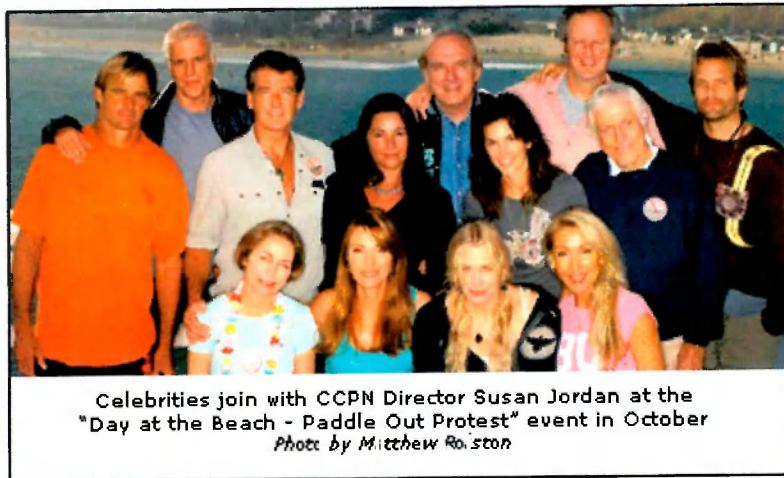




**CALIFORNIA COASTAL PROTECTION NETWORK**  
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Dear All,

*Happy New Year!*

Before we talk about what lies ahead in 2007, it is important to acknowledge what an amazing year 2006 has been in CCPN's three year legal effort to halt development of the BHP Billiton Cabrillo Port LNG terminal off the coast of Oxnard and Malibu!

The incredible determination of the residents of both communities and the critical involvement of environmentalists Pierce and Keely Brosnan leading the charge has elevated awareness of the project and its pending approval at the local, statewide, national and international level.

The wildly successful events that were held during the Fall, including the Sept. 15th screening of Al Gore's 'An Inconvenient Truth', the Oct. 14th West Coast No on LNG Action day, and the October 22nd Paddle Out Protest, helped spread the word that the BHP Billiton Cabrillo Port project was nearing approval and that urgent action

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was needed to stop it.

Our collaborative effort under the "Dear Governor, Terminate the Terminal!" slogan has reverberated both here and abroad. And just days after the Paddle Out, the Governor clarified his former statements in support of the project to indicate that he had not yet made a decision whether to approve or veto it.

Unfortunately, the Governor's 'clarification' appears to have been short-lived. Just days ago, on December 29th, the Governor sent out an email that appears to contradict the more neutral statement he made in late October (see full text of email below). In it, he talks about the need for LNG and states that "his administration is working to ensure that BHP Billiton's proposal to build the Cabrillo Deepwater Port LNG Facility 14 miles off the coast of Oxnard would follow California's stringent environmental, health and safety guidelines."

So, while we have made tremendous progress in our fight, we are not out of the woods yet. BHP is fighting back hard and we can expect that they will continue to do everything possible to gain approvals for the project at the State Lands Commission, the Coastal Commission, and in the Governor's office. Therefore, it is essential that we maintain our momentum and that our legal efforts to stop the BHP Billiton LNG Terminal Project are fully supported.

Here are some important upcoming dates for 2007:

- *February 23rd*: Tentative Release Date for BHP Cabrillo Port Final Environmental Impact Report (FEIR).
- *March 2nd*: State Senator Simitian hearing on LNG in California. Tentative time and location: 9AM in Santa Monica.
- *Mid March*: State Lands Commission Hearing on Certification of FEIR and Pipeline Lease
- *April 11-13th*: California Coastal Commission Hearing on Permit and Federal Consistency. Hearing Location: Santa Barbara. Exact date to be determined.

Here is where we stand:

### **1. State Lands Commission (SLC) and Coastal Commission Review (CCC) Update:**



The most recent information we have is that the Final Environmental Impact Report (FEIR) will be released by the SLC in the last week of February - most likely on February 23rd. Once the FEIR is released, things will start to move very quickly and we must be prepared.

State Lands is the first stop in the approval process. If SLC releases the FEIR on February 23rd, they will hear the project **WITHIN WEEKS** at their **MARCH** hearing (no precise date and location set as of this date). **SO PLEASE MARK YOUR CALENDARS FOR MID MARCH**. The US Coast Guard will hold its final federal hearing shortly after the State Lands hearing, triggering the 45 day review period during which time the Governor must act.

If the SLC refuses to certify the FEIR or denies the lease, the project is denied. If the SLC certifies the FEIR and approves the lease, the California Coastal Commission will hear the project at their April hearing in Santa Barbara scheduled for the week of April 11-13th. **SO PLEASE MARK YOUR CALENDARS FOR APRIL 11-13TH**.

If we are not successful in stopping the project at the SLC hearing or the CCC hearing, it is possible that the Governor could approve the project in May.

