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BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Project Number
KEYSPAN LNG FACILITY UPGRADE PROJECT : CP04-223-000
: CP04-293-000
: CP04-358-000
- - - - -x

Gaudet Middle School
1113 Aquidnick Avenue
Middletown, RI

Wednesday, January 12, 2005

The above-entitled matter came on for scoping
meeting, pursuant to notice at 6:58 p.m.

MODERATOR: DAVID SWEARINGER
Federal Energy Regulatory Commission

1 P R O C E E D I N G S

2 (6:58 p.m.)

3 MR. SWEARINGEN: My name is David Swearingen and
4 on behalf of the Federal Energy Regulatory Commission, the
5 FERC, I want to welcome you all here tonight. I am an
6 environmental project manager from the draft environment
7 impact statement, DEIS for the KeySpan Facility Upgrade
8 Project.

9 Before we get started as a courtesy I would ask
10 you if you have cell phones that you turn them so that they
11 don't ring out in the meeting. And if you need to take a
12 call that you go through one of the exit doors and make the
13 call so that you don't disrupt people who are trying to
14 speak. I appreciate that.

15 With me tonight are Larry Brown, Fran Lowell and
16 Steven Holden with NRG, environmental contractors who have
17 helped, the FERC, to prepare the draft environmental impact
18 statement. Larry is to my left here and Fran and Steve are
19 working at the sign-in table at the back. The panel we have
20 up here at the end of the table is Captain Mary Landry with
21 the U.S. Coast Guard, next we have Bill Hubbard with the
22 U.S. Army Corps of Engineers and then Robert Smallcomb with
23 the Department of Transportation.

24 In the audience with us tonight we have Charlie
25 Hawkins who is representing Senator Lakacheny office. We

1 have Nancy Lanhall who is representing Senator Jack Rings'
2 office. Representative Bruce Long is here tonight as is
3 Representative Raymond Gallison and Representation Joseph
4 Amerhall.

5 Is there anybody else that --

6 AUDIENCE PARTICIPANT: (Off mike.)

7 MR. SWEARINGEN: Okay. Congressman Peter's
8 office as well. Thank you.

9 The purpose of this meeting is for FERC to get
10 your comments on the draft environmental impact statement
11 that we recently released. The Coast Guard and the Corps of
12 Engineers are also using this meeting to fulfill their
13 respective agency obligations. In a few moments they will
14 have the opportunity to discuss their agency roles in the
15 KeySpan project.

16 To speak to night, we have a sign-up sheet in the
17 back. If you could, I would like you to sign up if you have
18 comments that you would like to make. If you haven't signed
19 up already, please do so. If you prefer not to speak
20 tonight, you can submit written comments on the form that we
21 have, or you can send a letter or electronic comments,
22 however you wish to give us comments, we will consider them
23 equally. So, it doesn't matter how you get the comment to
24 us, we will give it the same attention as whether you write
25 it down or whether you speak tonight.

1 As most of you probably know, we are in the
2 middle of a 45-day comment period on the draft environmental
3 impact statement. We've had several requests to extend the
4 comment period not only from people at the meetings but also
5 signed by some Senators and representatives and other people
6 representing the state have asked for permission to extend
7 the comment period. That request is being considered at
8 this time at the FERC. As it stands now, the comment period
9 is scheduled to end on January 24.

10 All comments that we receive within the comment
11 period will be addressed in the final environmental impact
12 statement.

13 Our purpose here tonight is to take your comments
14 in order to help us to make the final environmental impact
15 statement. We produce a draft, so when you make your
16 comments, the more that they're related to the DEIS, the
17 more helpful that would be to us as we prepare the final
18 EIS.

19 If you received a copy of the draft in the mail,
20 you are automatically on the mailing list to receive a copy
21 of the final. If you do not think that you are on the
22 mailing list and you wish to be so, then you can go ahead
23 and mark that on the sign-in sheet in the back as well.

24 Once we finish the final environmental impact
25 statement we will mail it out and we will forward that to

1 the Commissioners at the FERC. The Commissioners will
2 consider our environmental analysis as well as other
3 nonenvironmental factors in order to determine whether or
4 not to issue an authorization for the KeySpan project. So
5 the EIS in itself is not a decisionmaking document. It is
6 one piece that is being factored in with other
7 considerations.

8 Now I'm going to turn the meeting over to Bill
9 Hubbard with the Corps of Engineers so he can explain the
10 Corps involvement with the KeySpan project.

11 MR. HUBBARD: Thank you. Good evening. I would
12 like to welcome you to the public hearing --

13 (Pause.)

14 MR. HUBBARD: Good evening. I would like to
15 welcome you to this public hearing on your request for an
16 application for the KeySpan LNG, L.P. for the U.S. Army
17 Corps of Engineers Permit to construct new burning and
18 unloading structures at an existing liquid natural gas LNG
19 facility located seaward at the high tide line in the fields
20 point area of Providence River in Providence, Rhode Island.
21 I am William Hubbard, I am the Acting Deputy District
22 Engineer for the U.S. Army Corps of Engineers in New
23 England. Our headquarters is located in Concord,
24 Massachusetts.

25 Before we begin, first I would like to thank you

1 all for involving yourselves in this environmental review
2 process. Please feel free to bring up any and all topics
3 you feel need to be discussed on the Corps of Engineers
4 record. I assure you, all of your comments will be
5 addressed during our permit process.

6 Other Corps of Engineers representatives here
7 this evening with me is Bob Desista who is our regulatory
8 permits branch chief. This hearing is being conducted as
9 part of a Corps of Engineers Regulatory Program to listen to
10 your comments, to understand your concerns, and to provide
11 you the opportunity to put your thoughts on the record if
12 you should care to do so.

13 I would like to point out that no decision has
14 been made by the Army Corps of Engineers with regard to this
15 Corps permit decision. My job tonight is to simply listen
16 to your comments, make sure the Corps of Engineers is fully
17 informed of all issues as we begin our deliberations of the
18 permit application.

19 I would like to briefly review the Corps of
20 Engineers' responsibilities in this process. The Corps'
21 jurisdiction in this case are: Section 10 of the Rivers and
22 Harbors Act which authorizes the Corps to regulate
23 structures and/or the navigable waters of the United States
24 and Section 404 of the Clean Water Act which regulates the
25 discharge of dredged or fill material in waters of the

1 United States including wet lands.

2 The detailed regulations that explain the
3 procedures for evaluating Corps of Engineers permit
4 applications and unauthorized work is Title 33, Code of
5 Federal Regulations, Parts 320 through 330, that's C.F.R --
6 33 C.F.R. 320 through 330.

7 The Corps' decision rests upon several important
8 factors. First the Corps must make a public interest
9 determination, that is, we must determine whether or not the
10 project is in the overall public interest based on the
11 probable impacts of the proposed project and a wide variety
12 of factors. All factors believed relative to the proposal
13 will be considered prior to making any decision. Those
14 factors include, but are not limited to, conservation,
15 economics, aesthetics, the environment, fish and wildlife
16 value, navigation, recreation, water supply, food
17 production, and in general the needs and welfare of the
18 people.

19 The public interest determination is done by
20 weighing the benefits that may be reasonably improved
21 through the proposal against the reasonably foreseen
22 detriments. Only projects deemed not contrary to the public
23 interest will receive a permit.

24 Second, our decision will reflect the national
25 concern for both the protection and the annualization of

1 important resources.

2 Third, in accordance with the National
3 Environmental Policy Act, NEPA, any project that
4 significantly affects the environment must have an
5 environmental impact statement. In this case the Federal
6 Energy Regulatory Commission, also known as FERC, is the
7 lead federal agency on this environmental impact statement.
8 All factors affecting the public will be included in our
9 evaluation and your comments will help us in reaching a
10 decision.

11 The record of this hearing will remain open and
12 written comments will be received by the Board and may be
13 submitted tonight or by mail until 28 January 2005, that's
14 January 28. All comments will receive equal consideration.

15 Lastly, to date, no decision has been made by the
16 Army Corps of Engineers with regard to this permit. It is
17 our responsibility to evaluate both environmental and socio
18 and economic impacts prior to our permit decision. And in
19 order to accomplish that decision we do need your input.
20 Your testimony and comments for this hearing will be posted
21 on the FERC web site after this hearing. They will be
22 evaluated then in our permit process.

23 Again, it is crucial that this public process
24 hears your voice and I thank you for your involvement in
25 this environmental review.

1 MR. SWEARINGEN: Okay. Next on the list we have
2 Captain Landry who will speak on behalf of the United States
3 Coast Guard.

4 CAPTAIN LANDRY: Good evening and thanks for
5 coming to tonight's public meeting. I am Captain Mary
6 Landry, the Commanding Officer at the Marine Safety Office
7 in Providence. As such, my responsibilities are Staffing
8 the Port and Federal Maritime Security Coordinator for
9 southeastern Mass and all of Rhode Island which includes
10 Narraganset Bay and Fall River.

11 Before we get started, I would like to thank
12 everyone for attending the meeting and participating in this
13 process for reviewing the KeySpan LNG proposal. I recognize
14 and understand the public's concern over the safety and
15 secure shipment of LNG and want to hear your comments and
16 concerns. Port safety and security are one of the Coast
17 Guard's highest priorities.

18 I would like to thank the FERC for allowing the
19 Coast Guard to participate in this meeting.

20 I have two objectives for tonight's meeting.
21 First I want to brief you on the Coast Guard's role and
22 process for reviewing the KeySpan LNG proposal and secondly
23 I plan to take the input you provide tonight for
24 consideration during the Coast Guard's review.

25 The Coast Guard's role and my responsibility is

1 to conduct a thorough and fair assessment of both the safety
2 and security issues associated with the KeySpan LNG
3 facility. We are following a systematic process that
4 includes several components. Navigation safety issues are
5 reviewed our letter of recommendation process specified
6 under federal regulation.

7 The Coast Guard has specific authority under the
8 Maritime Transportation Security Act of 2002 and associated
9 regulations per vessel at Marine Facility Security.

10 Finally, as a cooperating agency with the Federal
11 Energy Regulatory Commission we ensure the marine safety and
12 security issues are addressed in the environmental impact
13 statement. The Coast Guard's letter of recommendation
14 process, the first thing I mentioned, is fully described in
15 Title 33, Code of Federal Regulation Part 127. It was
16 developed under the authority of the Port Water Safety Act
17 of 1972 and involved several steps.

18 First, an applicant who intends to site and new
19 LNG facility must submit a letter of intent to the
20 appropriate Coast Guard Captain of the Port. I received a
21 letter of intent from KeySpan on August 20, 2004. Upon
22 receipt of the letter of intent, we conduct an assessment of
23 the suitability of the waterway from the navigation safety
24 perspective to accommodate vessels of the size typically
25 used to carry LNG. Eight specific considerations are

1 specified in the regulations for evaluating the suitability
2 of the waterway. The first is density and character of
3 marine traffic in the waterway. The second is locks,
4 bridges, and other manmade obstructions in the waterway.
5 The third is depth of the water. The fourth is tidal range.
6 The fifth is protection from high seas. The sixth is
7 natural hazards including reefs, rocks, and sandbars. The
8 seventh is underwater pipeline with cables. And the eight
9 is distance of berth vessels from the channel and the width
10 of the channel.

