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Vic Weisser, President, California Council for Environmental and Economic Balance
Comments before the California Resources Agency
Workshop on LNG Access Issues and Deliverability of Supply
Secretary of State Office Auditorium
1500 11th Street, First Floor, Sacramento
June 1-2, 2005
Re: Docket No. 05-LNG-1

On behalf of the California Council for Environmental and Economic Balance, a coalition of California business, labor, and public leaders who work together to advance collaborative strategies for a sound economy and a healthy environment, I strongly encourage California to move toward energy security by importing liquefied natural gas (LNG).

California, the 10th largest consumer of natural gas in the world, now has a unique opportunity to meet its growing energy demands in a safe, environmentally prudent, and economical way. If we do not take action now, energy shortages will continue to push California electricity rates above the national average, thereby encouraging companies to emigrate to lower-cost locations. Such emigration hurts California's workers, employers, and the entire economy.

Solving the state's energy woes means facing an unavoidable truth: California needs more natural gas. One-third of all electricity produced in California is generated by natural gas. By 2009, that number is projected to rise to fully 40%. Other energy sources, such as renewables, will undoubtedly be important to our long-term future, but for at least the next decade, our economic growth will depend on natural gas supplies.

Eighty-five percent of California's natural gas is imported into the state through a long pipeline that originates thousands of miles east of us. We are at the very end of a pipeline that is already operating a full capacity. It is clear that we must find another way to increase our supplies.

Fortunately, we have. The world has plentiful supplies of natural gas, which can be safely transported across oceans by chilling it to liquefied form (LNG). All that is missing is a terminal that can receive the LNG, convert it back into gas, and transport it through existing pipelines to those who need it – and that is certainly many of our members.

I hope California does not turn its back on an option that would both improve the environment and deliver a reliable supply of energy. The state should embrace LNG and so that we can begin to secure our own energy future.

Thank you for your time.

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