Outreach to the two new State Lands Commissioners, Lt. Governor John Garamendi and Controller John Chiang has already begun. Outreach to Coastal Commissioners (CCC) will begin in January. CCPN's attorneys at the Environmental Defense Center will submit the legal and expert comments on behalf of CCPN, however it is essential that the residents of Oxnard, Malibu and beyond attend the hearings and submit comments on their own. We will keep you informed on the precise dates and how to file comments as more information becomes available.

**2. State Legislature Hearings on LNG and Proposed Projects in CA:** Senator Joe Simitian (who authored SB 426 "Informed Choices for LNG in CA") has agreed to hold a hearing on March 2 in Santa Monica. Testimony on the BHP Billiton proposal will be part of the agenda. Assemblymember Lloyd Levine has also indicated that he wants to hold hearings on LNG, but the date and content has not yet been confirmed. We will keep you up to date. **SO PLEASE MARK YOUR CALENDARS FOR MARCH 2, 2007.**

**3. National Update:** The recent election has shifted the power in Congress. As a result, leadership on important Senate and House Committees will shift. CCPN representatives will be going to DC the first week in January to meet with Congressional staff from states that have LNG terminal projects pending to brief them on the BHP Billiton project and to explore what can be done at the federal level (hearings, legislation, etc.) to help stop these approvals. The US Coast Guard, the lead federal agency on the BHP Billiton LNG proposal, has been under incredible pressure from the Bush Administration to rush this project through as has the US EPA. CCPN is hoping that Congress can now be more effective in blunting that pressure.

**4. US EPA Update:** As many of you know, the US EPA reversed its original position to process the BHP Billiton US EPA Air Permit as a major new source of air pollution. US EPA's reversal came after BHP Billiton lobbied the White House and the White House intervened with the EPA on BHP's behalf. In November, the



Ventura County Air Pollution Control District agreed with CCPN and EDC that the EPA change of position was inappropriate and sent a letter confirming that BHP Billiton needed to comply with local onshore rules, including the requirement to obtain emission reduction credits. The EPA has not yet indicated how it will process the permit but we are hopeful that they will return to their original and correct interpretation of the Clean Air Act regulations.

**5. New Matching Fund Pledge:** Last year, Ozzie Silna, a resident of Malibu, made a \$100,000 matching grant, of which \$70,000 is still outstanding and will be carried over to 2007. Another generous donor has contacted CCPN to make a second \$100,000 matching pledge grant. CCPN needs to raise approximately \$500,000 in 2007 to cover its anticipated legal, scientific expert and organizing/outreach expenses for the upcoming hearings and to lay the final legal groundwork for litigation in case the project is approved. A significant portion of that needs to be raised by the end of February in order to be prepared for the release of the FEIR and the SLC and CCC hearings. To donate, you can send a check to CCPN, 23852 Pacific Coast Highway, # 408, Malibu, CA 90265 or go online at [www.coastaladvocates.com](http://www.coastaladvocates.com). Every dollar contributed up to \$170,000 will be matched dollar for dollar and will go a long way to helping CCPN makes its goal.



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In closing, I want to thank everyone who has given generously of their time, energy and dollars to keep this effort going during the preceding year. I look forward to working with everyone during 2007 to stop the BHP Billiton Cabrillo Port Terminal.

To health and happiness and success in 2007.

Best wishes for the New Year,

Susan Jordan

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**TEXT OF GOVERNOR SCHWARZENEGGER'S 12/29/06 EMAIL ON BHP  
BILLITON'S CABRILLO PORT LNG TERMINAL**

From: <[governor@govmail.ca.gov](mailto:governor@govmail.ca.gov)>  
Sent: Friday, December 29, 2006 7:44 AM  
Subject: Re:Environment - issues/concerns

Thank you for your correspondence to Governor Schwarzenegger regarding liquefied natural gas (LNG). The Governor appreciates hearing from people who care about the important issues facing our great state.

Governor Schwarzenegger is committed to safeguarding California's environment for future generations while ensuring that we meet our energy needs by using the safest, most efficient and cleanest sources available. As such, his administration is working to ensure that BHP Billiton's proposal to build the Cabrillo Deepwater Port LNG Facility 14 miles off the coast of Oxnard would follow California's stringent environmental, health and safety guidelines.

Although LNG has been safely handled for many years at existing import facilities in the United States, it is new to California. California's Resources Agency has held public workshops to discuss the issues surrounding the potential importation of LNG to California. You may find more information at [www.energy.ca.gov/lng/news.html](http://www.energy.ca.gov/lng/news.html). The proposed pipeline for the BHP terminal would be buried as it approaches shore north of the Ormond Beach Generating Station in Ventura County and would connect to a Southern California Gas Company pipeline. No extensive onshore facilities would be constructed for this project.

At this time, a joint Environmental Impact Statement/Environmental Impact Report is being prepared by the United States Coast Guard and the California State Lands Commission. Other state and local agencies also are involved in the permitting process, and the Governor will have the authority to approve, approve with conditions or veto the proposed project once a final submission has been made.

Thank you again for writing to Governor Schwarzenegger. He welcomes any ideas and comments that can help ensure a better future for California.

Sincerely,

Office of Constituent Affairs

1/1/2007