

Hazard and Risk Considerations

THE JORDAN COVE TERMINAL AND LNG SHIPS



Hazard

Natural

- Earthquake
- Tsunami
- Sea level Rise
- Climate Change
- Floods

Accidental

- Equipment failure
- Vessel grounding
- Human error
- Fire
- Explosion

Deliberate

- Sabotage
- Terrorism

Vulnerability

Exposure of harm to:

- People
- Property
- Essential services
- Cultural Assets
- Natural Resources
- Economy
- Land Use

Ability, Willingness, Resources to:

- Mitigate
- Prepare
- Respond
- Recover

Risk

(Likelihood
of an event or
incident)

Key Message #1: Natural Gas is a Hazardous Material

Hazards of Gas Phase Methane (Natural Gas):

Heat from flames and fireballs causes burns and ignites flammable materials

Vapor Cloud Explosions in confined spaces creates overpressures/shock waves

Asphyxiation in high concentrations

Carbon Monoxide poisoning from the byproducts of combustion

Hazards of Liquid Phase Methane (LNG) :

Freezing upon exposure

Cryogenic failure of structural material

A Rapid Phase Transition LNG spilled onto water boils so fast it can behave like an explosion without burning.

**Gas delivery to Terminal
Via High pressure pipeline**

Gas Treatment

Condensate
removal

CO₂ removal

Dehydration

Mercury & H₂S
removal

Refrigeration

Liquefaction

LNG storage &
Ship Loading

LNG transport
by ship

JORDAN COVE LNG TERMINAL BASICS

- Huge volumes of Gas to be processed:
Enough to supply 5 million US households.
- High gas pressures (1,900 psi = scuba tank pressures)
- Flammable and toxic refrigerants & treatment by-products
- Large volumes of super cold (- 260 degrees) LNG stored on land (160,000 cubic meters per tank)
- Rapid transfer of LNG to Ships (20,000 gallons per minute)
- 120 ships per year

Key Message #2 Manufacturing and Shipping LNG is a complex, hazardous process

Three, 30 megawatt gas turbine compressors to refrigerate gas

Specialized training; emergency preparation & response plans

Security exclusion zones

Emergency gas flare systems

Remote sensors, surveillance & safety systems

Dedicated on site emergency response personnel at all times

Fire station

Security and anti terror operations



Dozens of state, federal, local agencies are involved in regulation:

