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California Coastal Protection Network Applauds Governor's Decision to TERMINATE BHP Billiton's LNG Terminal Proposal Offshore California

The California Coastal Protection Network (CCPN) and its legal counsel, the Environmental Defense Center (EDC), today praised Governor Arnold Schwarzenegger's decision to veto BHP Billiton's controversial proposal to build a massive floating Liquefied Natural Gas (LNG) storage and regasification terminal off the Oxnard-Malibu coast. The Governor's veto means that the federal government is barred from issuing a license for the BHP project and that the project is 'terminated.'

The Governor's veto is the final rebuke for the BHP project that was overwhelmingly rejected last month by Lt. Governor John Garamendi and State Controller John Chiang of the State Lands Commission, and the California Coastal Commission. While the Governor could not have overturned those rejections, his approval could have given BHP Billiton encouragement to try to revive the flawed project through legal action against the State and an appeal to the U.S. Secretary of Commerce.

"We strongly applaud the Governor's decision to veto the BHP Billiton LNG proposal. The Governor, true to his word, conducted a careful and thorough review of the legal and expert scientific information presented to him and came to the conclusion that this fatally flawed LNG project failed to meet California's strict standards for public health and safety," said Susan Jordan, Director of the California Coastal Protection Network. "The Governor's veto acknowledges the legitimate concerns of thousands of local residents who forcefully objected to the BHP proposal," Jordan continued.

In his veto message, the Governor said that, "Any LNG import facility must meet the strict environmental standards California demands to continue to improve our air quality, protect our coast, and preserve our marine environment. The Cabrillo Port LNG project, as designed, fails to meet that test."

Just three years ago, BHP Billiton's Cabrillo Port LNG project seemed destined for approval. The company spent millions of dollars on lobbying efforts and even had the Australian government intervene on its behalf. But the project stumbled badly when scientific and legal experts exposed the serious and irreversible impacts the project would have on local air quality, public health and safety, marine life, and global warming.

Linda Krop, Chief Counsel of EDC, coordinated the legal and scientific review of the project for CCPN. “Contrary to industry claims, LNG is not a “clean” fuel. It is a fossil fuel and generates substantial amounts of air pollution and greenhouse gas emissions. In fact, when one looks at the emissions from the full supply chain – including extraction, liquefaction, transportation, storage, regasification and combustion - it is painfully clear that LNG results in greater GHG emissions than domestic natural gas and, in some cases, may be no cleaner than coal. In the case of the BHP project, global warming experts calculated that the project would emit up to 25 million tons of greenhouse gases each year. This is in direct conflict with California’s and the Governor’s stated commitments to reducing greenhouses gases on a global basis,” she said.

With three more offshore LNG terminal proposals waiting in the wings and the Cabrillo Port project off the table, Jordan said the time was right to enact LNG legislation in California. SB 412, the LNG Terminal Project Evaluation Act, authored by State Senator Joe Simitian, would require the state to do a first-time LNG Needs Assessment in the State’s current Natural Gas Energy Assessment and prepare a matrix that compares how the proposed projects vary in terms of design, location, and impacts to public health, safety, the environment and vulnerability to terrorist attack. “California must balance future energy needs with climate change, efficiency, conservation and renewable energy. SB 412 will help determine what place, if any, LNG plays in that future,” said Jordan.

Over the last three years, a diverse coalition of thousands of individuals, organizations and elected officials spoke out against the LNG facility including Pierce and Keely Brosnan, U.S. Representative Lois Capps, State Senator Sheila Kuehl, State Assemblymembers Lloyd Levine, Julia Brownley, and Pedro Nava, former Assemblymember Fran Pavely, Los Angeles County Supervisor Zev Yaroslavsky, the Cities of Oxnard, Malibu, and Port Hueneme, SEIU Local 721, SEIU Local 998, the Natural Resources Defense Council, the Sierra Club, Pacific Environment, IFAW, The Savier’s Road Design Team, Central Coast Allied United for a Sustainable Economy, and League of United Latin American Citizens and many more.

“Thanks go out to everyone who sacrificed to see this fight through to the end. And I want to call special attention to the extraordinary contribution of environmental activists, Pierce and Keely Brosnan, who took on the campaign to stop the approval of the BHP LNG project as one of their top environmental priorities. We are immensely grateful for their courage and willingness to educate not just California but the world about the dangerous aspects of LNG and the BHP Billiton proposal in particular,” Jordan said.

The BHP Billiton proposal included an LNG processing plant to convert LNG to natural gas, three 160-foot-high storage tanks to hold 72 million gallons of LNG, and two 24-inch diameter pipelines snaking 22 miles along the ocean floor. At three football fields long and fourteen stories high, it would have been the first floating LNG terminal for LNG supertankers in the United States.

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