

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF THE CHAIRMAN

December 6, 2005

The Honorable Ted Kulongoski
Governor of Oregon
160 State Capitol
900 Court Street
Salem, Oregon 97301

Dear Governor Kulongoski:

The Energy Policy Act of 2005 added some new requirements and opportunities for state involvement in the Federal Energy Regulatory Commission's (FERC or Commission) review process for liquefied (LNG) natural gas import terminals. Specifically, new section 3A(b) of the Natural Gas Act (NGA) provides that the Governor of each state in which an LNG terminal is proposed shall designate the appropriate state agency for the purposes of consulting with the Commission regarding state and local safety considerations.

Within the State of Oregon, Northern Star Natural Gas, LLC has indicated that it intends to construct and operate a new LNG import terminal at Bradwood Landing in Clatsop County. This proposal is currently under review by the Commission.

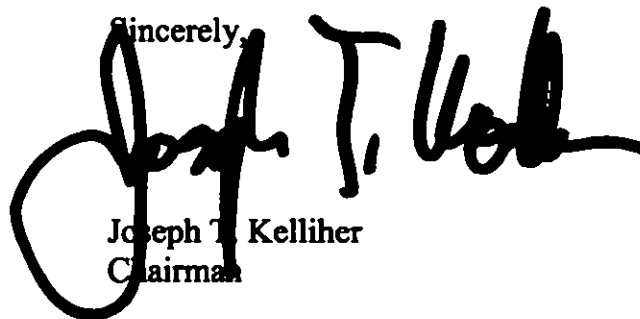
Section 3A(b) of the NGA further directs the Commission to consult with the designated state agency, and to focus on the state and local safety considerations, including:

- the kind and use of the facility;
- the existing and projected population and demographic characteristics of the location;
- the existing and proposed land use near the location;
- the natural and physical aspects of the location;
- the emergency response capabilities near the facility location; and
- the need to encourage remote siting.

Consequently, I am requesting that you provide my staff with the name of the designated agency and a contact at that agency. The Commission's point of contact for this effort is Paul Friedman at 202-502-8059 and paul.friedman@ferc.gov.

I look forward to working with you on this matter. If I can be of further assistance on this or any other Commission matter, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph T. Kelliher". The signature is written in a cursive style with a large, looping initial "J".

Joseph T. Kelliher
Chairman