11 Additionally as part of the NLR process we
12 formally request input via Federal Register notice. On
13 September 1, 2004, I issued a notice in the Federal Register
14 seeking public comments and related material pertaining
15 specifically to the maritime operations and waterways
16 management aspects of the proposed KeySpan LNG facility.
17 Only four comments were received. However, over 40 comments
18 were received for the Weavers Cove/Fall River LNG project
19 and many of them requested that I hold a public meeting to
20 provide an additional opportunity to receive public input.
21 We held a public meeting at Fall River on December 9, 2004,
22 to receive additional comments in an effort to ensure
23 consistency for both LNG projects as both projects use the
24 lower part of Naroganset Bay as the transit route. I asked
25 FERC if I could participate in this public meeting as well

1 so that I could explain the same process and take your
2 comments.

3 Although the Coast Guard public comment period
4 for the KeySpan project officially ended November 1, 2004,
5 all comments related to safety and security received tonight
6 will be considered.

7 Upon completion of the assessment I am required
8 to issue a letter of recommendation to the operator of the
9 facility and to the state and local authorities having
10 jurisdiction. Although we use the term "letter of
11 recommendation" it does not necessarily provide a positive
12 endorsement for the facility. It merely provides the Coast
13 Guard's assessment of the suitability of the waterway for
14 LNG marine traffic from a navigation safety perspective.

15 Much of our navigation safety evaluation will be
16 based on the results of a ports maury safety assessment that
17 was conducted for Naroganset and Mount Hope on September 7th
18 and 8th, 2004. The port and waterway safety assessment was
19 sponsored by the Coast Guard and represents the consensus of
20 local waterway safety experts as well as recreational and
21 commercial vessel users who participated in that assessment.

22 Additionally, we factored ship simulation modeling
23 conducted by Marine Safety International of Newport, Rhode
24 Island, into our recommendation.

25 It is important to note what the letter of

1 recommendation does not do. It does not address security
2 issues. Nor does it address safety hazards associated with
3 the cargo or the release of the cargo from LNG vessels. The
4 Maritime Transportation Security Act regulations and the
5 environmental impact statement address these issues.

6 Additionally, a letter of recommendation is not
7 necessarily required for KeySpan to obtain a siting permit
8 from FERC. But it is required before any LNG facility would
9 be permitted to operate and actually receive LNG. This is a
10 small, but important, distinction.

11 As I mentioned, one area not addressed in the
12 letter of recommendation but of significant concern to the
13 Coast Guard is security. The regulations outlining the LOI
14 and LOR process dates from 1988 and clearly did not
15 contemplate the maritime security challenges we face today.
16 Because the Coast Guard and FERC recognize that these
17 regulations did not completely address the security issues
18 associated with maritime transportation of LNG in February
19 2004 we entered into an interagency agreement. Under this
20 agreement we worked together to ensure that both land and
21 marine security issues are addressed in a coordinated and
22 comprehensive manner. In particular, we agreed that the
23 maritime security related information would be addressed by
24 FERC in the environment page of that statement and disclosed
25 to the public to the extent permitted by law.

1 Security considerations include the vessel, the
2 facility, and the area and maritime security plans required
3 under the Maritime Security Act regulations as well as
4 ensuring their revised plans for protecting the LNG vessel
5 during transit in Naroganset Bay and its tributaries.

6 Additionally we must ensure that there are
7 adequate federal, state, and local law enforcement assets to
8 carry out that plan. We already implemented security plans
9 for L T G vessels that routine transit Naroganset Bay.
10 Vessel security is a joint effort by many law enforcement
11 agencies and we rely heavily on federal, state, and local
12 resources to maintain the security during the transit and
13 offload of high interest cargoes.

14 KeySpan has been required to identify the marine
15 security vulnerabilities associated with their proposal and
16 the resources federal, state, local, and private sector that
17 will be needed to provide acceptable levels of security.
18 This information will be submitted to the Coast Guard for
19 review and comment prior to the completion of the EIS.

20 The Federal Energy Regulatory Commission has
21 committed to take this information into account as part of
22 the decision and order process.

23 We have invited key federal, state, and local
24 stakeholders from the law enforcement community to help
25 identify and validate the applicant's submittal and we'll

1 conduct a review during a series of workshops. These
2 workshops involve security sensitive information and require
3 each participant to sign a nondisclosure agreement.
4 Although the general public may want to know specific
5 details, the security sensitive nature of the information
6 requires that you trust your local law enforcement
7 representatives who are participating in plan validation.

8 We've held three workshops to assess security
9 considerations for the KeySpan project. The next meeting is
10 being held on January 18, 2005. We will continue to hold
11 these workshops until an acceptable incident action plan is
12 developed. We will also take your comments with regard to
13 security into consideration as we conduct these security
14 workshops.

15 We hope that everyone who wants to speak has the
16 opportunity tonight. However, if you do not get an
17 opportunity tonight, you may also provide comments in
18 writing or by electronic means and have it be part of the
19 official comments. All comments given verbally or submitted
20 in writing prior to the close of the comment period will be
21 considered.

22 The Coast Guard is here tonight to listen and
23 receive your comments on navigation safety issues as part of
24 the letter of recommendation process. Please keep in mind
25 that any comments made at previous meetings sponsored by

1 FERC and the meeting we held on the OR have been recorded
2 and are part of the public record. So you don't have to
3 repeat your comments here unless you prefer to. You are
4 also encouraged to provide written comments to us directly.
5 There is no limit to the amount of detail you can include in
6 your comments. Your written comments and related material -
7 - I've got January 25th, but you're saying January 28th.
8 So --

9 MR. HUBBARD: That's for the course.

10 CAPTAIN LANDRY: That's for the course. Okay.

11 MR. HUBBARD: So it's slightly different.

12 CAPTAIN LANDRY: That's different. All right.

13 Basically the results of the security workshops
14 we have committed to submitting to FERC the resource
15 requirements that would be required for this proposal and we
16 are trying to do that work by the end of February.

17 I am going to turn the mike back over to FERC.
18 Thank you.

19 MR. SWEARINGEN: Okay. Thank you, Captain
20 Landry.

21 Before we go any further, I am going to take a
22 moment and make a statement for the record. If it concerns
23 an issue that you may have come across if you've read the
24 DEIS, it's a subtle but very important distinction that has
25 lent itself to some misinterpretation recently. And that's

1 the issue of whether KeySpan is in compliance with the
2 current federal codes. The existing KeySpan facility is
3 currently operating in compliance with applicable federal
4 safety regulations. The DOT regulates compliance for
5 operational standards of LNG key standard facilities such as
6 KeySpan. And KeySpan is operating in compliance with those
7 regulations. What we, that is the FERC environmental staff,
8 have pointed out in the draft EIS is that if, if the project
9 is -- if the KeySpan facility is converted into a marine
10 import terminal, it would need to be in compliance with the
11 current federal safety standards and as the project is
12 proposed it would not do that. So we have required KeySpan
13 to address this total compliance issue in its comments on
14 the draft environmental impact statement, and at this point
15 no response has been filed.

16 I'm going to turn the mike over to Bob Smallcomb
17 with the Department of Transportation.

18 MR. SMALLCOMB: Thank you, David. I want to
19 thank all of you for coming out tonight. I would like to
20 introduce myself. My name is Robert Smallcomb. I work with
21 U.S. Department of Transportation Research and Special
22 Program Administration in the Office of Pipeline Safety. My
23 main office is in Washington, D.C.

24 The main function of the Office of Pipeline
25 Safety is to promulgate regulations involving interstate and

1 intrastate pipelines. We basically come up with the regs
2 that KeySpan must comply with in Part 193 for this
3 particular project. We also oversee the Part 192 which
4 would be the Algonquin segment which would be pipeline gas
5 feeding the interstate system. And DOT also puts out
6 regulations which are relevant to any intrastate operator.

7 In Rhode Island actually you have a Public
8 Service Commission which enforces those regulations. And I
9 might add up until several years ago the state of Rhode
10 Island was actually an agent for DOT inspecting the
11 interstate pipelines which included the KeySpan LNG plant
12 which is presently under discussion.

13 I think this plant, as David stated, does meet
14 current federal standards. In fact, I think it was ten
15 years ago where question had been brought up by the public
16 in which some issues were put under the microscope by the
17 state of Rhode Island as DOT agent. And we found that the
18 plant had been designed and constructed and operated
19 properly and some of those topics that we confirmed were the
20 integrity of the inner tank and the outer tank, the
21 containment system, the vapor dispersion zones, the
22 insulation in the tank system, the inner tank penetrations,
23 the trucking operations, stability of fill, wind resistance,
24 seismic resistance, and security. The wind and seismic were
25 very sensitive issues to the states, so even going beyond

1 that, they contracted out to Sonna Webster in 1993 to
2 determine how strong is this plant, are these tanks with
3 respect to wind and seismic activity.

4 The tank was built in the early 1990s. And at
5 that time the State of Rhode Island would be considered in
6 earthquake zone one. The tank had been build and based on
7 all the calculations and based on construction records, it
8 had been built to design level -- earthquake design level
9 two. So, I might add that it was wise that they did that
10 because then I think later on in the '90s the state of Rhode
11 Island had been elevated to zone two by the universal
12 building code. So they had no requirement to go to level
13 two, but they overbuilt and, as I say, it is extra
14 protection for the residents of Providence.

15 With respect to wind, they were required to build
16 to a wind resistance to withstand 100 mile an hour hurricane
17 winds. The plant, based on the 1993 study will resist winds
18 up to 155 miles per hour.

19 Now, I might add that we presently inspect that
20 plant. By that, I mean DOT. And for most of the life of
21 the plant the state of Rhode Island had inspected it as the
22 DOT. They have very good compliant records. In the future,
23 if this project is proposed and we have no idea if it will
24 be passed or not, they will be under close scrutiny and they
25 will be held to the high work standards that is proposed in

1 the DEIS if that is the final decision by FERC. Should the
2 operator fail to satisfy any of the regulatory requirements,
3 DOT has the ability to impose them with civil, criminal, and
4 remedial actions.

5 So, my basic function here is just to assure you
6 that we are here to oversee the plant. We are here to make
7 sure that they perform their required functions and
8 basically we would be working under a memo of understand
9 with FERC and the Coast Guard to ensure that this comes to
10 be. So, if you have comments, DOT would be privy to those
11 and we are very interested in any comments that the public
12 may have regarding this project.

13 Thank you very much.

14 MR. SWEARINGEN: Okay. Thank you, Mr.
15 Smallcomb. Now we are going to go ahead and start picking
16 speakers from the speakers' list. I note that we have a
17 transcription service. All of your comments are going to be
18 put onto the record, the official record for this
19 proceeding. So when you come up, I would ask that you state
20 your name clearly and spell it for the record.

21 Also I want to note that Representation Sandy
22 Rice has also joined us tonight. So thank you.

23 Based on the number of comments -- number of
24 people signed up for comments, I don't see the need to
25 impose a very strict time limit, so I'm not going to do

1 that. But if you start going over ten minutes, I will give
2 you a little nudge to try to wrap it up.

3 The first person we have listed is Chris D'Ovidio
4 and he will be followed by John Keppel.

5 MR. D'OVIDIO: (Off mike.) My name is
6 Christopher D'O-v as in Victor, i-d-i-o, director of -- and
7 Advocacy staff attorney for the conservation. The
8 Conservation Law Foundation is set up through the regional
9 environmental advocacy group. We have offices in Mount
10 Pelier, Vermont, Concord, New Hampshire, Maine, Boston,
11 Massachusetts, -- and their advocates use signs, law, and
12 economics to design strategies to solve problems that
13 confront communities throughout New England.

