



FEDERAL ENERGY REGULATORY COMMISSION

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FERC Authorizes Bradwood Landing Project: First U.S. West Coast LNG Terminal

The Federal Energy Regulatory Commission (FERC) today approved the first new liquefied natural gas (LNG) import terminal and related sendout pipeline to serve rising energy demand in the Pacific Northwest.

The project, proposed by Bradwood Landing, LLC and NorthernStar Energy LLC, would deliver up to 1.3 billion cubic feet of gas per day to the Pacific Northwest. Specifically, the natural gas would be delivered directly to Georgia Pacific's Wauna Mill and Portland General Electric's Beaver Power Plant, and into intrastate and interstate pipeline systems through interconnections with Northwest Natural Gas Company and Williams Northwest Pipeline.

The LNG terminal would be constructed and operated on the Columbia River in Clatsop County, Oregon, and would consist of a single marine berth and two insulated LNG storage tanks, among other related facilities. The 36.3-mile Bradwood Landing Pipeline, which would be built and operated by NorthernStar, would originate at the Bradwood Landing terminal and terminate at the Northwest Pipeline's pipeline located north of Kelso in Cowlitz County, Washington.

FERC's approval of the project requires the applicant fully implement 109 mitigation measures designed to enhance the safety and security of the facilities and to ensure the project has limited effects on the environment.

"In our review of proposed LNG import projects, FERC focuses principally on safety considerations," FERC Chairman Joseph T. Kelliher said. "This order includes 109 conditions designed to assure safety and mitigate environmental impact. Our order is also based on a substantial record that encompasses more than 50,000 pages of material. We carefully considered more than 1,827 public comments, many of which came from six scoping meetings held in Oregon, and numerous studies and analyses from federal, state, and local agencies. Bradwood Landing can help meet the projected energy needs of the Pacific Northwest in a safe, secure manner with limited adverse environmental impacts. It also provides the United States with direct access to the LNG markets in the Pacific region."

FERC's review of the project also included consideration of a report filed by the Oregon Department of Energy for the Governor of Oregon and a thorough review of an array of alternatives to the terminal, including project alternatives, facility alternatives, alternative energy sources and the potential for energy conservation and renewable energy resources that could replace the need for the Bradwood Landing project.

FERC noted that denying approval for the project would mean the "objective of providing a new source of natural gas for the Pacific Northwest would not be achieved.

"Energy conservation cannot replace the natural gas needed in the future, but can be a complementary



component in the overall energy supply and demand mix,” the FERC order states. “Renewable energy resources would not be able to provide the amount of energy equivalent to the Bradwood Landing Project.”

Among the 109 mitigation measures recommended by FERC staff and adopted by FERC is the requirement that NorthernStar install a system capable of delivering filtered water from the Columbia River to the LNG carriers while the carriers are at berth during offloading for ballast and engine cooling. The water intakes will be screened to prevent the potential entrainment or entrapment of juvenile fish. FERC will also require NorthernStar to conduct post-installation water flow assessments of the screens for review and approval by the Director of FERC’s Office of Energy Projects prior to operation.

In response to comments filed after issuance of the final EIS, the FERC order denies requests by the Governor of Oregon and others to issue a Supplemental EIS. FERC ruled a Supplemental EIS is unnecessary.

“In fact, the EIS complies with the Council for Environmental Quality’s regulations for implementing the National Environmental Policy Act,” FERC said, noting that intervenors raised no new environmental issues about potential project-related impacts on natural resources, cultural resources, and recreation, including mitigation measures developed by NorthernStar that were not already addressed in the final EIS. The order includes mitigation measures that would substantially minimize potential impacts.

Further, FERC denied requests by Columbia Riverkeeper and others for a formal evidentiary, trial-type hearing to develop a record on the need and potential impact of the project.

“Trial-type hearings are required only where there are material issues of fact that cannot be resolved on the basis of the written record,” FERC said. The Commission extended the comment period on the draft EIS from 45 days to 120 days, collected additional comments through six public meetings in Oregon and Washington and reviewed studies and analyses from government agencies, third-party contractors and others involving safety, security and environmental issues.

“We find that there is no material issue of fact regarding the impact, safety or environmental issues of the Bradwood Landing Project that we cannot resolve on the basis of the written record in this proceeding,” FERC said.

Parties have 30 days after the order is issued to appeal FERC’s decision.