



The City of Long Beach

BEVERLY O'NEILL, MAYOR

May 24, 2005

The Honorable Dianne Feinstein
United States Senate
328 Hart Office Building
Washington, DC 20510

Dear Senator Feinstein:

On behalf of the City of Long Beach, I am writing to express our strong support for your recently introduced amendment to the Energy Bill that would allow for concurrent state and federal siting authority for Liquefied Natural Gas (LNG) facilities.

The City of Long Beach has been carefully following the Energy Bill, and has significant concerns that the current direction would substantially reduce the authority of state and local agencies to make decisions regarding siting and permitting of LNG facilities. 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.

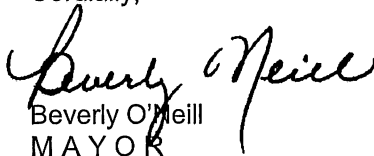
The proposed site in Long Beach would be located in the Port of Long Beach (Port), which along with the Port of Los Angeles, is the nation's largest port complex. Over 40 percent of the nation's goods are shipped through these two ports. The Port of Long Beach moves nearly five million containers per 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 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 allows all appropriate parties to be included in the decision to properly address these significant issues and which does not negate state and local laws such as the California Environmental Quality Act, the California Coastal Act, local fire and building regulations and zoning ordinances. 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.

The City strongly supports your actions to ensure that states and localities throughout the nation maintain their authority in making important decisions that will affect their communities.

Cordially,


Beverly O'Neill
MAYOR

Cc: Hon. Pete Domenici, Chairman of Senate Committee on Energy and Natural Resources
Hon. Jeff Bingaman, Ranking Member of Senate Committee on Energy and Natural Resources
Senate Committee on Energy and Natural Resources Members
Governor Arnold Schwarzenegger