14 C11's have a long history in promotion of
15 increased use of natural gas. Natural gas has benefits in
16 terms of air quality over its cousins of coal and oil. We
17 have extensive advocacy experience in promoting the building
18 of new electric plants using natural gas intervening and
19 attending sophisticated administrative hearings trying to
20 reduce the pollution, for example, from breaking point power
21 plant here in Mount Moreday (ph) just up the river.

22 While we again are advocates for increasing the
23 use of natural gas, we realize it's a transition fuel,
24 transition fuel which we come to a more reliable alternative
25 supply base not just in a region, but throughout the

1 country. Notwithstanding our position on natural gas, we
2 realize that inherent in importing natural gas are our
3 impasse to both the environment -- that is to natural
4 resources and to the human beings that are surrounding LNG
5 terminals.

6 As an little organization we were being
7 confronted with multiple LNG proposals beginning in Maine,
8 which resulted in a very acrimonious debate on the community
9 of Hartford, Maine. Several others proposed for Maine.
10 There was a North shore facility proposed in Massachusetts
11 and obviously in Fall River and the one in Providence. This
12 is hold CLF to try to find a sensible, reasonable solution
13 for a regional issue. Yet we need more natural gas supply
14 in the region we should be at point from a regional
15 perspective.

16 With that in mind that may begin a campaign
17 asking for a regional approach to siting energy facilities.
18 We asked FERC to perform a programmatic EIS which looked at
19 -- throughout the region and suitable sites and then invite
20 the public to look at those sites after a careful and
21 deliberate process, looking at environmental impact and
22 social impact and of course the engineering form. Where is
23 a better place to place these facilities to satisfy the
24 supply.

25 In June of 2004 our main office hosted a

1 conference of stakeholders to try to help people understand
2 the issues with respect to supply of the siting.

3 We must call for a regional approach and adopt it
4 by both congressional delegates in both Rhode Island and
5 Massachusetts and local legislators, individuals alike but
6 currently not what FERC was chosen to do.

7 Now, it has been suggested from press and
8 otherwise that the opposition to Fall River real estate site
9 and KeySpan is a prime example of NIMBYism. Well, I'm here
10 to say as a regional organization we know there is going to
11 be a terminal built somewhere in New England. And it's
12 going to be in one of our member's backyards. We just want
13 it to be in the right place. It is not going to make
14 everyone happy. We are going to try to find a place that's
15 going to have the least impact and the greatest benefits.
16 So it shouldn't be viewed as an NIMBYism it's not; not in
17 our backyard. It's not a NIMBYism position, and I don't
18 believe it's the position of most people who understand why
19 natural gas is important to the environment and our economy.

20 I do want to make three main points -- one is
21 beyond our control -- three main points to FERC regarding
22 sufficiency for the advocacy of the DEIS that was published
23 in December.

24 As I mentioned CLF has asked FERC to perform a
25 programmatic EIS. Part of the problem is that an

1 individual, site-specific EIS is inherently capable of
2 addressing a myriad of issues that are presented from siting
3 a terminal such as the one in Providence. And, in fact, the
4 CFR provides for the agency such as FERC to conduct a
5 programmatic EIS. That is, in order to evaluate broad
6 actions that are geographically by region for that common
7 term impact alternatives and alternatives and anticipate
8 that connected to a single act should be evaluate a safe
9 EIS. That's under 40 C. F. R. 1502.4(b)(c), 1508.25(a)(1)
10 through (3). Once that EIS has looked across the region at
11 a common or a broad act such as terminal siting throughout
12 New England it can then tier, that is, establish a tier
13 where is the best place these facilities should be sited and
14 determine what the best one is, the next less best and the
15 worst. Again, that's outlined in 40 C. F. R. 1500, 1502 --
16 this is being done by the Department of Interior.

17 Out west several project proponents have been
18 asking to build wind farms. In 11 states out west the
19 Department of Interior has seen the insight of how a
20 programmatic EIS can accomplish a more systematic,
21 deliberate siting across the american document programmatic
22 EIS states to try to determine where the best place to site
23 winds farms. Again, FERC can do the same thing here. It's
24 a regional issue to be addressed in a regional perspective.

25 Secondly, by only using a site-specific EIS such

1 as the one that's being conducted for both sites, Fuller and
2 Providence, it could foreclose options for better suitable
3 sites for terminals. The fact that this was in front of
4 FERC today, evaluating and analyzing doesn't mean it's
5 necessarily the best site for the region. Again, another
6 reason for a programmatic EIS which is provided for --

7 Third point, the alternative analysis ploy. The
8 offshore options have been dismissed as not viable because
9 they don't provide for trucking to reach these facilities.
10 As I said last night, this is not the only alternative which
11 illustrates that trucking can be accommodated or continually
12 accommodated through the area facility. The DEIS claimed it
13 had an infrastructure on improvements to provide more
14 capacity from more supply. There are a whole set of options
15 which should be looked at, again, through the programmatic
16 EIS.

17 And in the DEIS, as I mentioned also in the Fall
18 River comments, there has been a dispute between -- we were
19 told to piece mail -- in fact the DEIS acknowledges that
20 they're not clear, Algonquin has not been able to provide
21 sufficient information if they can accommodate both
22 facilities. Just by way of history, we were told that they
23 would request Algonquin to receive their supplies.
24 Algonquin did not respond, they did not confirm that with
25 them. In the meantime Algonquin has moved ahead to site the

1 pipeline in Eastman. We would have told someone to say,
2 wait a minute, why are you moving forward with the Eastman
3 proposal, you haven't let us know whether or not you can
4 accommodate us. Like two kids crawling in the schoolyard.
5 FERC has asked Algonquin, can you accommodate this facility
6 and in fact Algonquin said, we haven't done the engineering
7 analysis to know whether we can handle either of them.
8 Never mind both of them.

9 Again, a site-specific EIS does not look across
10 the region at the infrastructure as to where you curfew best
11 coming supply that this region needs.

12 Another deficiency in the DEIS is the recently
13 published Sandia report. The DEIS looks at safety
14 exclusions only for onshore failures. The safety report
15 specifically looks at LNG spills either intentional or by
16 accident -- excuse me -- in the LNG ships. The Sandia
17 report was specifically commissioned by the DOE, the agency
18 and FERC has to sit down to resolve conflicts amongst a
19 handful of reports. A report which had been used in this
20 DEIS to explain what the safe distance is and what the
21 hazards are. And in fact the DEIS -- my internal siting
22 part here doesn't take into consideration, while it should,
23 it doesn't take into consideration those hazards, so should
24 they reach. And we should. It only looks at breeches on
25 shore by either the tank or the pipeline.

1 And one comment I have for the Army Corps of
2 Engineers is the issue of this ship being berthed either in
3 the Federal channel or very close to the Federal channel.
4 Boats, recreational and commercial because of the safety
5 zone perimeter around the ship -- passing by the ship.
6 That's a very significant issue, both an interstate commerce
7 issue because ships with a -- may not be able to get back
8 out, or conversely, they won't be able to get back in. I
9 don't know if the issue is fully in effect, but it is a
10 significant concern from the Army Corps' perspective. I
11 also think as a Rhode Islander that it's an issue with
12 respect to the recreational and other commercial fishermen
13 and recreational sailors and boaters, particularly those
14 that are going to be housed in the newly developed area in
15 East Providence.

16 In conclusion, any federal agency, and FERC is a
17 federal agency, must take a hard look without the adequate
18 information, for example, the Sandia report, or looking
19 across the region and hurrying, FERC could not take a part
20 of it. They do not have enough information either before
21 them nor do they include information they could have had
22 before them in this DEIS.

23 Thank you.

24 MR. SWEARINGEN: Thank you.

25 (Applause.)

1 MR. SWEARINGEN: New we have John Keppel to be
2 followed by William Touret.

3 MR. KEPPEL: My name is John Keppel, K-e-p-p-e-l,
4 I live in Fall River. I would like to tell the people more
5 about it. I work for the coalition, with the Coalition for
6 Responsible Siting of LNG. We are not against LNG. We are
7 for responsible siting of LNG and that means away from
8 different areas.

9 I also work on the carriage task force for the
10 City of Fall River. The one thing I would ask before I
11 start and what I've asked each time we met with EPA or NEPA
12 or any organization is for your honest, your integrity of
13 the position, the title that you have and the job that you
14 have with that title as a representative of the United
15 States and most importantly as a human being.

16 I listened to the introduction and I still
17 question the purpose of this meeting. While it seems to be
18 clear, the public in two states has overwhelmingly opposed
19 LNG projects in urban areas. The police chief and the fire
20 chiefs in the affected communities are unanimously against
21 these projects. That alone should be enough to say they
22 don't belong here. Those are the people that are protecting
23 you.

24 State representatives in two states have
25 overwhelmingly come out against urban-based LNG facilities

1 of this magnitude.

2 The congressional delegations from two states are
3 against these projects and two Attorneys General and two
4 Governors are against it. That alone should be enough to
5 stop this, and that's one of the reasons I question this
6 meeting. If all these public officials and representatives
7 are against massive LNG facilities in this area with all of
8 these people, then I question it, why the need for FERC's
9 meeting and these people's time. Why are FERC and the DOT
10 not following 1979 legislation written by Ed Markey it
11 clearly states that there should be -- it encourages remote
12 siting. Ed Markey testified in front of a Congressional
13 subcommittee on June 22nd of 2004 and said, FERC and the DOT
14 are not following the intent of the legislation. That
15 legislation, by the way, was written as a result of watching
16 a 60-minutes video done in 1978 in which the projected
17 damage to Boston would be the loss of the hub. The Sandia
18 study confirmed that just about four weeks ago.

19 In Maine the A B S study described exploding
20 vapor clouds that could extend three miles, 18,000 feet away
21 from the ship. And thermal radiation kills 4,600 feet from
22 the ship. Why does FERC simply say security issues can be
23 mitigated. How does one mitigate an accident? An accident
24 is an unforeseen, unexpected circumstance. These do not
25 belong in urban areas where there can be an accident.

1 The Sandia study describes the vulnerability of
2 LNG tankers that is a direct offensive or burden interests
3 that are promoting these things in their public statements.
4 It describes daily of multiple tanks in those LNG ships,
5 much larger breeches of the tanks and increased
6 vulnerability to explosive devices than any of the previous
7 studies.

8 I'm going to ask you a question here, before
9 tonight, how many of you heard of the Sandia study? Would
10 you raise your hands, please?

11 Thank you.

12 How many of you know that in that Sandia study on
13 page 46 that the study calls for one of the mitigation
14 procedures of a breach in an LNG tanker, to intentionally
15 ignite the LNG to reduce the effect on the surrounding area.
16 So we are going to kill 100, 1,000, 2,000 so that 10,000 or
17 20,000 aren't lost as traveling through the Naroganset or
18 Mont Hope Bays or Tonk River or in these urban areas.

19 Who is going to give the order to ignite it? Why
20 would FERC even consider siting within a populated area if
21 that were necessary? That's in the study.

22 I would like to know why FERC has in this
23 communications with corporate executives under CEII
24 destination. The Center for Public Integrity has filed a
25 Freedom of Information Act lawsuit because of the

1 inappropriate use of CEII corporate executives in the LNG
2 industry.

