



BALTIMORE COUNTY
M A R Y L A N D

JAMES T. SMITH JR.
County Executive

**Statement of
The Honorable James T. Smith, Jr.
Baltimore County Executive
Before the Subcommittee on Coast Guard and Maritime Transportation
Committee on Transportation and Infrastructure
United States House of Representatives
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Mr. Chairman and other distinguished members of this Congressional subcommittee, thank you for the opportunity to speak here today on behalf of the residents of Baltimore County and all those who cherish the Chesapeake Bay.

As I am confident this panel will recognize, the proposed Liquefied Natural Gas facility at Sparrows Point poses a grave risk to the people and environment of not only Baltimore County, but of the entire region. The possibility of shipments of LNG into the heart of the Chesapeake Bay, with an 87 mile long pipeline transporting natural gas through populated areas is unacceptable. The citizens of Baltimore County have been unified in their opposition to this LNG plant. We have been joined in our opposition by our neighboring jurisdictions, along with our state and federal elected officials.

As elected officials we have a responsibility to look beyond any minimal economic benefits of this facility to the long-term safety of our citizens and our environment. It is our obligation to stand up for the people and the communities that will be affected by this proposed LNG plant. These communities deserve protection from the potentially life threatening situation thrust upon them by a national energy giant.

I would like to begin by addressing the process that has been used to date. When I testified last June 5th at the scoping meeting sponsored by FERC, I was very clear to everyone present, including the representative of the U.S. Coast Guard, that Baltimore County would be an active participant in the LNG mandated federal review process. Unfortunately Baltimore County's presence at the scoping meeting, our submission of the significant documentation to FERC, and our ongoing and highly visible opposition to this project did not result in Baltimore County being included by the Coast Guard in its preparation of the Waterway Suitability Assessment Report. We were not even made aware that the Coast Guard's preparation of this report was underway. While numerous

other interest groups participated in the Waterway Suitability Assessment Report, not a single local government was invited to be part of this process.

Since we have been denied participation in this process and have not been provided with copies of the draft Suitability Report, it is difficult to comment on the issues identified and addressed in this report. It is disturbing that until this hearing, local governments were not included in this process. This exclusion has given the public little confidence in the overall FERC and Coast Guard review process to date. Hopefully, through the efforts of this Congressional subcommittee and the members of Maryland's Congressional delegation, the Coast Guard will be required to address this failure. At a minimum, I would hope that the Waterway Suitability Assessment Report will be put on hold until the Coast Guard incorporates and/or addresses issues identified by the local governments and other organizations that have been excluded from the process.

My second major concern addresses what I believe is the fundamental conflict of locating a highly volatile LNG facility in the heart of a densely populated area. Placing this facility in the Port of Baltimore conflicts not only with the operations of the Port itself but also with recreational boating, and has the potential of damaging the Chesapeake Bay for generations to come.

The Chesapeake Bay is the largest estuary in North America and is an important part of our heritage and economy. For over twenty years federal, state and local governments and thousands of the Bay's citizens have struggled to restore and improve this national treasure. The Chesapeake Bay brings hundreds of millions of dollars to the state and the region every year through attracting waterfront residents, watermen, recreational boating, and chartered fishing fleets. Locating this LNG facility at the heart of the Chesapeake would undercut the immeasurable effort that has been expended by governments and the public to protect and restore this natural resource.

This proposed facility is also at odds with numerous provisions of The National Strategy for Maritime Security of 2005 and the remote siting considerations as provided in the 2005 Natural Gas Act. The National Strategy for Maritime Security is very clear when it identifies, "the following objectives will guide the Nation's maritime security activities: Prevent Terrorist Attacks and Criminal or Hostile Acts Protect Maritime-Related Population Centers and Critical Infrastructures."

The Maritime Security report expounds on the objective of protecting maritime-related population centers and critical infrastructures. The report cites the USA Patriot Act of 2001 to define critical infrastructure as those "systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on security, national economic security, national public health or safety, or any combination of those matters".