Multiple laws & regulations address specific hazards and risks

- Tanker design and operation

- Pipeline and hazardous materials

- Worker safety

- Structural materials safety

- Anti Terror and sabotage

- Noise

- Water and air emissions

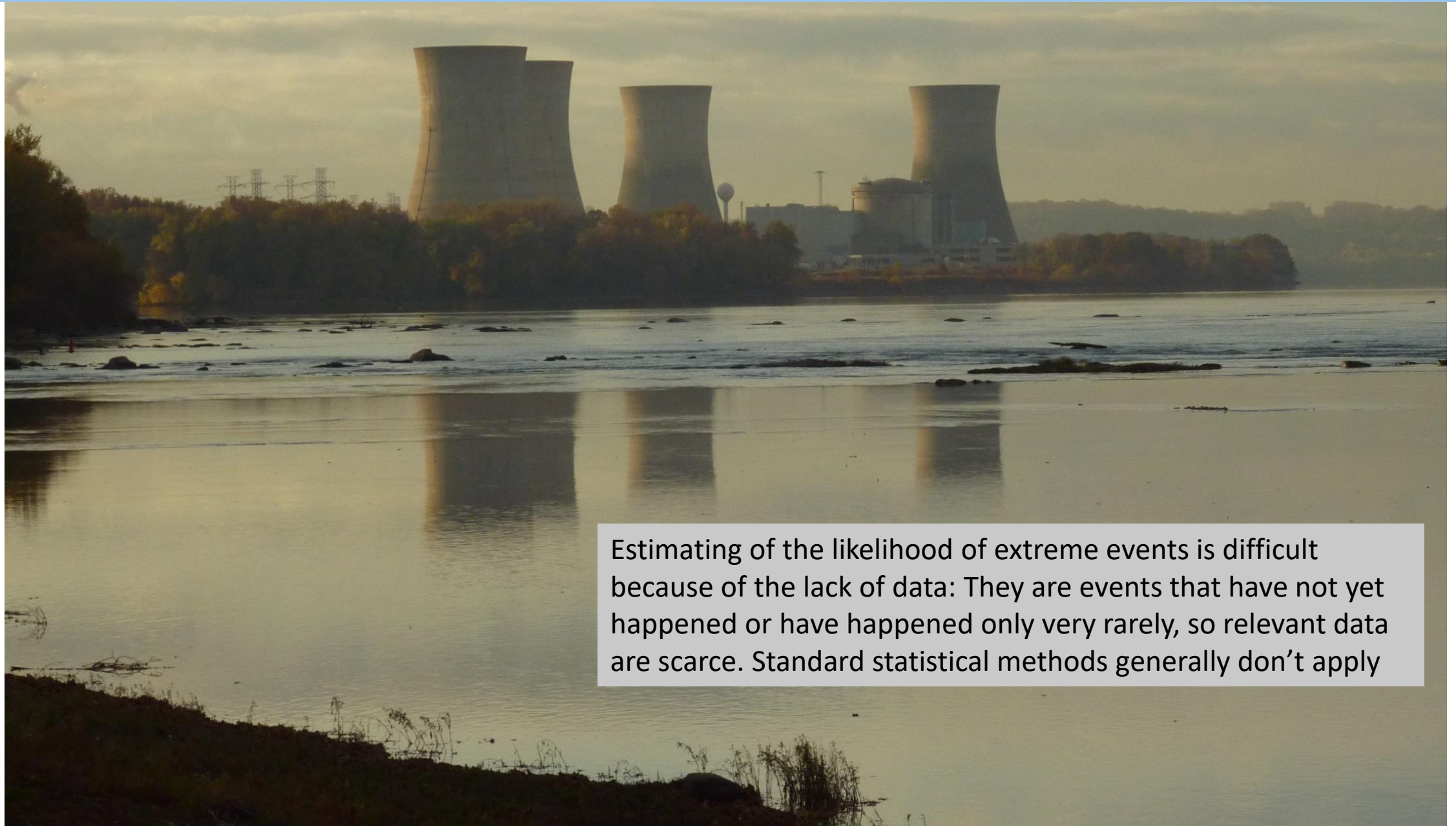
- Ground water and storm water

- Etc...etc....etc....

Key Message #4: Regulations are often developed in response to failure events & accidents

- **Physical layout and vapor dispersion zones**
- **Characteristics of steel exposed to cryogenic liquids**
- **Design tsunami and earth shaking events**
- **Penetration by projectiles from wind and explosions**
- **Fires and explosions**
- **Emergency response procedures**
- **Terrorism**

Key Message #5: Highly regulated processes can and do fail



Estimating of the likelihood of extreme events is difficult because of the lack of data: They are events that have not yet happened or have happened only very rarely, so relevant data are scarce. Standard statistical methods generally don't apply

Key point #6 Failures at highly regulated hazardous facilities include low probability high consequence events that exceed design standards



Tsunami Protection Barrier
Overtopped during the
2011 Japan event.

Key message #7: LNG safety involves Risks from Low Probability High Consequence Events