3 Why is FERC hiding the Lloyds registry reports
4 about damage and death estimates regarding urban-based LNG
5 projects? The public should know this. Either that or
6 multi-site them or site them offshore, but they do not
7 belong near and among people.

8 Shouldn't the public know that you're making them
9 expendable for corporate greed? Consider those questions I
10 just asked and then this quote. "We've heard these truths
11 to be self evident that all men are created equal and the
12 they are endowed by their greed with certain unalienable
13 rights, and among these are life, liberty, and the pursuit
14 of happiness." That to secure these rights government are
15 instituted among them deriving their just powers from the
16 consent of the government. These are the government. The
17 state representatives are those people representatives. Our
18 congressional delegations are representatives. The Attorney
19 General are representatives. The government is a
20 representative. What more do you need?

21 Thank you.

22 (Applause.)

23 MR. SWEARINGEN: Okay. Thank you, Mr. Keppel.
24 Next we have William Touret to be followed by Reed Andrews.

25 MR. TOURET: Thank you for allowing us the

1 opportunity to speak this evening. I would like to make a
2 few comments, I will supplement these in writing.

3 My first comment I would ask as others have done
4 previously to extend the comment period for at least 45
5 days. And I think towards the end the extension I would ask
6 you to hold additional public hearings. There is so much
7 material that has been left out of this draft, the
8 environmental impact statement. Further review of material
9 requested by FERC or whether it would be resubmitted some of
10 which the previous speakers tonight have referred to. I
11 think the public is going to be materially prejudiced by
12 trying to deal with all this information as a whole which it
13 simply cannot do and it should be told to do that.

14 We have substantial information that is just
15 going to be trickling in and some would condemn the notion
16 that there will be a formal EIS following that is really
17 appropriate.

18 Along the same lines I would also ask, to the
19 extent that the FERC extends the period and holds addition -
20 - possibly holds addition public hearings it should clarify
21 its position as far as material submitted prior to the
22 publication of the final EIS to the extent to which
23 additional material following that publication may be
24 considered.

25 I assume FERC is going to take a strict position

1 in any judicial proceedings and nonobjective -- object to
2 materials not submitted prior to the publication of the
3 final EIS. If that is going to be your position you ought
4 to announce that now. I have heard people talk about where
5 that strict policy is recorded and, again, I think people
6 are going to be misled by the notion that they can be
7 somewhat relaxed about the materials they submit during this
8 comment period.

9 In terms of some -- for extended comment period,
10 in fact, I would also recommend or I would mention that the
11 government prepare a new draft EIS. It includes the -- you
12 see tonight the recent publication of the serial report.
13 Another -- some of the facts that I don't see mentioned
14 explicitly within the draft EIS, and I don't know whether
15 the panel is aware of them or not, the safety concerns which
16 are my principal concerns of this project. There were three
17 articles in the Boston Herald, January 5, 6 and 7 of this
18 year and they refer to the fact that a long-standing gang in
19 Boston which is MS13 apparently has demonstrated links,
20 believe it or not to Al Qaeda. And for those of us who
21 don't read the Boston papers on a regular basis, let me
22 explain why the city of Boston is going to such
23 extraordinary lengths and using such extraordinary resources
24 to guard against the -- to guard the LNG ships that come
25 into the Edward Station there. But among these three

1 articles, one of them refers to the fact that the gangs in
2 East Boston which have links to Al Qaeda also have links to
3 gangs in Providence, Rhode Island. So, if you'll forgive
4 the vernacular, perhaps, I mean, they're here already, you
5 know, if they're not in the audience tonight, they're in
6 Providence, they're all around us. And this notion that,
7 you know, they're someplace else or that is the draft EIS
8 you could say that there are subject targets we don't really
9 have to be that serious about affecting this potential
10 target. I think they're wrong.

11 I would also point out in connection with the
12 Boston Herald articles that according to prosecutors in
13 Boston, one of the individual -- the individual -- one of
14 the individuals apparently responsible for training those
15 who blew up the U.S.S. Cole in the Middle East apparently
16 resided in Lower East Boston. And apparently some of these
17 people are reported from the East Boston area, six months
18 later they show up again crawling across the Mexican border.

19 So, it's troubling that these sorts of facts are
20 actually about EIS, they should be included, and they should
21 be discussed.

22 I would like to go on to a couple of other
23 points. One major criticism I have of the methodology that
24 the draft EIS employs is this notion of avoiding discussion
25 of what we would all understand to be the worst case

1 scenario. I mean, those of us who testified at the hearings
2 held this summer on this project talked about the need for
3 the Coast Guard and others to confront the worst case
4 scenario possible in this directory. And I think in June I
5 recall testifying that you can't give nature the harm here.
6 You cannot do a balancing against that harm. There's
7 nothing that you cannot say that -- you know, actually,
8 anything less than the prevention and avoidance is
9 unacceptable.

10 Unfortunately, the draft EIS employs language
11 that I think Captain Landry described earlier this year
12 which is a notion of average most powerful worst case
13 scenario. And that to me is simply given basically to avoid
14 having to deal with the -- from what a worst case scenario
15 involves. And in that connection there is an interesting
16 statement in the recent 9-11 report that I'm going to read,
17 about two sentences, I think, but particularly a propos to
18 what I'm discussing. It says, this is on page 352 of the
19 paperback edition "Government agencies also sometimes
20 display a tendency to bash capabilities to mission by
21 defining a way aparts part of their job. They're often
22 passive, accepting whatever is given including efforts to
23 identify and fix leery responsibilities, the dangerous
24 threats would be too costly, too controversial, or too
25 disruptive."

1 Here we want to look at this draft EIS in several
2 places and whatever put the phrase "worse case scenario" is
3 cited the subject is immediately changed to say that, you
4 know, we don't have to confront it, and it's just nonsense.
5 That's exactly what the 9-11 Commission talked about,
6 defining a way one's obligation to beat US seriously. And
7 you just can't do that. I understand on a provest, one is a
8 bureaucrat, you just cook up some phrase, cute phrase and
9 definition to just simply ignore a very real threat. But we
10 saw the case in 9-11 but they used these sort of cute
11 methodologies that are employed, but they don't work.

12 Similarly, the notion which one speaker referred
13 to tonight, the notion that an intentional attack can be
14 managed -- and "managed" is the word that is repeatedly
15 cited in the draft EIS -- you know, is again, disingenuous
16 at best. To say that an intentional attack could be
17 managed, it suggest to the lay persons reading quickly that
18 that means some kind of prevention. But, of course when we
19 read the draft EIS, we are not talking about prevention at
20 all. It sounds to me "managed" means leaving something a
21 little more than observant. You know, if something happens,
22 well, yes, we'll be there to watch it. And, yes, we'll dial
23 911 and we'll be sure to be the first people to start
24 running. But, the concept of management is totally
25 inadequate.

1 Somebody referred earlier tonight to mitigation.
2 But this same notion -- the notion of managing something
3 here where there is no detail provided as to what that
4 means, it clearly does not mean prevention, it should mean
5 prevention and given the extraordinary part, for example,
6 the Sandia report described and other reports that have been
7 discussed tonight, are these -- again, this language of
8 managing to define the risk simply create an excuse for not
9 facing this problem head on is totally unacceptable.

10 Likewise, this draft EIS has a discussion or a
11 poor discussion of alternatives. And interestingly when one
12 reads that discussion in the draft EIS, one can be on notice
13 right away that safety is not one of those factors
14 considered. In other words, the draft EIS begins by saying,
15 you know, safety either can be managed or there's no such
16 thing as a worst case scenario that we have to look at
17 because we don't want to. Then it goes on and talks about -
18 - considers factors such as, you know, none of the other
19 alternatives would make this natural gas available by the
20 year 2005-2006 without no one seeing this as if somehow that
21 could be more important than preventing safety. And safety
22 should be a factor against which all of these alternatives
23 are considered. In other words, let's say for example we
24 expect in three years developing perhaps an offshore
25 platform or something that might bring in slightly higher

1 gas answer costs with fewer environment impacts, but we
2 would have to wait a little while. So what? The only
3 person who is going to be hurt by that, strictly speaking,
4 is FERC, not FERC, I'm sorry -- the private companies
5 Algonquin and the gas company on the project.

6 So, you know, for that additional reason the
7 analysis of long term is this totally inadequate.

8 Captain Landry mentioned earlier if I understood
9 her correctly and I apologize if I didn't, that we should
10 somehow trust our local and regional security officers to
11 somehow put a plan like this in place like a security plan.
12 I disagree with that for several reasons. Thus far the
13 attention given security as shown in this draft EIS is
14 completely inadequate. It's almost laughable to anybody
15 that has taken the time to read it and seriously laughable.
16 They think I'm going to smoke.

17 It is to invite us to provide a blanket trust to
18 anybody is completely inadequate and is unreasonable.

19 Secondly, the context of this entire process
20 provides other reasons for lack of a better phrase, distrust
21 on the part of the public. First there is FERC's exclusive
22 jurisdiction over site matters. I have objected to this
23 before. Like I stated, Barney Frank, Representative from
24 Massachusetts has intervened to some extent in the
25 California proceeding which gives rise to FERC's claim. I

1 don't think that is a final order. I think that is whether
2 or not FERC jurisdiction is subject to additional litigation.
3 But it's troubling that FERC should so strongly attempt to
4 take that ground and exclude the public and then the input
5 from local authorities.

6 FERC's unreasonable denial of the request made
7 regional study suggests that FERC is not acting in good
8 faith. I don't want to repeat the arguments made earlier
9 tonight, but our Congressional delegation asked the Chairman
10 of FERC to do the original study in something like a week
11 and it was rejected. It was abrupt and it was absurd.
12 Common sense, it ought to be done.

13 And another reason is the technology here is
14 evolving very quickly and that's another reason to do not
15 only a regional study, but otherwise delay and not proceed
16 with the kind of -- that you see here.

17 So let me leave my comments there and I'll go
18 supplement them in writing and thank you again for the
19 opportunity.

20 (Applause.)

21 MR. SWEARINGEN: Thank you, Mr. Touret.

22 Next we have Resident Andrews of Jamestown and
23 followed by Constance Andrews.

24 REV. ANDREWS: I'm sorry, my handwriting is bad.
25 The prefix was "REV".

1 MR. SWEARINGEN: Oh, my apologies.

2 REV. ANDREWS: Not important. My name is Nigel
3 Andrews, A-n-d-r-e-w-s and my wife and I are long-time
4 residents of the Jamestown east shore looking directly on
5 the channel. I don't have the technical knowledge and the
6 breadth of experience of the previous speakers, but I
7 endorse everything they've said and I second them. If I can
8 include them in any way, I can. I do have a personal
9 preference because we live in a place where any action and
10 there have been marine actions in the bay. Do you remember
11 the big oil spill a long time ago.

12 I live in a place where any action with an LNG
13 ship between the dumping and the bridge would probably --
14 would blow me away and also all of my neighbors. It is not
15 easy, it is not just pollution, it's not just an oil spill.
16 You can only be wrong once with an LNG tanker.

17 I used to have a friend who was a lawyer in
18 Boston who represented one of the LNG companies that
19 navigated up the -- whatever river it is in Boston to the
20 terminal bank -- if I remember and he said that he look out
21 and off his window and held his breath every time he saw one
22 of those ships go in. I don't want to hold my breath. All
23 the way up that channel there are houses. We are less than
24 a mile from the channel. All the way up that channel there
25 are houses increasingly closer to the channel. There must

1 be some way to put an LNG terminal in where it does not
2 impact people. My concern is not so much technicalities, my
3 concern is people.

