

The Patriot Ledger

Hull LNG foes win: Plan is pulled - Energy company says opponents doomed its proposal

By TOM BENNER | April 25, 2007

BOSTON - The company that sparked an uproar over its plan to build a liquefied natural gas terminal off the coast of Hull in Boston Harbor says it has withdrawn the plan. Global energy giant AES Corp. of Arlington, Va., said yesterday that it has given up on the attempt to build an LNG plant two miles from Hull and 10 miles from downtown Boston.

AES managing director Aaron Samson said opposition to putting an LNG terminal on a state and national island park spelled doom for the proposal. "It's a great site and it's got all the technical attributes that make it correct, but it's got all the other issues to go with it," Samson said. Because of that opposition - led by environmental groups and South Shore residents - the Outer Brewster proposal lost ground to two competing proposals off the coast of Gloucester.

"We still are monitoring the events up there for what's going to get built or not built, but it's getting a little crowded," Samson said in a telephone interview. The company had argued that an LNG terminal on the deserted Outer Brewster Island, on the outer edge of Boston Harbor, would not pose a safety or terror threat.

The AES plan called for two storage tanks burrowed deep into the island's granite base. Each tank would be 90 to 100 feet deep, with the bulk of the tanks underground and the tops covered for aesthetic and public safety purposes. But Hull residents opposed the proposal, while environmentalists worried about opening up the Boston Harbor island parks to another commercial venture.

AES spent heavily on media and lobbying strategists to promote its plan, including Richard Clarke, an anti-terrorism adviser in the Reagan,

Clinton and Bush administrations. South Shore legislators who rallied opposition to the plan included Sen. Robert Hedlund, R-Weymouth, and Garrett Bradley, D-Hingham, both of whom represent Hull. Each said the plan would never have received the two-thirds vote in the Legislature that's required to sell state-owned land.

The plan's chief supporter in the Legislature was Rep. Brian Dempsey, a Haverhill Democrat and House chairman of the Legislature's Committee on Telecommunications, Utilities and Energy. Dempsey filed a bill to forward the plan in the last legislative session, but has not done so for the two-year session that began in January. Dempsey said yesterday that the proposal to build an LNG terminal on Outer Brewster Island can be reconsidered later if necessary.

"It's a very good site we ought to be considering if we see there's still a need," Dempsey said. "It's not in a neighborhood, it's a good location for public safety, and it has proximity to the HubLine" (an undersea gas transmission line linking the North and South shores). Dempsey added that Gov. Deval Patrick's administration opposed the plan for an LNG terminal in Boston Harbor. The energy committee's other co-chairman, Sen. Michael Morrissey, D-Quincy, said the plan faced too much opposition from residents, environmentalists and fishermen.

"It was a novel idea, don't get me wrong," Morrissey said. "It just had everybody ticked off."

Environmentalists say they'll continue to watch for any future efforts to industrialize the Boston Harbor island parks. "It was a bad idea, and it turned out not to be worth the effort," said Bruce Berman,

spokesman for Save the Harbor/Save the Bay. "There are better places to put this kind of facility than in a national park."

When AES first unveiled its proposal in September 2005, then-Gov. Mitt Romney supported the plan. At the time he said an LNG terminal on Outer Brewster Island would pose far fewer safety risks than a proposed terminal in Fall River, which would require LNG tankers to travel under several bridges, posing a potential terrorism threat. But in his waning days in office last December, Romney gave preliminary approvals to two competing plans for offshore LNG terminals off the Gloucester coast.

Both the Northeast Gateway and Neptune projects - roughly 13 and 7 miles southeast, respectively, off Cape Ann - will function as largely submerged buoys that attach to the LNG tanker vessels, piping gas between the ships and the HubLine beneath Massachusetts Bay. State officials said the floating ports would cut down on the region's reliance on Everett's DISTRIGAS LNG terminal, which Boston officials want closed to prevent tankers from cruising close to downtown.

LNG in Massachusetts

Existing terminals:

- DISTRIGAS LNG terminal in Everett, operated since the early 1970s, now owned by French energy giant Suez

Pending:

- Northeast Gateway, an offshore terminal to be built 13 miles off Gloucester, proposed by Excelerate Energy of Texas

- Neptune LNG, an offshore terminal to be built seven miles off Gloucester, proposed by a Suez affiliate

- Weaver's Cove Energy in Fall River, proposed by Hess Corp. and Poten & Partners of New York

Withdrawn:

- Outer Brewster Island in Boston Harbor