

Investors Lament Lack of Progress for Oregon LNG

ONE STEP CLOSER TO VICTORY FOR FARMS, FORESTS, AND FISH

The Skipanon Peninsula, site of the proposed Oregon LNG terminal.

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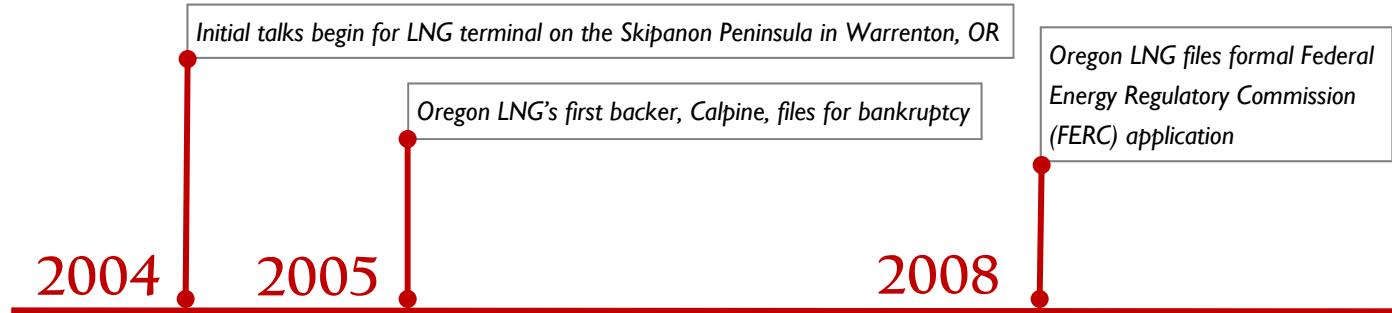
Columbia Riverkeeper and partners started fighting misguided liquefied natural gas (LNG) terminal proposals in the Columbia River Estuary over six years ago. Today, there is only one proposal remaining: Leucadia's "Oregon LNG" project in Warrenton, OR. Among its many impacts, the mega-industrial facility would require massive dredging in prime salmon habitat, threaten the safety of nearby residents in Astoria and Warrenton, and crisscross productive farm and forest land with LNG pipelines.

After years of vocal public opposition from across the Northwest and litigation by Columbia Riverkeeper and the Northwest Property Rights Coalition, we recently learned that the message is making its way back east. Investors are starting to get cold feet.

In their annual report to investors, Leucadia National Corporation officials indicated that they intend to make a final decision on whether to continue with the Oregon LNG project within a year. Leucadia Chairman Ian M. Cumming and President Joseph Steinberg stated, "...we've opened our wallet to fund this venture for another year, within which timeframe we hope to cross the finish line."

Riverkeeper doubts Oregon LNG will "cross the finish line" at all.

Stuck in a Rut TIMELINE OF OREGON LNG TERMINAL & PIPELINE



“A Sinking Ship”

"It's a sinking ship," explains Riverkeeper's Executive Director, Brett VandenHeuvel. "The threat LNG imposes on our health, safety, and livelihoods is simply not acceptable to the people of the Northwest. The project was just rejected by the Clatsop County Board of Commissioners. Either the investors are being hoodwinked or they are not paying attention. Would you bet on LNG? "

For years, the Oregon LNG project has been mired in controversy and was recently voted down by the Clatsop County Board of Commissioners. The project's environmental impacts and lack of public safety planning prompted the Clatsop Board to vote 4-1 against the proposal. Oregon LNG is now fighting tooth and nail in court, challenging the democratically elected County Board's authority to rule on its LNG pipeline application.

INVESTORS REGRET GAMBLING on Oregon LNG

In a surprising admission, Leucadia Chairman Ian M. Cumming and President Joseph Steinberg stated, "If we had known what we were getting into, we would not have done it." They also acknowledged that LNG could be exported.

Opponents of the Oregon LNG project have packed recent hearings about the project. Local activists have long suspected that Oregon LNG was considering export of North American gas, a prospect that could drastically increase gas prices in the U.S.

Opponents rallied against LNG at a Clatsop County Commission meeting in March.



No Progress Made

Oregon LNG's website still states that "[c]onstruction of the facility is slated to begin in 2010 with completion in 2013." It might be time to update the website.

In over six years, the Oregon LNG project has received no significant state or federal approvals for its proposed LNG import terminal and 120-mile pipeline. Currently, the company is seeking a court decision to overturn the recent Clatsop County rejection of the project. Last spring, the other proposed LNG terminal on the Columbia River went belly up. Bradwood Landing filed bankruptcy and was rejected by state and federal agencies. If nothing else, Leucadia's recent annual report signals that investors are finally getting the message: **the Northwest doesn't need or want LNG on the Columbia.**

National Marine Fisheries Service refuse to initiate Endangered Species Act consultation because Oregon LNG had not fully disclosed project plans and impacts. This further delays needed LNG terminal and pipeline approvals.

Clatsop County Board of Commissioners approve Oregon LNG's pipeline; Riverkeeper and the Northwest Property Rights Coalition appeal approval to the Land Use Board of Appeals on numerous grounds.

Newly elected Clatsop County Board reconsiders former Board's land use approval and reverse. Oregon LNG sues the County for reconsidering pipeline approval; Riverkeeper intervenes on the County's side.

2010

2011