4 I've been reading about the catastrophes we've
5 had around the world in the last month or so of one sort or
6 another. I don't want to see a catastrophe like that in the
7 city of Newport, in Jamestown, and the other cities and
8 towns up the bay.

9 I think that it's very important that we raise up
10 awareness to think about the danger is the need for natural
11 gas, even the very large need for natural gas which I
12 certainly support, is that worth the impact on any one human
13 being who is burned up or blown away by an action like that.
14 There must be some other way to do this that is safe for
15 people.

16 I think that's all I can contribute at the
17 moment.

18 (Applause.)

19 MR. SWEARINGEN: Thank you Reverend Andrews.
20 Next we have Constance Andrews to be followed by Barbara
21 Dubuque.

22 MS. ANDREWS: My name is Constance Andrews and
23 I'm a resident of Jamestown. My husband. I just want to
24 say as a native Newporter, I left home and seen two
25 catastrophes in this bay. One was the collision of the

1 Agness two off of Bows Island, burst into flames and just
2 the time they were preparing to build an oil industry in
3 Jamestown, a very controversial proposal, divided the town.
4 Unfortunately, fortuitously or not, there was this collision
5 of tankers which demonstrated the dangers that people could
6 overlook for months and months. There was also an element
7 of a human factor in a harbor ship -- an awful big ship that
8 was coming in as you have probably seen them coming in and
9 out of the bay. We saw this happen. It came in the lower
10 part of the Naroganset Bay by the dumping and something
11 happened with his steering mechanism. And it came right up
12 into the dumpling, right below a house on the dumpling. It
13 wasn't a human error, it was a mechanical error. These are
14 factors that impact impact any decision that is made.
15 That's all.

16 (Applause.)

17 MR. SWEARINGEN: Thank you, Ms. Andrews. Before
18 we go on to the next speaker, I am going to very quick
19 request that -- KeySpan has provided translators, Spanish
20 speaking and Portuguese speaking. If anybody who signed up
21 to speak would like to have their comments translated from
22 Spanish or Portuguese, that available. But I would ask that
23 you let me know now so that if they're not needed they can
24 go ahead and go. So is there anybody who would feel like
25 they need translation service tonight?

1 (No response.)

2 MR. SWEARINGEN: Okay. Thank you.

3 Next on the list we have Barbara Dubuque and
4 she's followed by Robert Shields.

5 MS. DUBUQUE: Barbara Dubuque, D-u-b-u-q-u-e.
6 I'm a resident of Fall River, I live seven-tenths of a mile
7 from the coast site of Fall River. I am also a member of
8 the Coalition for Responsible Siting of LNG and a member of
9 the area task force.

10 Captain Landry, I had attended several meeting in
11 July 2003 and this is the first time I decided to speak. I
12 do so because I was intending to do a meeting in December.

13 At that meeting you shared with us that the Coast
14 Guard would be --

15 (Simultaneous conversation.)

16 MS. DUBUQUE: At that meeting we shared with us
17 that the Coast Guard would be holding private meetings
18 involving about thinkings for the LNG at Fall River. You
19 stated that the fire and police chiefs of the surrounding
20 cities and towns would be invited to attend these meetings.
21 Shortly after the meeting in December -- December 15 the
22 Coast Guard held their first meeting and only the chief of
23 police Fullard and Sunset were invited. It is inconceivable
24 that your committee would only invite the police chiefs and
25 one fire official of this town. One of the main concerns of

1 the project, even though we've been told that the staff does
2 not lean is what if a fire does occur and what can be done
3 to protect the people in the area? It is hard to believe
4 that a fire official would not chairing a safety issue.

5 In closing, I would just like to mention that the
6 credibility of your committee is becoming more and more
7 questionable when at this meeting on December 15th the only
8 people who presented their case were people in this Cove.
9 How do you as a committee expect us to hire your unconcerns
10 which means that you are voilating.

11 (Applause.)

12 MR. SWEARINGEN: Next on the list we have Robert
13 Shields who will be followed by Dennis Webster.

14 MR. SHIELDS: Thank you for -- my name is Robert
15 Shields, S-h-i-e-l-d-s. I am a Naroganset resident. I'm
16 here to address you from two perspectives, as a recreational
17 boater, sailor in the Jamestown/Newport area and as a
18 chemical engineer practicing -- life-long practicing
19 chemical engineer. I have a masters degree. I've worked in
20 basic industries all my life. I've worked in oil
21 refineries. I've worked in toxicology testing laboratories
22 and in many of the basic metal industries.

23 I've participated in many feasibility studies in
24 the corporate world. This is the equivalent -- the EIS is
25 the equivalent of feasibility studies. So I know what I'm

1 looking for when I review an EIS.

2 I apologize for not being as eloquent as some of
3 the previous speakers. I agree with them totally in regard
4 to the dangers involved. But let me take a couple of
5 things. In the draft EIS under the section on describing
6 the site, the drawings and the text seem to suggest that
7 there is one impound for both the existing tank and the new
8 vaporization plant. As an engineering design, that's
9 terrible. It may meet FERC's codes, or it may meet other
10 petroleum industry codes, but it's a terrible design. Each
11 of those two entities ought to have their own impoundment.
12 I think that should be obvious.

13 Now, under the question of alternatives, there
14 are three criteria mentioned. One of them is that this must
15 be up and running by 2000 -- by the heating season 2005.
16 That alone guarantees that you can't consider any
17 alternatives. Any of the other alternatives will take
18 longer and therefore including that criteria really
19 precludes a serious evaluation of any of the other
20 alternatives. And, of course, by alternatives I'm not
21 talking about natural gas sites. I'm talking about
22 alternative energy sources such as more oil, such as
23 nuclear, such as wind power, I could go down a list, but
24 these are all options that are available. They're dismissed
25 in the report. I could use the word disingenuous which a

1 previous speaker used on that part of the EIS.

2 Also I find it incredible and this was brought up
3 in the meeting last night, so I'm not going to dwell on
4 this, but I think it's incredible that there are 12 schools
5 within one mile of the site. And of course, that's beside
6 the two and a half thousand residents.

7 Also, one thing that's not mentioned at all is
8 the fact that there's an oil storage area adjacent to this
9 site. There's been no mention in the EIS report of how that
10 might be impacted if there were an explosion on the LNG
11 site. These seem all to be omissions.

12 Now, the other aspect of this that troubles me
13 greatly is the effect on recreational boaters or commercial
14 boaters in the bay. I am here as an experienced sailor in
15 the Jamestown/Newport area and in looking at the passage
16 transit of these LNG tankers through the east passage, I
17 realized that the numbers in the FERC report are wrong. As
18 an engineer I know that the plant is only economical if it
19 works as close to capacity as possible. You don't operate
20 at two-thirds of capacity and expect to make a profit.
21 Therefore, because of profit motive, this plant will be
22 operated at full capacity which is including both of the
23 delivery locations to union gas company and to Algonquin
24 come to 525,000 cubic feet per day.

25 Now, if in fact the plant works at capacity, the

1 number of tankers coming up the bay will not be 50 or 60,
2 but it will be somewhere between 66 and 135. The 135 is
3 based on the smallest tanker size that they mentioned in the
4 report which is 71,500 cubic meters capacity. And it's
5 mentioned in the EIS that this is the size tanker that's
6 compatible with the tank capacity on shore now. So we are
7 talking not about just 60 tankers up the bay and back down
8 per year, we are talking about 135. This represents 270
9 individual transits. That in turn we're taught to be five a
10 week on the average.

11 Are people who are here who use the bay prepared
12 to deal with five tankers per week either outgoing or
13 incoming on the bay? There isn't room enough in the bay to
14 maintain a safety exclusion zone around the tanker -- 3,000
15 feet to the side is what the EIS report says they need.
16 There are many areas of the bay where it simply is
17 physically impossible to get boats out of the way. I know
18 from my own boating that a third of the boaters -- I'm just
19 picking a number -- that are out on the bay don't have a VHF
20 radios. They're out either in a race or they've rented a
21 boat out of Newport for the day, it's a day sailing, they
22 don't have the radio on board to hear any notice by the
23 Coast Guard that there is a tanker coming up the bay. Maybe
24 not at that minute but in the next hour. There are races
25 that might have to be abandoned. I don't race, but there

1 are many people who take that very seriously.

2 I just don't see how you can deal in the bay with
3 five transits per week. So I'm very disappointed in the EIS
4 as it stands now in the draft version. And I think that the
5 omissions that I've pointed out may have been deliberate,
6 but certainly if they're included in the final draft they
7 suggest that this is not the location where a LNG plant
8 should be located.

9 Thank you very much.

10 (Applause.)

11 MR. SWEARINGEN: Thank you, Mr. Shields.

12 Next we have Dennis Webster who will be followed
13 by Joseph Carvalho.

14 MR. WEBSTER: Good evening. Dennis Webster, the
15 last name is spelled W-e-b-s-t-e-r from Jamestown on the
16 east side. Most of my comment regard safety and security.
17 Section 4-12 of the draft EIS says that the Coast Guard is
18 responsible for safety and security plans and if such plans
19 are going to be made sometime after the completion of DEIS.
20 In fact, Section 4-12-5 says that preparing emergency
21 procedures typically occurs at the end of the construction
22 phase. I get the impression from the EIS that safety and
23 security is an afterthought. Approval is going to take
24 place first and then it's up to the Coast Guard and local
25 law enforcement to come up with safety and security that

1 works. If they can't come up with safety and security
2 that's adequate, that's too bad, the project has already
3 been approved.

4 Now, Captain Landry's comments tonight were a bit
5 more comforting. I think she said that security plans are
6 covered in the EIS and not in the Coast Guard's letter of
7 recommendation. And I also think that she said that
8 security and safety plans will be completed by the end of
9 February, hopefully.

10 (Discussion held off mike.)

11 MR. WEBSTER: Well, that's a lot better than
12 what's in the EIS, but I think what the Coast Guard is
13 telling us tonight and what's written in the EIS ought to be
14 consistent. So I would like to suggest that the EIS be
15 modified as necessary so that it accurately reflects the
16 rules regarding preparation, the timing of the preparation
17 of the safety and security plans so we all understand what
18 is going to be done, who is going to do it and when it's
19 going to be done.

20 I also recognize the need for some security
21 concerning the details of the security plans, some secrecy
22 concerning the details of the security plans, but I would
23 hope that the broad outlines for the security plans and
24 safety plans would be included in the planned EIS which the
25 details that are necessary to be secret -- can be kept

1 secret, but that information is not really the fault from
2 the public under the guise of secrecy. It's not required to
3 be secret. I think it's important that the public have some
4 confidence and some idea of what's being done to protect
5 them.

6 Now, Captain Landry mentioned resourcing. The
7 EIS is very vague on who is going to take the necessary
8 security. If the resourcing is paying for the security is
9 left up to the towns and the state and it depends on
10 whatever funding Congress decides to give the Coast Guard
11 this year, the level of security in that case is going to be
12 based on the available funds and not on what the real need
13 for security is. I think Captain Landry will agree that the
14 Coast Guard doesn't always get all the money that they need
15 to do all the jobs they've been given to do.