Natural Hazards

- Ocean storms
- High wind
- Earthquake
- Tsunami
- Floods

Accidental Hazards

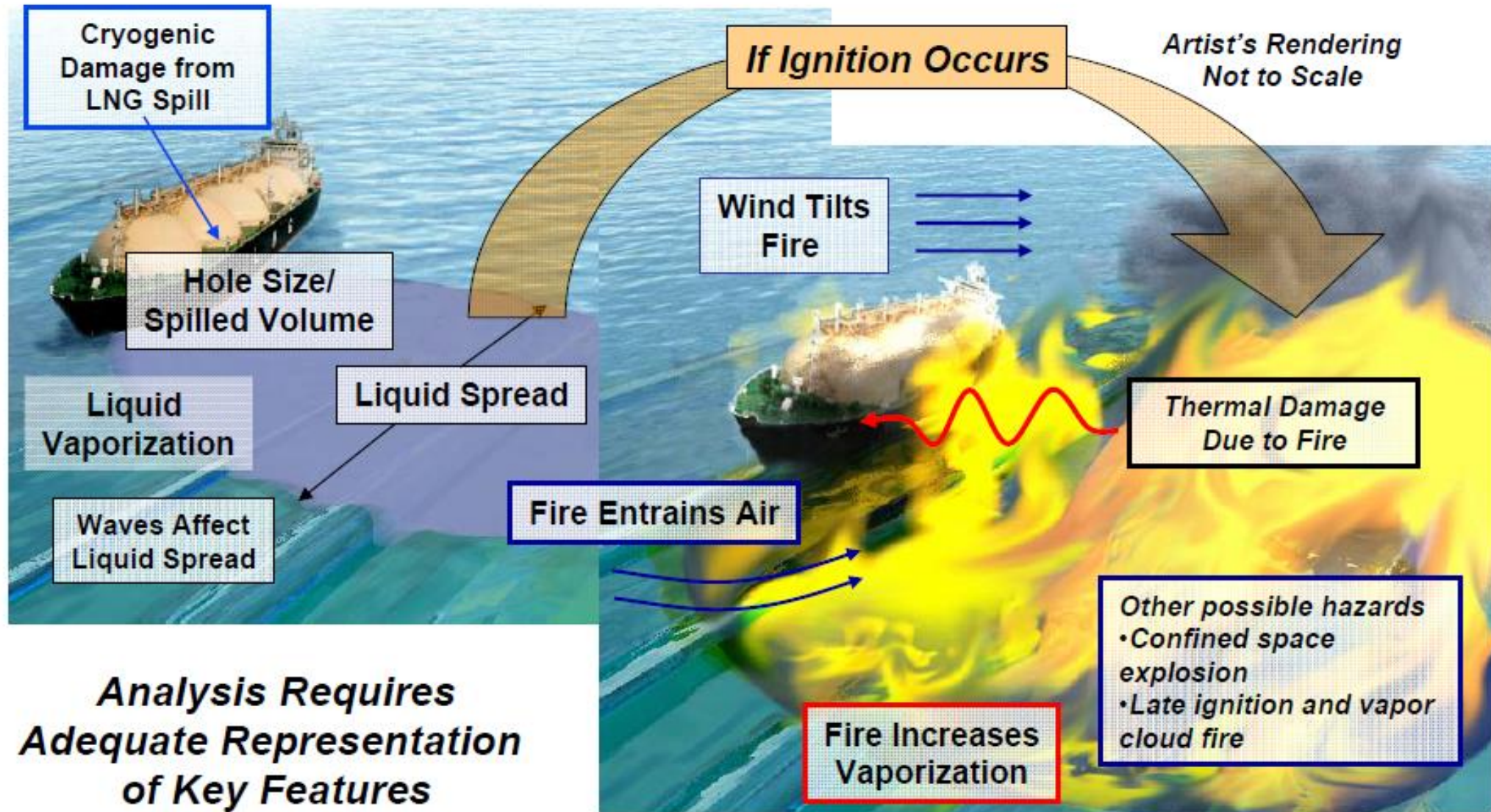
- Equipment failure
- Vessel grounding
- Human error
- Fire
- Explosion