I believe we can all agree that Baltimore's Harbor, the 50 foot shipping channels, the Preston Lane Chesapeake Bay Bridges, the Mittal Steel plant, the Francis Scott Key Bridge, and the Brandon Shores Power Plant are all critical infrastructure to this region

and the nation. A terrorist attack on an LNG vessel traveling into the Port of Baltimore, passing under the Chesapeake Bay Bridges and off loading a few hundred feet from the LNG conversion and storage facilities, poses a real and unacceptable danger to the critical infrastructure of this region and thereby to the United States.

At any point in a vessel's journey into the Port, we are essentially offering multiple opportunities for terrorists to create an unprecedented conflagration that could cripple access to the DelMarVa peninsula, block shipping channels into the Port or create a chain reaction of explosions between the vessel and land side facilities that would devastate the surrounding communities. Even more troubling, is that the current plan of emergency response agencies to a major incident involving an LNG vessel or facility is to just "let it burn itself out."

We all appreciate the brave service of the United States Coast Guard; however, they have been handed the impossible task of making the unacceptable, acceptable. They have been asked to try to defend an LNG Plant location that is at odds with our national policy: they are being asked to protect our citizens and the nation's critical infrastructure from known and unreasonable risks, yet at the same time to provide the justification to introduce a major flash point and target into the very heart of a heavily populated region, a major U.S. port and one of this nation's most environmentally sensitive resources.

This counter intuitive proposal defies logic. Bringing this kind of potentially volatile cargo over 100 miles into the Chesapeake Bay and Baltimore's Harbor is irresponsible. In this post 9/11 world, our nation's citizens expect more from the people and agencies who plan and permit facilities that are clearly potential terrorists targets. Placing this LNG facility adjacent to the heavily populated communities of Turner's Station, Edgemere, and Dundalk, and the Mittal Steel plant, will place thousands of citizens under the pressure of living and working in the shadow of this dangerous facility. While the LNG proponents will attempt to lull us into a false complacency generated by theoretical, computer--modeled security claims, it is our harbor communities that will be asked to bear the daily burden of anxiety.

The assurances of LNG proponents has been further eroded by the February 2007 Government Accountability Office report on potential terrorist attacks on LNG tankers. This report states that the Coast Guard uses a 2004 report by Sandia National Laboratories as a basis for conducting the security risk assessment for the Waterway Suitability Assessment.

There are numerous troubling findings in this GAO report. First, those involved in the study could not agree on the distance from a source that would, after 30 seconds, expose the public to a "heat hazard," which is Sandia's euphemism for a burn zone. They were unable to decide whether it was 1/3 mile or about 1-1/4 miles. When we are dealing with the lives of thousands of American citizens, we need to be far more certain of the risk posed to them.

The text of this report contains a second even more troubling statement: "However, as the table shows, one of Sandia's scenarios-for a large spill with cascading failure of three LNG tanks-found the distance could exceed more than 2,000 meters [which is greater than 1 and a quarter miles] and that the cascading failure would increase the duration of the incident." This duration could be well beyond 30 seconds.

This report undercuts the assertion of the proponents and the computer model that a mile is a safe distance to minimize a 30-second burn factor. And the report does not address the potential for a vessel-based fire cascading onto the land-based facilities.

The GAO report made a number of recommendations to the Department of Energy, which according to the report, were accepted by the Department of Energy. These involve, but are not limited to, additional studies to more fully understand the impact of a failure of multiple LNG tanks. According to the GAO report, "The leading unaddressed priority the panel cited was the potential for cascading failure of LNG tanks." I understand that the Department of Energy is looking to additional studies in 2008 to begin to address some of the issues raised by the GAO report. Making decisions today without the benefit of these studies that could impact our safety is just plain reckless. It is also unacceptable to the thousands of residents of this region who will live with this LNG facility in their backyards.

Today, we are at a critical juncture in the decision-making process relative to the introduction of unacceptable threats to our citizens and nation's security. It would be irresponsible to proceed with the approval process for LNG shipping, facilities and pipelines without all the information as to the potential impacts to this region and our critical infrastructure. I am here today, on behalf of my colleagues on the Baltimore County Council and the people of Baltimore County, to oppose the proposed location of this LNG facility. The proposed LNG Facility at Sparrow's Point is a threat to the people, economy, and security of Baltimore County and the entire Baltimore region. It must be rejected.

Thank you.