16 I think the final environmental impact statement
17 needs to identify a reliable funding source that can be
18 counted on every year to provide the necessary safety and
19 security and it has to address where the money comes from
20 and if security requirements increase. We certainly have
21 seen since September of 2001 a great increase in security
22 requirements. If security requirements take another jump,
23 we need to know where the money is going to come from to
24 provide increased security if that should become necessary.
25 So I think the safety and security part of the EIS needs a

1 whole lot of work. It sounds like the Coast Guard is doing
2 more than is stated in the EIS, but I think we need to know
3 what that is and we certainly need to know where the money
4 is coming from.

5 The other thing that bothers me a lot about this
6 EIS is the scope is extremely narrow. It is written for
7 strictly to improve the existing site. And the way it is
8 written it precludes any serious consideration of
9 alternatives and evaluation of alternatives is a part of the
10 EIS process. I can only -- I think the way the scope is
11 written, it pretty much circumvents the text of the EIS. I
12 would like to echo the conservation law foundation's
13 comments on the need to make a wider, regional look at our
14 need for natural gas and how we're going to supply it and
15 not look at -- not limit a specific EIS to provide the gas
16 from a specific facility by a specific time which can only
17 be met by the alternative that is being proposed by a
18 developer.

19 I think all the agencies need more scope than
20 that.

21 Thank you.

22 (Applause.)

23 MR. SWEARINGEN: Thank you, Mr. Webster. Next
24 we have Joseph Carvalho followed by Greg Mancini.

25 MR. CARVALHO: If I may be allowed, I have visual

1 aids or props, if you will. Can everybody see that?

2 My name is Joseph Carvalho, I'm the chairman of
3 the Coalition for Responsible Siting of LNG Facilities. The
4 coalition is made up of thousands of people who have signed
5 petitions against LNG projects being sited in residential
6 areas where they would harm individuals who live there.
7 Last night in Providence we heard 12 schools. In Florida we
8 have public housing project, nursing homes, the closest home
9 is 1,200 feet away.

10 And I wanted to add to that, the 7,000 plus
11 signatures that we have on our petitions geographically
12 stretch from Titan, Massachusetts, which is just north of
13 Somerset, to Newport, Rhode Island. We have a change upon
14 residence.

15 Okay. The Coast Guard Commandant, Captain
16 Landry's boss, if you will, in an interview with the
17 Associate Press last year was asked about security measures
18 post 9-11 and what he told the Associated Press reporter was
19 that the Coast Guard is doing a much better job at coast
20 security than they did in a post 9-11 world. But he also
21 had a quote, which was particularly interesting to those of
22 us who were following this issue. What the Coast Guard
23 Commandant, Thomas Connelly, said was that we would not be
24 able to stop a small boat loaded with explosives on a
25 suicide mission. And I want you to remember that quote

1 while I cite a couple of other things.

2 The marine vessel Lindberg, an oil tanker of
3 French lineage was hit by a small boat loaded with
4 explosives by people on a suicide mission in October of 2002
5 off the coast of --. Now, the MV Lindberg is a double-
6 hulled tanker -- oil tanker. And there is a lot that the
7 industry makes of this double-hull to knock on as though the
8 second hull could somehow protect the cargo from any
9 breeches. What I want you to know is that a small skip
10 loaded with explosives and on a suicide mission tore a hole
11 in both of the hulls. There are pictures on the web site on
12 the Internet, of the MV Lindberg burning and not a small
13 burn. And that wasn't LNG, that's just oil. Tragedy when
14 the U.S.S. Cole was hit by a small skip loaded with
15 explosives on a suicide mission. I hope you get the theme
16 here. I hope it's a theme that can stop real soon. This
17 is an hard try to put these things in these kinds of places.
18 It makes not sense, no sense at all.

19 It's an affront to people's intelligence that
20 this agency, FERC, would say, oh, we can mitigate and
21 manage. I don't want them mitigating and managing my family
22 and my loved ones and my friends or my community.

23 Last night in Providence I talked about how we
24 had men and women bravely defending us from or protecting us
25 from perceived weapons of mass destruction. If that's the

1 case, why would we ever even consider bringing these kinds
2 of ships that close to any population center? And the ships
3 are worse than the tanks would ever be. Professor Abrams
4 pointed that out already. Exclusion zones on these ships,
5 two miles in front, a mile behind, and a thousand yards on
6 either side. And, you know, I've been to the Newport Jazz
7 Festival more times than I want to tell you because I'll
8 give my age away. But I know that since as far back I've
9 been on a boat out there. So what's going to happen --
10 and, of course, these ships move between three and seven,
11 maybe, miles an hour. They take a long time to get where
12 they're going. With those kinds of exclusion zones and the
13 type of recreational vehicle -- recreational craft that's on
14 the water -- for a Sunday in August, what happens when a
15 ship comes in. And even worse than that, if my livelihood
16 depended on this bay to feed my family as a shell fisherman
17 or as a commercial fisherman, I would really be put in
18 harm's way. My very existence would be threatened just by
19 the fact that the ships are coming in that I can't be able
20 to fish for the exclusion zone is so prolonged, so
21 protracted that you can't -- it's more than any logic that
22 they use it's unfathomable, really, that it even got this
23 far in the process is ludicrous.

24 Last night there were also some people who talked
25 about -- and rightly so that some of these projects would

1 mean jobs for union workers. And just as a private person,
2 I went to Washington in 1981 as a member of the Service
3 Employees International Union to protest spots in certain
4 programs as a member of the union. I was a member of the
5 union for a long time.

6 I went to Sea Colony and picketed outside a Wal-
7 Mart store who most of you probably know is so anti-union.
8 I went to Yale University in support of the union people who
9 were working there, not the professors, not necessarily,
10 this was the support staff, the janitors, the cafeteria
11 workers who were trying to get a just wage and a living
12 wage. Got on the bus at the headquarters over in South
13 Dartmouth. We took three buses down. Left at like 5:00 in
14 the morning. And for anyone to characterize the coalition -
15 - especially Fall River people -- please, please, nobody
16 knows blue collar stuff better than we do. And there's a
17 lot of people around who share that kind of background as
18 well. So we want people to work and especially on this kind
19 of a project. We want to get a job building these things
20 off shore. That's where we want to work. Build them -- get
21 the jobs and do them offshore and you'll save everybody a
22 lot of grief.

23 Now, this box here and of all the millions of
24 boxes they could have gotten to bring their crap in, crap
25 that's on that table over there where you sign in has the

1 name Baker and Botts Limited Liability Team. Whatever that
2 is, I'm not an attorney. The curious thing about that,
3 first the folks from Fall River know already what this is
4 about. I don't know if there's any other conspiracy
5 theorists in the audience, raise your hand up. Because
6 Baker and Botts is the law firm for these two guys back
7 here, Weavers Cove Entity. They're the law firm for Weavers
8 Cove, number one.

9 Number two, the Chairman of the Federal Energy
10 Regulatory Commission, Patrick Henry Wood, III, how he got
11 that name is beyond me, I know who Patrick Henry was and
12 this guy is no Patrick Henry, believe me.

13 (Laughter.)

14 MR. CARVALHO: Was in the employ of Baker and
15 Botts. He was a lawyer for this firm. He now sits as the
16 chairman of the Federal Energy Regulatory Commission. We
17 can connect some dots here. When he wasn't the chairman of
18 the Federal Energy Regulatory Commission, he was Texas --
19 the state of Texas' energy guy. And he got that job being
20 appointed by now President Bush, who was then the Governor
21 of Texas, but curious as to who put Patrick Henry Wood,
22 III's name into consideration to be the head energy guy in
23 Texas? Ken Liddy from PennMarr. This is like a made-for-TV
24 movie. It's unbelievable. Not a good one either.

25 So here's what we have. This is almost

1 scurrilous that they would even I mean out of all the
2 cartons they could have gotten to get Baker and Botts.

3 VOICE: (Off mike.)

4 MR. CARVALHO: Yeah, incredible. So I leave you
5 with that. I would like to put this in the trash but I
6 think I would probably get arrested and I don't want to do
7 that. I promised my mom I wouldn't. But thank you.

8 (Applause.)

9 MR. SWEARINGEN: Thank you Mr. Carvalho. Next
10 we have Greg Mancini followed by Christine Bagley.

11 MR. MANCINI: Thank you. My name is Greg
12 Mancini, M-a-n-c-i-n-i. And work with a group called 21st
13 Century LM Partnership and we're a coalition of
14 approximately 17 construction unions and we will fight for
15 the contract. And we are here today to speak for this
16 particular project. We think that the investment would be
17 substantial. We ask that you provide a number of
18 construction jobs for our members. Also it would provide
19 our energy for the future for the local economy.

20 We think as far as safety goes, LNG tankers are
21 chartered in and out of Boston regularly and infrequently
22 the facility or both facilities have been around without
23 incident for some time. We trust that the government
24 agencies involved in the appropriate oversight will conduct
25 the proper due diligence and post the proper precautions on

1 this project if they should approve it.

2 So for those of you who support this project, we
3 also have written testimony that's a little more detailed,
4 but we are going to submit it to the agency.

5 MR. SWEARINGEN: Thank you for your time.

6 Okay. Thank you, Mr. Mancini. Next we have
7 Christine Bagley to be followed by Representative Bruce
8 Long.

9 MS. BAGLEY: My name is Christine Bagley, that's
10 B-a-g-l-e-y. I'm a resident of Middletown. I had an
11 opportunity last night to look over the DEIS statement and
12 there is just something that stuck out that I couldn't
13 answer and I wanted to bring that to your attention because
14 I think there are other people like me who would like an
15 answer to it. And it's under Section 4.13.1, cumulative
16 impact under the aquatic resources and -- apparently the
17 ships coming in and I thought it was bad enough with 50 to
18 60 ships per year. If the numbers are wrong and it's twice
19 that much, it makes what's in here twice as bad.

20 But this I had never heard before. Apparently
21 each ship unloading LNG at the terminal would take on an
22 estimated -- between an estimated 11 and 14 million gallons
23 of ballast water from the river. Now, in my mind that's a
24 lot of water going out of the river. If there are one or
25 two ships a week sucking 11 to 14 million gallons of ballast

1 water which would have been 500 and 5,800 to 40 million
2 gallons per year, but with the new numbers up to 1100 to
3 1600 million gallons of ballast water being sucked out of
4 this river and the bay per year, I want to know how somebody
5 could say at the bottom of that paragraph that the
6 cumulative impact of these withdrawals are difficult to
7 quantify. It seems to me that once you take away a lot of
8 water then anything that lives in that water and I think
9 that should be very clearly addressed in an incremental
10 statement on the impact of the environment in this area.

11 Thank you.

12 (Applause.)

13 MR. SWEARINGEN: Thank you, Ms. Bagley. Next we
14 have Representative Bruce Long who will be followed by
15 Representative Anderol.

16 REPRESENTATIVE LONG: Hi, my name is
17 Representative Bruce Long. I represent District 74 in the
18 Rhode Island General Assembly which are that two communities
19 of Jamestown and Middletown, both communities that in my
20 opinion are very bad and personally affected by this
21 proposal. I'm very happy to see many of those constituents
22 here tonight and speaking out on this very important issue.

23 Early on in this process I attended a hearing at
24 a College and I requested -- I represented at that time that
25 I felt that the initial application was flawed in that it

1 didn't include in the projecting area the transportation
2 channel, the shipping channel and that has been touched upon
3 really very lightly. In my opinion it still doesn't
4 consider it because everything that we've heard always deals
5 with the actual facility in Delta Point.