Deliberate Hazards

- Sabotage
- Terrorism



Key Features of LNG Spills Over Water



Vulnerability to an LNG spill

Zone 1 (yellow) –

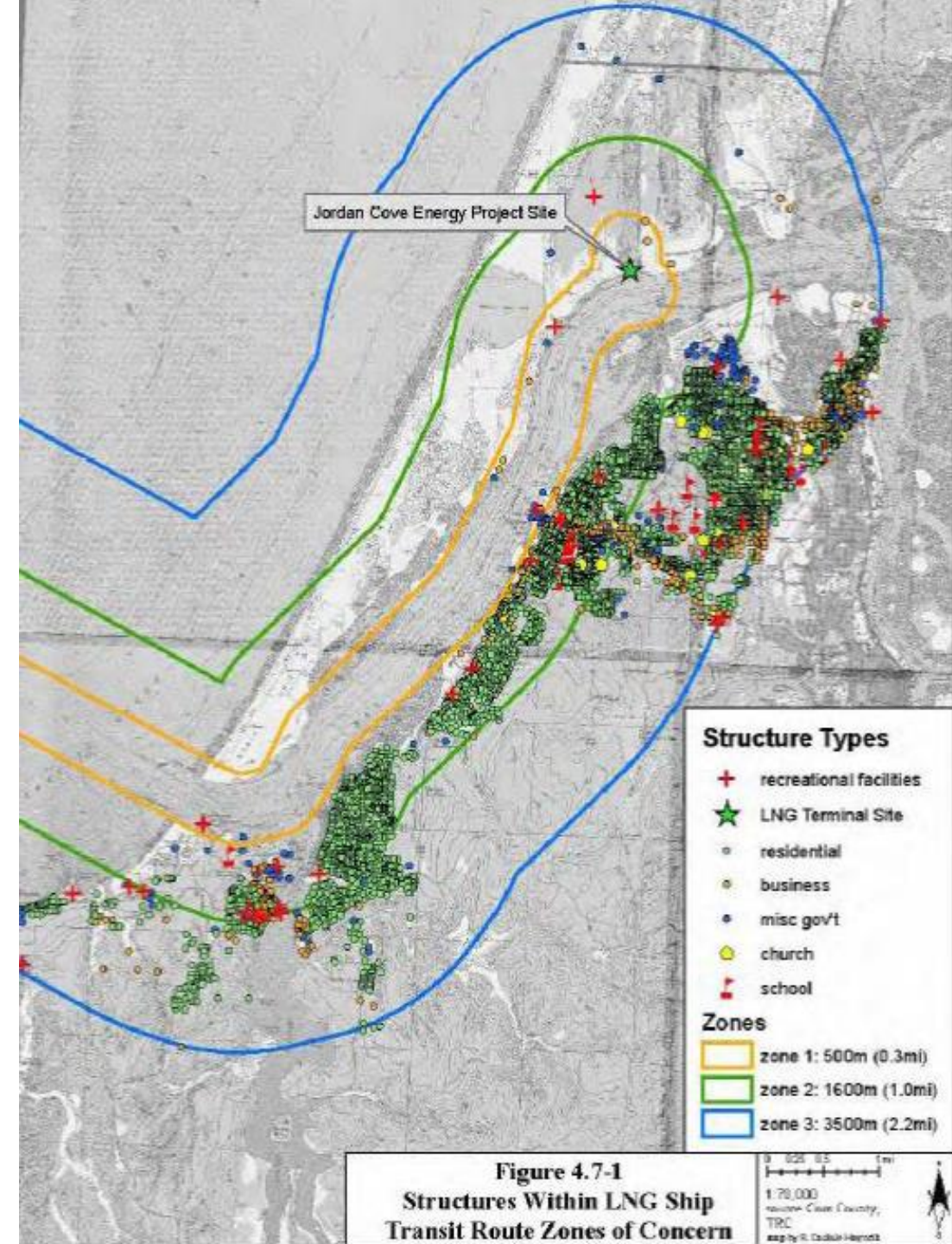
No one is expected to survive in this zone. Structures will self ignite just from the heat.

Zone 2 (green) –

People will be at risk of receiving 2nd degree burns in 30 seconds on exposed skin in this zone.

Zone 3 (blue) –

People still at risk of burns if they don't seek shelter but exposure time is longer than Zone 2



