



SB 426 Fact Sheet

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“Informed Choices for LNG in CA”

BACKGROUND:

1. Liquefied Natural Gas is a fossil fuel that is super cooled, loaded into tankers, and shipped across the ocean to be unloaded and regassified at onshore or offshore terminals.
2. The siting and operation of LNG terminals carries with it high potential risks to human health, safety and the environment.
3. Five companies are vying to build LNG terminals offshore and onshore in California. Of the known proposals, each represents a different technology in a different location with varying impacts to public health, safety and the environment.
4. The Federal Energy bill has attempted to usurp CA and other coastal states legitimate jurisdiction in the siting of LNG terminals.
5. The repeal of 1977 LNG Terminal Permitting Act has left California without a coherent regulatory mechanism for evaluating the merits/drawbacks of different LNG proposals.
6. There is no statewide process to evaluate different LNG terminal proposals in terms of their relative merits or risks to public health, safety, national security, and the environment. The first proposal out of the permitting gate, even it poses the greatest risk to California’s residents, would be the facility that CA would have to rely on for the next forty to fifty years.

WHAT SB 426 DOES:

1. SB 426 requires the CEC to evaluate and rank different LNG terminal proposals based on the need for LNG to meet CA’s energy requirements.
2. SB 426 ensures that LNG facilities are evaluated according to their impacts on public health, safety, national security (operations, training, etc.) and the environment.
3. SB 426 requires the Governor to veto any LNG terminal proposal that does not follow the recommendations of the CEC evaluation and ranking.
4. SB 426 protects the State’s appropriate role in the evaluation and siting of any LNG terminals in California in light of the provisions of the Federal Energy Bill of 2005.
5. SB 426 does not result in any additional delay for existing or proposed LNG terminal proposals and conforms to existing timelines in federal energy regulations for the processing of LNG terminal applications.