6 I've also requested that the period for comment
7 be extended. Representative Anderol and I have sent a
8 letter to Washington along with many others. And this is
9 very important because this is one of those issues that is a
10 bipartisan issue of governors, the entire congressional
11 delegation and legislators in both the House and the Senate
12 from both states have joined forces and in addition to that
13 Representative Anderol and I have written letters to our
14 Governor asking that we unite. Because all of us have stood
15 up and opposed this and we're all saying many of the same
16 things. But I think it's important for the state of Rhode
17 Island and Massachusetts to speak with a very strong unified
18 voice.

19 You know, the question is, is the need for
20 energy, additional energy greater than the risks of the loss
21 of human life? And the answer is clearly no. And the
22 potential for risks was questionable and so the Sandia
23 report. And how the federal government has coordinated this
24 has been somewhat haphazard.

25 As you may know the U.S. Department of

1 Transportation is responsible for the regulation and
2 installation of LNG facilities on water, while FERC is
3 responsible for those on land. There's a question about the
4 degree of communication that these two agencies have.
5 Recently there has been an LNG -- offshore LNG facility
6 approved in New Mexico. It works. There's application
7 pending, I believe, on South Gloucester, in Massachusetts.

8 The whole EIS process -- we've gone through this
9 with every major proposal. The way the federal government
10 outlines this is that the proposal -- the EIS needs to look
11 at, first, no build, what are the options for no build?
12 What is the outcome for the presentation as put forth by the
13 developer? And what are the alternatives? The alternatives
14 have not been spoken to because in my opinion it is the site
15 of the developer and it appears -- and I'm not going to say
16 that this is a done deal, but it's been a very fast track.
17 Because at the last meeting I attended I said, how can the
18 federal government move forward when we know the U.S.
19 Department of Energy has employed the Sandia Laboratory to
20 do a study which was recently released. How can you move
21 forward with the EIS without the information in that study?
22 How can you move forward with EIS without a safety and
23 security full-blown plan with an absolute requirement in
24 that plan that the LNG company be responsible for 100
25 percent of any of the costs for the state, the federal, and

1 the local governments --

2 (Applause.)

3 REPRESENTATIVE LONG: Of course, this is not a
4 two-way -- this is not a dialogue. We are here to address
5 the federal government. I would say that the EIS needs to
6 review the overall public interest and the needs and the
7 welfare of all Americans. And I don't believe it address
8 the welfare of all Americans. It doesn't consider the
9 welfare of people that live on the bay, people that work on
10 the bay, people that recreate on the bay, people that live
11 so close by. It is in federal installation testing that
12 these facilities should be located in sparsely populated
13 areas. You have 26 miles from the Atlantic Ocean to Fields
14 Point.

15 And I want to speak of a facility in Edward,
16 Mass, there are four LNG facilities in this country. And
17 while there hasn't been an incident, who would ever have
18 imagined that there would be a barren piece of land in New
19 York City today? It's unimaginable. The unimaginable is
20 ignored. It's possible, but totally ignored. Because I
21 don't believe that whatever safety and security plan,
22 whether paid for by the developer or not, is workable. You
23 cannot stop -- it's impossible, in my opinion, to stop an
24 intentional plan if this ship or the facility is a target,
25 then somebody will reach that target.

1 The regional approach I mean, this is a no-
2 brainer. New England, Southern Canada. There is a higher
3 need for energy and certainly we're at the end of the
4 pipeline. We had situations last winter where we came very
5 close to running out of natural gas. But simply to rush to
6 judgment on Providence because you don't require dredging,
7 it has the least amount of impediments and there's a lot of
8 money to be made. Remember, this is an import/export
9 facility. That means in addition to receiving I think 1
10 million cubic meters or whatever it is in there 3 million
11 gallons, as it's pumped into the tank much of it is going to
12 flow into the Algonquin pipeline, but then you are going to
13 have trucks.

14 See, at first they said, we're going to remove
15 the trucks from the highway and provide safety on the
16 highways. Then we'll do it with one large tanker. But
17 there is nothing anywhere that speaks to the amount of
18 trucks on the road. We don't even know if there will be
19 fewer truck on the highway full of LNG than there is right
20 now without the upgraded facility.

21 And I can appreciate the unions coming here and
22 wanting jobs. I've spoken to individuals, a lot of union
23 members and, you know, as much as they want to feed their
24 family the risk that is inherent in this property is
25 unworthy of the project itself. Jobs, affordable energy, it

1 just isn't enough. The economic development is very, very
2 critical. Balancing is very, very critical. This is
3 something we are trying to do in Rhode Island, but it's not
4 working in this regard.

5 The Sandia report makes it clear. I mean, that
6 should be enough right there, the very first report that
7 cited the possibilities for what could happen with an LNG
8 tanker in open water.

9 There's a question about whether the cargo tanks
10 within the ships are able to withstand all of the LNG being
11 released on water. There's some report that the foam
12 insulation can be ignited and that breach of a double hull
13 would be able to release the LNG from the hull would have to
14 leave five tanks on the ships. So I stand here once again
15 as I've attended many of these meetings and I'm on the
16 record that it is so critically important to the communities
17 that I lived in and worked in and represent and have done so
18 for going on 25 years now that this project be halted. And
19 I have not met anybody that's in favor of this -- the union
20 -- it's their contemporary jobs, construction jobs, because
21 once its built there aren't many jobs. This isn't about
22 common development this is about a lot of money to be made
23 by a very large company and that is simply inadequate
24 reasoning to pursue this.

25 The oil spill in 1996, the loss to fishermen are

1 still reeling from that. They are still recovering from
2 that. It was considered a minor spill it has caused such
3 destruction in the bay.

4 The exclusion zones, it's a narrow channel. We
5 have bridges that will have to be closed. While the Coast
6 Guard says, it's up to Transportation, Turnpike and Bridge
7 Authority to close, they've informed me that they're going
8 to close the bridge, these ships by traveling through the
9 channel.

10 So, I, once again, stand here before FERC and I
11 plead with you to bring a negative recommendation. And
12 don't allow FERC to approve this project without fully
13 appreciating the dangers involved, the cost for safety and
14 security. Help us. We really need your help.

15 Thank you.

16 (Applause.)

17 MR. SWEARINGEN: Thank you Representative Long.
18 Next we have Representative Anderol to be followed by Ken
19 Littman.

20 REPRESENTATIVE ANDEROL: Thank you for allowing
21 me to speak here to night. I just have heard from this
22 tipper named Portspoken and I also conquer with
23 Representative Long relative to adapting to the people first
24 agenda. Last summer I wrote to the Secretary of the Navy
25 relative to the issues relative to the Navy base on the

1 island and all the peripheral Navy installations on the
2 island. Because I felt that because the Navy's explanation
3 it would be a primary target for someone who wanted to do
4 harm and to send a message. And before the Sandia report
5 was published I received a letter back in the middle of
6 December indicating that the Coast Guard would be handling
7 those kind of security issue which is disappointing to me.

8 But I can expect that the Coast Guard would
9 hopefully look at the insurmountable costs that it could
10 have to human life if the accidents prevail and the
11 motivation is there for terrorists to come into Newport
12 County.

13 The safety and security costs I think even on a
14 monetary level I think are going to be extremely high which
15 would offset any potential gains that the state might have.
16 And I think that's something to consider.

17 Another facet I think people have to look at as
18 well is one that we had one of the biggest economic engines
19 our state has had and really our state isn't since then --
20 and it's burried in a huge population center. We have to
21 sometimes look at that and consider our state that way.
22 Logistics of people. But our airport is extremely
23 advantageous to the impound development in our state.

24 Right now the airport or the airplane patterns
25 coming in from many directions are coming over water. When

1 these ships are in the bay, I'm afraid that the patterns are
2 going to change and that could cause more delayed situations
3 with people on either side. It could cause more traffic
4 congestion. And that's something I think that needs to be
5 considered in the EIS study.

6 More importantly you need to consider the effect
7 it has on the people that border these ships. We considered
8 a couple of months ago the Weavers Cove and now we're
9 considering Fields Point. I think there are alternatives,
10 many that were mentioned here tonight. Nobody denounces the
11 fact that we need the natural resources. But I think there
12 are alternatives and I think there are other areas and we
13 need to continue to go at the toll.

14 Representative Long was pretty clear to say that
15 some types don't believe in the imaginable. I mean, just a
16 couple of weeks ago you would never have thought that we
17 would have a natural disaster that would kill over 100,000
18 people in one shot. There are many, many things that could
19 happen either manmade or not that can create such a
20 disaster. And I think that many of the people that are
21 voicing their concerns are afraid of just that.

22 And their fears are compounded by the -- I think
23 an over zealous, private developer to move the engine
24 forward. That meeting here is much well attended -- much
25 better attended than the meeting that we had this spring.

1 People are finally starting to recognize the issues that
2 this entails and the security risks that we're encountering.

3 So I would urge FERC to consider to look to for
4 alternative methods to provide the resources that we need in
5 New England and to continue to look at some of the issues
6 that were brought up tonight and look upon this and make
7 recommendations that are going to protect the people in our
8 state. Thank you.

9 (Applause.)

10 MR. SWEARINGEN: Thank you. Next we have Ken
11 Littman followed by Ken Kubic.

12 MR. LITTMAN: Thank you. My name is Ken Littman,
13 L-i-t-t-m-a-n, and I am the president of the Jamestown town
14 council. I am here tonight to register Jamestown's
15 opposition to the KeySpan LNG upgrade project. Like
16 Jamestown's opposition to Weaver's Cove project and Fall
17 River which was expressed at last summer's FERC hearing here
18 at the school.

19 The focus of our concern is the safety and
20 security associated with the transmission of liquefied
21 natural gas by tanker from the Naroganset Bay moving to the
22 north. Obviously there are risks involved in many types of
23 activities on our waters. We believe the threat caused by
24 LNG tanker leaks, fires, or explosions whether by accident
25 or intentional terrorist act far exceeds any other risks

1 present in our waters today.

2 Studies including the recently released Sandia
3 report have shown that the extent of catastrophic loss to
4 life and property would extend for one mile north of the
5 site of any spill or fire. The threats from that are
6 obvious.

7 We are concerned there are many unanswered
8 questions about the safety of this project. A project that
9 gambles with the lives of those who live, work, and recreate
10 along Narraganset Bay in Rhode Island's Providence.

11 The basis for our opposition is further reflected
12 in a resolution of the Jamestown Town Council which was
13 unanimously enacted on October 12, 2004, which I will not
14 read, but I would like to have entered into the record.

15 With that I will close my remarks and once again
16 I would like to strongly urge the rejection of this project.
17 Thank you.

18 MR. SWEARINGEN: Thank you, Mr. Littman. Next we
19 have Ken Kubic to be followed by Representative Raymond
20 Gallison.

21 MR. KUBIC: Good evening. My name is Ken Kubic.
22 I live at Johnstown, Rhode Island. I'm president of the
23 Rhode Island Marine Trade Association and the president of
24 the Rhode Island Marine Trade Association and I also sit on
25 the East Bay Economic Commission.

1 I would like to just concentrate on the
2 recreational boating aspect and what it means to the state
3 of Rhode Island. This city area with the Army Corps of
4 Engineers and the Coast Guard and we've worked many years to
5 get this channel dredged. Mr. Hubbard and I have known each
6 other about 16 years now when we started this process.