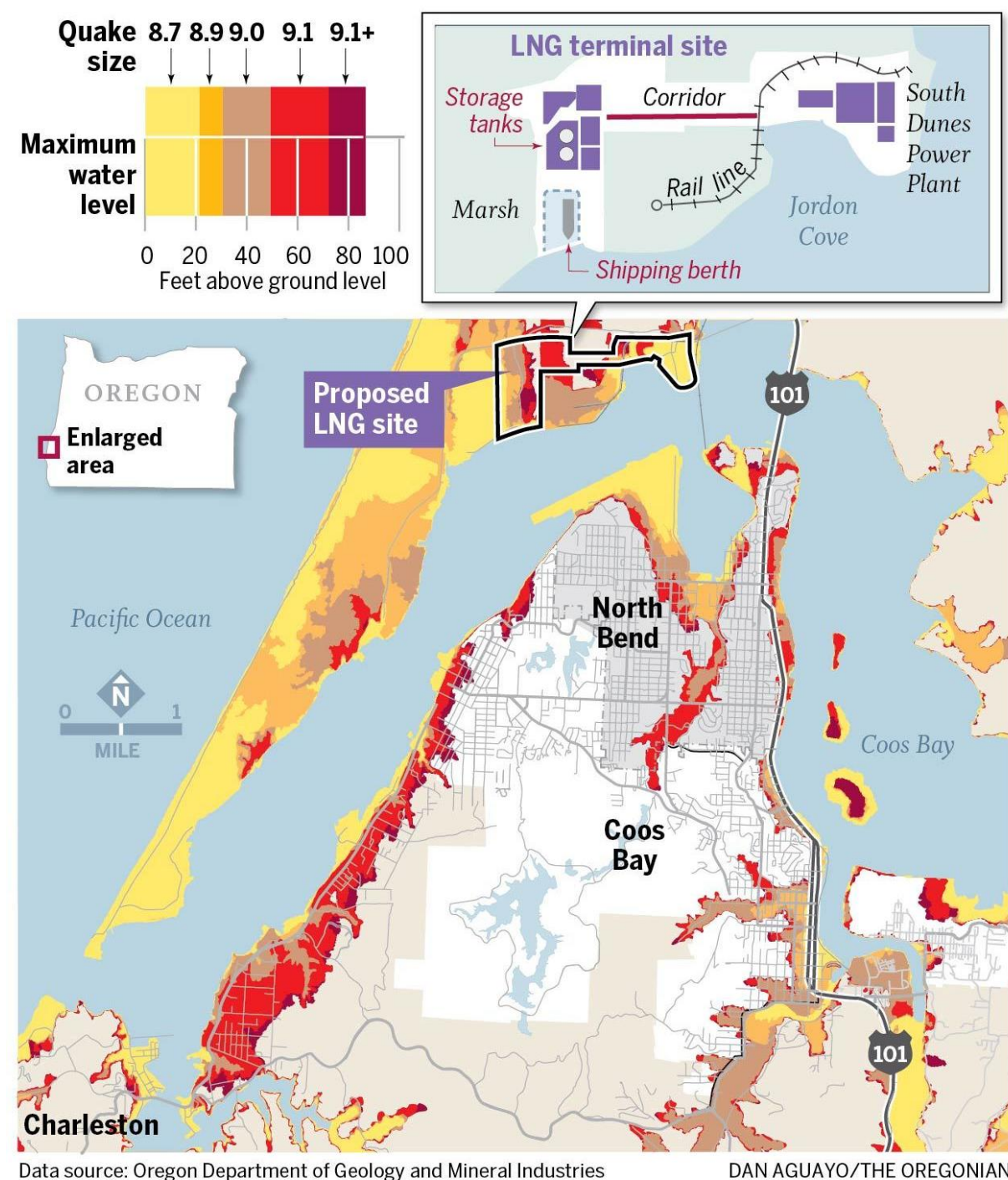
Vulnerability to Tsunami Inundation:

Tsunami Risk reduction strategies:

Elevate LNG site above 46' design tsunami inundation level.

Tsunami wall on west side of vessel berth.

Tugboats to hold LNG vessels in place during event.

