. NW Natural has proposed the 220-mile long Palomar pipeline that would run from the salmon nursery of the Columbia Estuary, across farm and forestlands of the Willamette Valley, and through the Mt. Hood National Forest to connect to the California-bound TransCanada pipeline near Madras.



**Jordan Cove LNG project.** This project is being planned for Coos Bay by Jordan Cove Energy Project which is principally being funded by California's Pacific Gas & Electric. This project would import over 1 billion cubic feet a day into Oregon. The project would include the 230-mile long "Pacific Connector" pipeline which would send this gas to the California-bound TransCanada pipeline in Malin, Oregon. Oregon LNG project. The project would threaten plans for a new container port at Coos Bay because of the serious safety restrictions around LNG tankers

**Oregon LNG.** This LNG project planned for Warrenton, OR just west of Astoria and 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 and make Oregon even more dependent on foreign fossil fuels. We need our leaders to stand up and help us stop these projects."***

**- Ann Berblinger, Gales Creek farmer, Oregon Citizens Against the Pipelines**

## IMPACTS OF LNG IMPORT TERMINALS:



● **Tanker Safety Threats** - Almost daily LNG tanker traffic would threaten the communities around the proposed LNG terminals, such as Coos Bay and Astoria. Federal LNG safety experts with Sandia National Labs estimate that an LNG tanker breach could have a 1.55 mile radius blast 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 and the editor of the leading commercial shipping newsletter called LNG terminal security inadequate.

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## IMPACTS OF LNG PORTS CONT'D:

- **Economic Impacts -**

The planned 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 others on both the Columbia River and in Coos Bay. The 1,500 foot exclusion zone on either side of LNG tankers that extends two miles in front of LNG tankers and one mile behind would 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 projects would also threaten growing tourism economies in both the Columbia Estuary and Coos Bay.

- **Environmental Threats -** The LNG terminals would seriously degrade some of the most critical salmon nursery habitat in the entire Columbia River watershed, require the largest high-impact private river 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.

## 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.

## IMPACTS OF GAS PIPELINES.



- **Pipeline safety impacts -** The 3-foot diameter high pressure pipelines that would come with any of the proposed LNG projects would pose a real potential threat to thousands of Oregonians who live and work along the planned pipelines. The conservative blast zone for these 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 a 40,000 acre blast zone across Oregon. Surprisingly, the LNG speculators have no plans to even odorize this gas so that those along the pipeline would have little to no notice that a gas leak had even occurred. While NW Natural, who is behind the Palomar pipeline, says the pipeline would be safe, it was only 2006 when NW Natural's own work crews accidentally cut through an active 12" pipeline

in downtown Portland highlighting the real risks of pipeline accidents.

- **Economic Impacts and Land Condemnation** - The massive proposed pipelines would severely damage farm and forestlands, well and surface water supplies, and prohibit the replanting of trees. Pipeline construction would disrupt farm and forest operations during construction, decrease property values, and present a range of long-term management problems such as weeds, erosion, landslides and other impacts. The LNG speculators and pipeline companies are already threatening landowners along the pipeline with the condemnation of their land via eminent domain and continue to mislead landowners about the property .



*Numerous landslides and massive erosion was caused by the 2004 pipeline project near Coos Bay*

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.

- **Environmental Impacts** –The Pacific Connector, Palomar and Oregon LNG pipelines would all degrade critical stream and river habitats for salmon, as well as, important



## LNG WOULD DECREASE ENERGY INDEPENDENCE & INCREASE GLOBAL WARMING

Building a multi-billion dollar energy infrastructure for LNG would increase the west coast's dependency on foreign fossil fuels. Imported fuels are more expensive than our current natural gas supplies from the Rockies and Canada. This would seriously undermine our efforts to reduce global warming.



*Sheikh Tamim Bin Hamad Al-Thani, Heir Apparent of the State of Qatar, lays the cornerstone with Shell Oil for two new LNG export facilities in Qatar targeting the U.S. markets.*

- **LNG keeps us dependent on foreign fossil fuels:** The major sources of LNG would be Indonesia, Russia, Algeria, Nigeria, and Qatar. Iran has some of the world's largest reserves.
- **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 higher than domestic natural gas. Methane, which is what we know as "natural gas" is 20 times more powerful of a greenhouse gas than carbon dioxide. Increasing LNG would undermine efforts in the Northwest to decrease greenhouse gas emissions.



- **LNG imports would hurt conservation and renewable energy efforts:** Even though LNG is intended for the California market, importing twice the amount of gas into Oregon that we currently use, would flood Oregon with gas, deter conservation and hurt efforts to promote alternatives to foreign fossil fuels such as wind, solar and biomass.
- **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. World-wide market countries like Japan and Korea, with no domestic gas supplies, will pay very high prices for LNG. While LNG allows the monopoly gas companies, like NW Natural, to make a larger profit margin on LNG than domestic gas, this would still mean increased prices for residential and business customers.

- **There's no demand to justify LNG in Oregon:** According to LNG speculators, pushing the proposed projects, 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 pipelines proposed to be built from the Rockies to Malin, OR, would provide the same amounts of gas that would be provided by LNG ports on the Columbia. This gas would be less expensive, have lower carbon impacts and be from domestic sources.

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

## Take Action Today!

Please contact your elected leaders today (letters are always best) and ask them to oppose the Columbia River LNG projects and planned 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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