

## Woodside Unveils Plans For Offshore Los Angeles LNG Delivery

Woodside Natural Gas has unveiled plans to construct a state-of-the-art undersea pipeline, with limited surface visibility, 32 km off the coast of Los Angeles, to help meet California's growing energy needs.

The move to develop the facility so far from the coast is aimed at pacifying environmentally-sensitive Los Angeles residents who have expressed alarm at the site of an LNG off-loading facility spoiling their ocean views. Called OceanWay Secure, the project would negate the need for an onshore LNG terminal or an offshore platform.

Instead, gas will be delivered from specially designed ships through an undersea pipeline to existing gas pipeline facilities in an industrial area near Los Angeles International Airport. Woodside Natural Gas President, Jane Cutler, said ocean views would not be affected because the proposal had no surface terminal.

"When a ship is delivering natural gas it will be over 32 km offshore, over 7 km beyond commercial shipping lanes and barely visible even on the clearest of days", Cutler said. "The rest of the time, only a small marker will be on the surface of the water."

She said the process of converting LNG to regular natural gas started onboard the ship, which connected to an underwater buoy facilitating a secure connection to OceanWay's undersea pipeline, which is then proposed to be connected to the Southern California Gas Company system.

"Providing a safe, reliable and affordable natural gas supply to Southern California is the number one goal of the OceanWay proposal", Cutler said. "Woodside has the experience, expertise and gas reserves required to succeed in this vital endeavour and is committed to working with regulators, policy makers and local communities to achieve this goal."

Cutler said Woodside had three critical criteria in mind when choosing a site for the OceanWay proposal. "These were to minimise environmental disturbance, to maximise the distance from residential areas and to ensure the site is a sufficient distance from shipping lanes and marine preserves", she said. "With our buoy placed so far offshore and no terminal, our pipeline completely undersea and underground, and our landfall point within the LAX industrial area, we believe our proposal meets those requirements."

Woodside is seeking approval from federal, state and local agencies, including the U.S. Coast Guard, California State Lands Commission and California Coastal Commission, before the proposal proceeds.

Woodside plans to ship LNG from its Browse and Pluto fields in northwest Australia on larger, 200,000 m<sup>3</sup> ships to provide economy of scale. Cutler said Woodside had not decided how many ships it would order, but it is expected to take three years to construct the expensive vessels.

The ships are so large that it would take four to five days to convert the LNG to natural gas suitable for California's extensive pipeline system. Woodside does not expect to ship first gas before 2010.

Woodside Natural Gas Inc, is a wholly owned subsidiary of Woodside Petroleum Ltd. ■



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