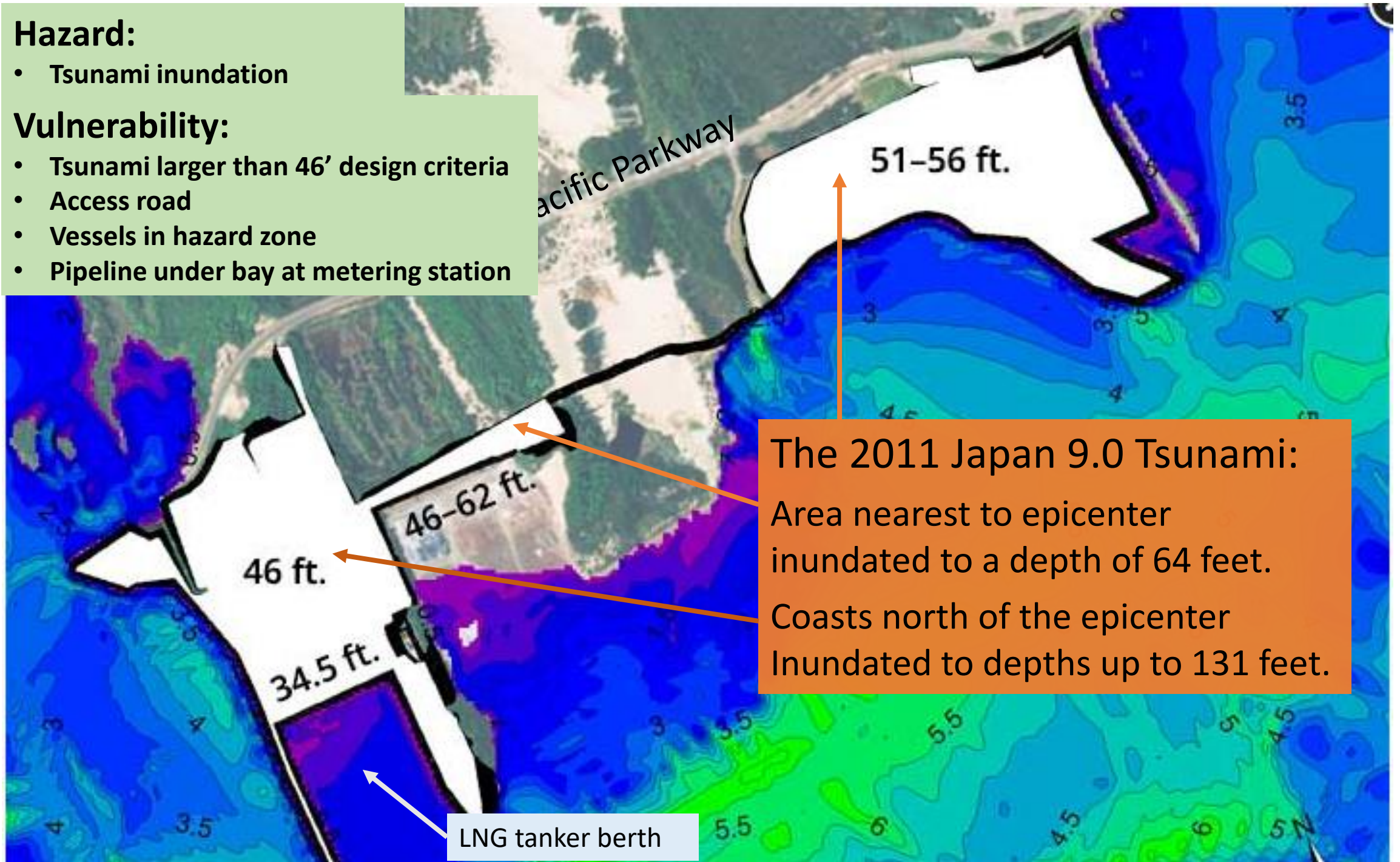


Hazard:

- Tsunami inundation

Vulnerability:

- Tsunami larger than 46' design criteria
- Access road
- Vessels in hazard zone
- Pipeline under bay at metering station

