

Long Beach opposition may push regulators to approve Malibu coast for LNG terminal

The city of Long Beach released an analysis last week, citing concerns of terrorist-caused explosions if a liquefied natural gas terminal were to be located at its port. Many say Malibu/Oxnard coast would be best location for a LNG terminal.

**By Hans Laetz / Special to The Malibu Times
8/24/05 p. 1**

As state and federal regulators consider three liquefied natural gas terminals proposed for the California coast, some officials are saying it makes more sense to put an LNG terminal off Malibu or Ventura shores rather than in the Port of Long Beach.

And although the three LNG terminal proposals are not in direct competition for government permits, some environmentalists are saying it would be safer to build the hazardous structures off the coast rather than near 400,000 residents and 100,000 daily workers next to the proposed Long Beach site.

The city's concerns were included in an 18-page letter from Long Beach City Manager Gerry R. Miller to the state's Energy Commission. Miller's letter said the Long Beach project has numerous safety and terrorism concerns, that "placement of such a facility in a densely populated high impact area must not occur until a complete risk, economic and fiscal impact statement is complete."

Long Beach's safety worries may put additional pressure on the federal and

state governments to approve Australian energy giant BHP Billiton's proposed floating LNG terminal 13.8 miles off the Malibu coast. (The proposed tanker terminal would have three large dome-shaped storage receiving tanks for liquefied natural gas-cooled, highly compressed natural gas-that would be regasified at the tanker site and then piped through an undersea network onshore to Oxnard.)

The Long Beach analysis said placing an LNG terminal near the Queen Mary would risk terrorist-caused explosions and massive fires. It is the same worry that Oxnard and Malibu residents and officials have for an LNG site near their communities. "A major LNG incident at this proposed port location could result in massive damage to both people and property over an area that could include downtown Long Beach as well as residential neighborhoods north of the Port," according to the city analysis.

"In the event of a major accident, deaths and serious injury could easily reach into the hundreds for Port employees and nearby residents," the city report continued.

Although the Long Beach city government made plain its concerns about possible terrorist acts, the city council there has not yet formally decided to block the request from a subsidiary of the Mitsubishi Corp. of Japan to locate its LNG depot there.

That debate will be front and center this week, as four of the nine members of the Long Beach city council have asked the city "to communicate to all pertinent parties, including the state of California via the California Energy Commission, the opposition of the City Council to the siting of an LNG facility in the Port of Long Beach."

That motion is opposed by port workers and LNG proponents, who say the terminals will convert shiploads of imported frozen gas into natural gas for distribution to American consumers and businesses hungry for new, cleaner sources of energy. (Natural gas has many uses, from cooking ranges to heating homes and water to, in many European countries, fueling cars.)

Some observers say the increased opposition to the Long Beach proposal may increase political pressure on regulators to approve two offshore terminals proposed for Malibu and a site near Ventura.

"I am opposed to LNG imports in urbanized areas," said Long Beach city Councilman Frank Colonna, in a telephone interview. "But in a comparative sense, it makes far more sense to put one off the shore and away from the people."

Other LNG critics say pressure on federal and state regulators to approve the Malibu and Oxnard projects will increase if Long Beach runs into opposition.

"Right now, I would say BHP Billiton is the pick of the lot," said Bill Brown, leader of an anti-LNG group that last week sued the state Public Utilities Commission to try to block LNG imports.

Brown said that, even though California is not evaluating the three LNG proposals against each other, the BHP Billiton proposal "is kind of the last man standing" given the safety concerns at Long Beach, and other problems at the Platform Grace site off Ventura.

But other environmentalists, even in Long Beach, do not agree. "If we start importing LNG, we will be repeating what we have done with petroleum, and will become dependent on expensive, polluting imports," said Bry Myown, a Long Beach activist, in a telephone interview. "It makes no sense to put anyone along the coast in jeopardy when we can conserve and use alternate ways to solve this problem."

Although local oversight of onshore LNG terminals was taken over by the federal government as a result of this year's Energy Bill, Long Beach officials said they could control the approvals for Mitsubishi's plant because the city owns the land sought for the depot and the associated pipelines. The Malibu and Ventura offshore LNG terminals will need approval from the federal government and California Gov. Arnold Schwarzenegger, who has said an offshore terminal makes more sense than one in Long Beach.

In another development, the state of Alaska has announced it is considering Platform Grace off Ventura, 25 miles up the coast from Malibu, as a possible location to dock LNG tankers bearing gas from that state.