

Federal regulators uphold approval of liquefied natural gas terminal Gov. Kulongoski plans to fight FERC's OK of the proposed Bradwood Landing project near Astoria

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TED SICKINGER

The Oregonian Staff

Gov. Ted Kulongoski vowed to sue federal energy regulators over their decision Thursday to uphold a September approval of the controversial Bradwood Landing liquefied natural gas terminal, proposed for 20 miles east of Astoria on the Columbia River.

State leaders and natural resources agencies in Oregon and Washington, the principal federal fisheries agency, and various environmental, tribal and property rights groups appealed the Federal Energy Regulatory Commission's September approval of the project.

They contend that FERC's approval was illegal because it came before a federal biological opinion or state permits were issued. Opponents also argue that the commission's economic and environmental analyses of the project were incomplete and flawed.

At its regular meeting Thursday -- the last before the Jan. 20 change in the presidential administration -- FERC upheld its approval. It said that "since construction of the terminal can't start until all necessary authorizations are obtained, there can be no environmental impacts until there is full compliance with all relevant federal laws."

Kulongoski said he was "deeply disappointed that FERC has chosen to ignore Oregon's concerns."

Bradwood's developer, Houston-based NorthernStar Natural Gas Inc., and a coalition of Oregon business and labor who are supporting the project, welcomed FERC's decision Thursday.

They repeated their pledge to comply with all state and federal laws, as well as the much-disputed contention that Oregon needs new sources of natural gas and that importing LNG will eventually lower the price of natural gas in the state.

FERC's decision not to rehear the case is the final administrative step before opponents can launch a federal court challenge. They must file suit with the U.S. Court of Appeals within 60 days.

The governor has already asked new state Attorney General John Kroger -- an outspoken critic of the three LNG terminals proposed in Oregon -- to take up that fight. It is also possible that Washington state and tribal and environmental groups will weigh in with their own legal challenges.

The proposed Bradwood facility still needs to meet more than 100 conditions imposed as part of FERC's approval. It also needs to win state permits under the Clean Air, Clean Water and Coastal Zone Management acts.

Brett VandenHeuvel, executive director of the conservation group Columbia Riverkeeper, said Oregon should go ahead and reject Bradwood's permit applications instead of granting any further extensions to the project.

"The state of Oregon will be the one that makes the final decision," he said.