

## Rita rips Billiton natural gas platform from moorings

**The loss of one-fifth of the nation's total natural gas supply from Gulf Coast sources may increase pressure on state and federal officials to approve the LNG import terminal proposals at Malibu, Oxnard and Long Beach, analysts say.**

**By Hans Laetz / Special to The Malibu Times  
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A controversial proposal to float a liquefied natural gas terminal off the Malibu coast may have suffered a serious blow when a massive BHP Billiton/Chevron oil and natural gas platform in Louisiana was ripped from its undersea moorings and destroyed by Hurricane Rita.

LNG supporters, however, point to the hurricane-caused disruption of 20 percent of the nation's natural gas supply, which they said proves the need for West Coast LNG import capability, including BHP Billiton's Cabrillo Port proposal for off Malibu.

The Typhoon platform broke from its thick undersea anchor cables despite being designed to withstand hurricane winds and waves, Billiton revealed last week. It was eventually found more than 100 miles away and upside down in the shallow waters of Atchafalaya Bay.

"The facility is designed to withstand the effects of severe hurricanes, so we are not sure why it has gone off location," Billiton spokesperson Emma Meade was quoted by Reuters.

Billiton and its operating partner, Chevron, may declare the \$500 million platform a total loss and are still

assessing environmental damage such as oil spills.

"Every resident of Malibu should be horrified about the BHP Billiton oil and gas rig in the Gulf of Mexico that was lost during Hurricane Rita," Malibu Mayor Andy Stern told The Malibu Times. "Not only did the supposed foolproof precautions taken by BHP Billiton fail, but according to their own spokesperson, they do not even know why they failed."

A Billiton spokesman in Houston rejected any comparison between the two projects. "It is entirely inappropriate to link the Typhoon's response to a Category 4 hurricane to Cabrillo Port," Patrick E. Cassidy said in an e-mail to The Malibu Times. "The geologic and operating conditions are entirely different..."

"Any remark right now about the anchoring system is premature," he said. "Obviously, the ultimate reason for the failure is self-evident - a hurricane-but other factors may also have been involved. An investigation is underway to determine the underlying cause of the incident."

The Typhoon platform was one of at least eight floating petroleum

production rigs that made unmanned and uncontrolled voyages in the Gulf of Mexico during Rita, despite being billed as hurricane-proof, Reuters reported. Some of them are still missing and possibly sunk.

Billiton's proposed LNG floating storage and regasification unit near Malibu would rotate around an attached buoyant structure that would be anchored nearly 3,000 feet down to the seafloor. Although there are some engineering differences, Cabrillo Port would also use tensioned cables to attach the FSRU to its fixed position.

"You can't engineer your way out of something that is unpredictable and untested," said Alicia Roessler, an attorney at the Environmental Defense Center in Santa Barbara. "You just can't plan for everything."

Malibu writer Kraig Hill, who filed a 90-page analysis of the Billiton plan that helped prompt a federal freeze on the project, is also alarmed by the news from the gulf.

"This suggests that they didn't have a sufficiently robust design process in the first place, and that they may be reluctant to recognize that they have any blind spots," Hill said.

The Malibu LNG anchorage site is adjacent to the Anacapa Dume earthquake fault, which the U.S. Geologic Survey said is capable of generating a 7.5 magnitude quake. Although the odds of such a megaquake are relatively small, the USGS said the likelihood for a Northridge-sized 6.5 magnitude shock near Point Mugu is 65 percent within the next 30 years. The USGS has urged more study to see if Billiton's LNG port and pipelines could withstand such a quake and resultant waves.

Roessler told The Malibu Times that the stresses on tensioned cable

anchorages during such a massive quake or localized tsunami cannot be modeled on computers, just as the hurricane stresses at Typhoon caused an unexplained catastrophic failure.

Hill's 90-page analysis of the Billiton application was cited several times by the federal government last winter when it stopped the clock on evaluating Billiton's safety and operational plans. The company has been asked to supply answers to more than 120 questions posed by Hill, local governments and other LNG critics.

Hill raises the specter of an anchorage failure caused by earthquake or storms, setting the Billiton LNG storage ship adrift near Malibu.

"Given that Billiton has no idea how their oil rig came unmoored and drifted," he said, "the possibility that the FSRU could come unmoored and drift 13 miles with the prevailing onshore wind onto a Malibu beach takes on a heightened significance."

Hill noted that the Billiton plan says it would take up to 18 hours to secure its Cabrillo Port FSRU if its buoy broke loose from the ocean floor. He also said the company has, without explanation, reduced by half its estimate of the largest possible ocean waves the Malibu LNG anchorage would face.

"Given the volatility of its cargo, if the FSRU were to strike shore ... a strike anywhere in Malibu could be catastrophic," Hill said.

A federal study has shown a leaking LNG ship's fire radius would incinerate everything within a one-half mile to five-mile radius.

Despite the questions of safety, the loss of one-fifth of the nation's total natural gas supply from Gulf Coast sources may increase pressure on

state and federal officials to approve the LNG import terminal proposals at Malibu, Oxnard and Long Beach, analysts said. Natural gas prices have skyrocketed due to the shutdown of the Henry Hub natural gas complex, the Typhoon platform and other Gulf Coast facilities damaged by Hurricane Rita.

The Southern California Gas Co. has warned ratepayers to expect bills that are 35 percent higher than last month, a steep increase that comes on top of natural gas prices already driven to record heights by unregulated market forces. And that has LNG proponents pointing to Billiton's Malibu project as a vital addition to California energy resources.

"There needs to be a diversity of supply to California, and right now, we don't have it," said Jesus Arredondo, a member of Californians for Clean, Affordable and Safe Energy in Sacramento. "It has suddenly become crystal clear that California needs additional sources of natural gas."