



## *The City of Long Beach*

BEVERLY O'NEILL, MAYOR

May 24, 2005

The Honorable Senator Pete Domenici  
Chair, Energy and Natural Resources Committee  
328 Hart Office Building  
Washington, DC 20510

The Honorable Senator Jeff Bingaman  
Ranking Member, Energy and Natural Resources Committee  
328 Hart Office Building  
Washington, DC 20510

Dear Chairman Domenici and Ranking Member Bingaman:

On behalf of the City of Long Beach, I am writing to express our strong opposition to the recently introduced Oil and Gas title of the Senate Energy Bill as it relates to Liquefied Natural Gas (LNG) facilities. The City of Long Beach has significant concerns that the proposed legislation would substantially reduce the authority of state and local agencies to make decisions regarding siting and permitting of LNG facilities.

While the City realizes that the importation of LNG is an issue of national concern, it is vital that Congress recognize the critical role of state and local governments in the permitting and siting of LNG facilities in the locations they know best. These facilities can have an enormous impact on a community and its residents, and therefore it is imperative that local and state government retain the opportunity to address critical community concerns.

The proposed site in Long Beach would be located in the Port of Long Beach (Port), which along with the Port of Los Angeles, is the nation's largest port complex. Over 40 percent of the nation's goods are shipped through these two ports. The Port of Long Beach moves nearly five million containers per year, which equates to a value of over \$96 billion. The following are examples of many safety, security, navigation and operational needs that must be addressed, starting at the local level, before any decision can be made on the siting of an LNG plant.

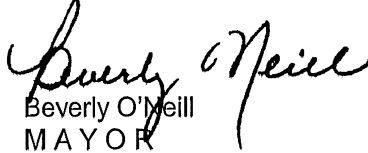
- The proposed plant would be located near a heavily populated downtown metropolitan area, which creates a potential safety risk for people living and working in that area.
- LNG ships entering and exiting the Port would cause delays in normal port operations, as the security protocols require authorities to establish safety zones around the incoming ships as they move through the port. This would create an unfunded mandate, as local governments and other port users would be burdened with significant additional costs.
- The Port's layout would require these LNG ships to pass by many anchored ships, which significantly increases the risk of a terrorist event.
- Any attack at the Port of Long Beach would have devastating impacts on the local, state and national economies. A major disruption at the Port is estimated to cost the national economy over \$1 billion per day.

The City of Long Beach is extremely concerned that by expediting the approval process and centralizing authority solely with FERC, these critical local issues will not be appropriately addressed before any siting decision is made. We support a process that does not negate state and local laws and allows all appropriate parties to be included in the decision-making process. Specifically, the City is concerned that many state and local laws including the California Environmental Quality Act, the California Coastal Act, local fire and building regulations and zoning ordinances could be pre-empted under the proposed legislation. These important statutes are critical to the review process, and allow for a more comprehensive permitting and siting process.

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We feel it would be rash to develop a "streamlined" process to circumvent state and local law at the expense of the safety of our community and the stability of the national economy. We look forward to working with you and your committee to ensure that states and localities throughout the nation maintain their authority in making important land-use decisions that will affect their communities.

Cordially,

  
Beverly O'Neill  
MAYOR

Cc: Senate Committee on Energy and Natural Resources  
The Honorable Senator Dianne Feinstein  
The Honorable Senator Barbara Boxer  
Governor Arnold Schwarzenegger