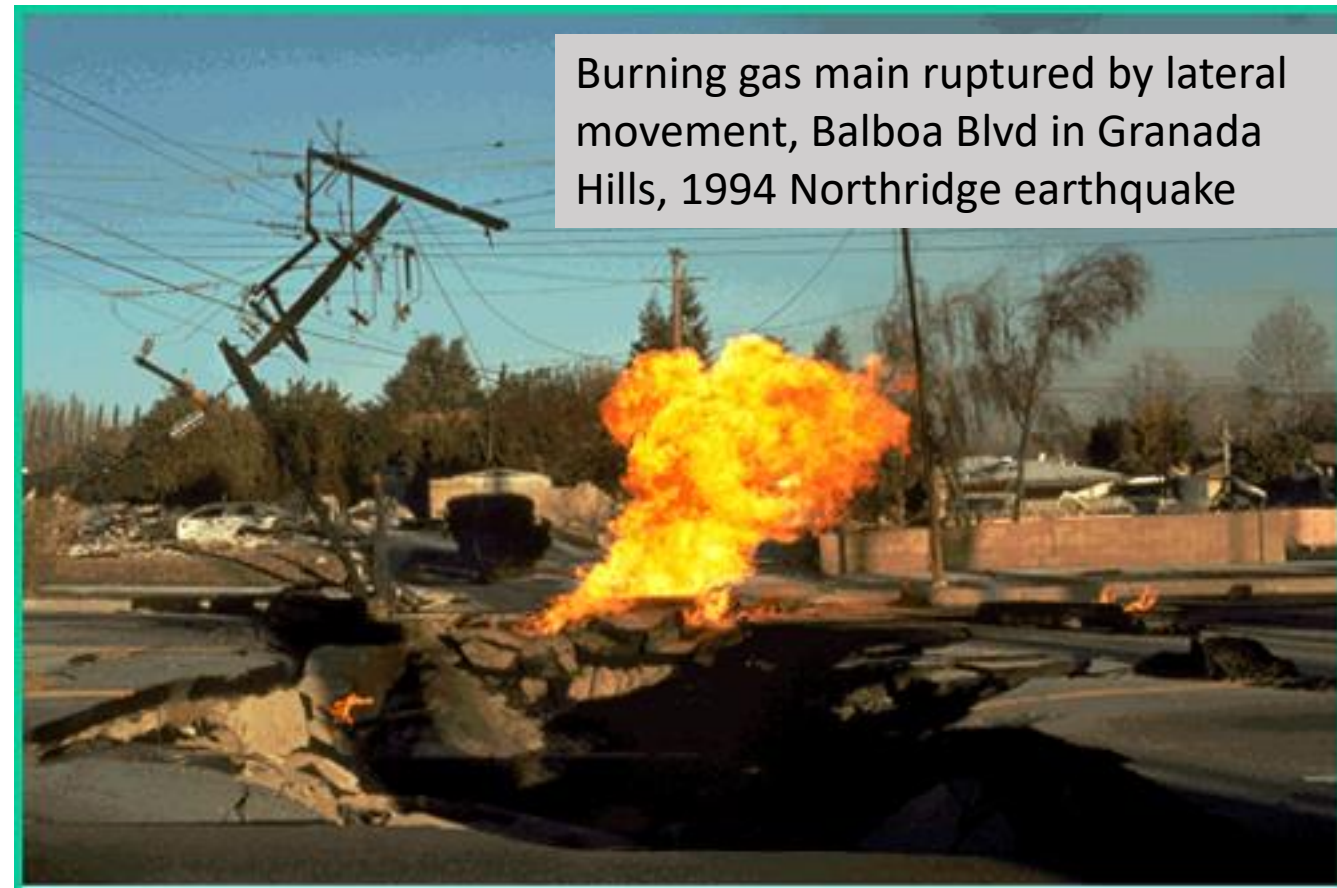




Flotation — structures buried in the ground (e.g. pipelines, sewers and fuel tanks) can float to the surface when soil liquefies

Lateral Spreading — soil slides down gentle slopes or toward stream banks riding on a buried liquefied layer.

Earthquake Soil liquefaction Hazards:



Burning gas main ruptured by lateral movement, Balboa Blvd in Granada Hills, 1994 Northridge earthquake

Earthquake Hazards: Flow Failures and Ground Oscillations: Vulnerability: North Spit access Road



Flow Failure — earth moves down steep slope with large displacement

Ground Oscillation — the surface layer, riding on a buried liquefied layer, is thrown back and forth by shaking



The Marina District of San Francisco 1989 Loma Prieta earthquake. Soft bay and marsh soils covered by dredged sand amplified earthquake shaking. The sandy fill material liquefied, causing disruption of streets, sidewalks



Thank you Very much for your attention!