7 I can't understand for the life of me they were
8 going to put an LNG facility in Providence on a fast track
9 that is less than a year. It took us 15 years with a lot of
10 work and sweat with our federal delegation with our state
11 legislators that are sitting here with the Corps and the
12 taxpayers of Rhode Island and us to get the channel dredged
13 15 years, \$5 million to the state, \$50 million from the Army
14 Corps and we just finished it and celebrated it today or
15 yesterday, one of the days. How can an LNG facility get
16 built so quickly? I ask this to the Energy Commission
17 that's here because I've seen the federal government do some
18 things in my time like put a luxury tax on boats that they
19 thought would do tremendous. Well, in three years it almost
20 put the marine industry out of business in the United
21 States. And they actually killed the tax.

22 And in Rhode Island weren't long to deal with the
23 sales tax on boats thanks to one of those sales in the
24 beginning. And created thousands of jobs and created a good
25 energy boost to our economy. And we called it a hassle free

1 cash-free boating. Now there's this energy facility that
2 will come in and it's not going to be hassle free anymore.
3 In the summer time somebody is going to get flown in a
4 helicopter off the bridge, there could be as many as 80,000
5 boaters in Naroganset Bay between all along south county and
6 Newport, all those business come and spend time with us.
7 Now, all of a sudden what happens to everybody? I mean, to
8 me we've got a lot of things working together to create a
9 bondage to make one of the key clusters in the state of
10 Rhode Island, this is the marine industry. There are four
11 of them, the legislature, the government, everybody gets
12 sick of economic development, economic policy council, but
13 the marine industry is one of the key clusters. Oh, where
14 did it affect the terror?

15 I mean, today we're listening to testimony here
16 and saying, you couldn't get Providence really dredge until
17 we almost ran out of heating oil. But it took 15 years.
18 How could this happen so quick? That's what I say to the
19 Department of Energy.

20 I know the Army Corps is going to get in on this
21 somewhere. I have had experience with that, so we've got a
22 good partner there. But here is the trouble of the times.
23 In the whole United States it's probably 80 million votes.
24 In Rhode Island, this little area that you see on this chart
25 in the summertime we have 80,000 votes.

1 There are a couple things that have happen that I
2 would have raised -- where you're looking at what you do
3 along the waterfront. There is what we call the public
4 trust fund in the state of Rhode Island the Army Corps
5 addresses this too. Not only is the LNG system going to use
6 the waters of the state of Rhode Island, but then going out
7 to inspect your channel that we just spent a lot of money
8 and effort and 15 years to get done to put this facility and
9 look what it got boats are going to be docked in the
10 respective channel. Why is that? Oh, I'm confident that
11 the Army Corps, or the Coast Guard -- I know the captain
12 very well. What I can't see is this little -- with the
13 money that KeySpan -- they did nothing, they didn't lift a
14 finger. They didn't come to a meeting. They did absolutely
15 nothing to help the dredging process over those 15 years.

16 But now all of a sudden when we're done, they've
17 jumped on board. Something is wrong with this whole
18 process. Something is wrong with what's happening with this
19 LNG facility.

20 (Applause.)

21 MR. KUBIC: And I can say from the recreational
22 voters stand and as its citizens in Rhode Island, we don't
23 want it here, this is not the place for it. And if you or
24 anybody that's here on this panel or from Washington or
25 KeySpan, they're going runamuck right on this stand in July

1 4th or Labor Day weekend and tell me what's going to happen
2 if an LNG tanker comes up.

3 So thank you very much and I thank you cause
4 you're going to destroy the economy that's been built on our
5 industry since the luxury tax in the `90s, an industry
6 almost went out of business. We are back here, we've
7 created jobs, we still have jobs to create.

8 PARTICIPANT: (Off mike.)

9 Mr. KUBIC: So thank you very much and I hope you
10 do the right thing.

11 (Applause.)

12 MR. SWEARINGEN: Next we have Representative
13 Raymond Gallison to be followed by Judi Staven.

14 REPRESENTATIVE GALLISON: Good evening, my name
15 is Raymond E. Gallison, Jr. I am a member of the Rhode
16 Island House of Representatives representing District 69
17 which is in Bristol and Portsmouth.

18 First of all I would like to take issue with
19 DOD's factual guiding tank built in 1975-76 and does not
20 comply with the United States building code.

21 Last week, Captain Landry had to provided written
22 testimony to the Coast Guard concerning proposal Weaver's
23 Cove and KeySpan properties. These numbers should not be
24 misconstrued as people have lack of interest for either the
25 KeySpan or Weaver's Cove properties but it should be looked

1 at in terms of the individuals who have provided in-person
2 testimony. As an elected official it is my duty,
3 responsibility, and obligation to represent all of the
4 citizens of District 69. And as I knocked on people's doors
5 this past election, I learned first-hand that the vast
6 majority of my constituents are opposed to the KeySpan
7 proposal and Weaver's Cove proposal.

8 FERC, the Army Corps of Engineers and the
9 Department of Transportation and Coast Guard should look at
10 the numerous public officials that are opposed to the
11 KeySpan proposal. Attorney General Patrick Gilled was
12 steadfastly opposed to this proposal and he and his staff
13 especailly Fullerd Broody and Terrence Daniel ought to be
14 commended for the extraordinary measures they are taking to
15 oppose this project.

16 Last evening Mitch Seleen spoke against the
17 project as did officials from this fire department, and the
18 City of East Providence. I was joined last evening by other
19 legislators from both the House and the Senate who represent
20 our interest, all of whom are opposed to this project. I am
21 joined tonight by other colleagues who have spoken and will
22 speak to voice their opposition.

23 My appointment in reminding you who is here is to
24 remind me that we the elected officials do not want this
25 project. You as appointed officials have the responsibility

1 of feeding our opposition. There is a great amount of
2 pessimism among the parties concerning our federal
3 government. This has been strayed by the recent debacle
4 with the flu vaccine situation as well as the misguided
5 policies in Iraq and the recent and strategically place
6 language in the omnibus appropriation act public rule 108-
7 447 addressing and siting of LNG facilities. Rather than
8 perpetuate this mistrust in our federal government, FERC,
9 DOT, the Army Corps of Engineers and the Coast Guard should
10 take a bold step in denying this application outright.

11 You have the necessary data and information to
12 support a denial. The Sandia Labs report spells it out
13 quite clearly. A new facility would have catastrophic
14 consequences in a populated area and large supertankers pose
15 equally catastrophic hazards. Should a security event occur
16 with one of these tankers it would have a devastating effect
17 upon people along the 29.6 mile range. In this day and age
18 it's not if it occurs, but when it occurs.

19 Port security and tanker security cannot be
20 guaranteed. Therefore, do not permit this project. FERC
21 talks about mitigation. To mitigate a catastrophic event
22 from an LNG facility does somebody have permission? To
23 mitigate an catastrophic event from a tanker, just don't
24 allow the tankers to come into Naroganset Bay. To mitigate
25 the construction of those working, recreating or enjoying

1 the great pleasures of Naroganset Bay, just don't site a
2 facility in Providence or allow the tankers to enter
3 Naroganset Bay. To mitigate the great financial burden
4 which would be placed on the local cities and towns along
5 the 29.6 nautical mile tanker route, just don't permit the
6 siting of a facility and do not allow the tanks to come into
7 Naroganset Bay.

8 I note tonight after you said that you would be
9 having several meetings and are going to be having seminars
10 with public safety officials regarding the security of
11 tankers in the port. Well, tonight I would like to invite
12 you to wander with me. Rather than just let people read
13 about what it's going to be as far as a safety zone around a
14 tanker, I invite you to have a training exercise. I will
15 volunteer my boat which is some 985 feet smaller than a
16 tanker, but let's use my boat and go the 29.6 miles and you
17 try to protect that boat. You put the safety zone around
18 that boat -- the two-mile safety zone around the boat --
19 around my boat like you're going to propose. Let's put it
20 on a summer afternoon when there are numerous people -- as
21 Mr. Kubic pointed out -- on the bay, not only in
22 recreational boating, but the number of people that are
23 going to be fishing on the bay, the number of shell
24 fishermen that are going to be fishing on the bay. Let's
25 show the people, rather than just reading about it, let's

1 give them first analogy of what's going to happen and then
2 see how many people are going to be against this project.

3 The government, especially our federal government
4 should be protecting the public's health, safety and
5 welfare. Denial of the siting of the KeySpan facility in
6 Providence, denial of the large LNG supertankers to come
7 into the Narraganset Bay is the only alternative you have in
8 living up to that responsibility of protecting the public's
9 health, welfare and safety.

10 Thank you.

11 MR. SWEARINGEN: Thank you Representative
12 Gallison. Before we go on to the next speaker, I would like
13 to make a request that anybody who is having a side
14 conversation, the acoustics of this room is somewhat
15 disruptive to the speaker. So as a courtesy to others who
16 are speaking, if you are having a side conversation, you can
17 take it past one of the exit signs outside of the room.
18 Thank you.

19 The next person we have on our list is Judi
20 Staven followed by Daniel Marques.

21 MS. STAVEN: Judi Staven, S-t-a-v-e-n. I love
22 Representative Gallison's idea of taking a boat down the bay
23 and seeing exactly what will happen. I cannot fathom that
24 and that's my main problem with this whole thing. The
25 safety aspect of it which is very important. When you put

1 such a big safety zone and it's so important to have such --
2 you know, a map of safety safeguards in place, you're going
3 to totally ruin the way that we live in this cape and in
4 part of Massachusetts too.

5 People in and around live here a lot of it
6 because of water. I mean, you've put us in a position where
7 we can't enjoy our bay anymore. And I am still and I asked
8 this question at one of the meetings last summer, what do
9 you when the safety zone goes along shore? It's a mile --
10 not even a mile from Glen Hope. So if you have those large
11 safety zones going around the ship, what do you do in the
12 houses that are all along that stretch of shore? If you
13 look on this map, -- so I don't know how you're going to get
14 the ships through there.

15 But, yeah, I just think it's so disruptive and I
16 just can't imagine how you can just take away these big
17 things which is pile up the bay. I think our life here is
18 never going to be safe again. And I think that is something
19 that should be looked at here. How are we going to live
20 here anymore? I mean, if you look back in history the
21 federal government would always say they would finance
22 something then five years later they're not doing it
23 anymore.

24 (Applause.)

25 MR. SWEARINGEN: Thank you, Ms. Staven.

1 Next we have Daniel Marques followed by John
2 Callahan.

3 MR. MARQUES: Good evening. I'll be brief. My
4 name is Daniel Marques, M-a-r-q-u-e-s, -- about four miles
5 from the bay.

6 My only concern is the problems with the site
7 itself. Everybody had mentioned that it's not really up to
8 specs. I would hope that the federal government would look
9 into it. Maybe -- hopeful that this is not a do it all --
10 upgrade it, bring it up to spec, make it safe. I mean, the
11 facility is there, we've dealt with it this far. Let's have
12 something as safe as we can get it. As far as what they do
13 up in Massachusetts, I think that's going to take some time
14 to do. Actually we need for it to be done in 2005. We've
15 lived with it since '75, this is New England, they walked
16 all over us three or four years -- I think it's possible.
17 These are tough times we are living in. We'll get through
18 them. We had tough times before. When I was a kid there
19 was marsh all in the area. I remember 20, 25 ships when I
20 was a kid, but now all of this, people change.

21 I'm wondering too if the ships that are going to
22 come in delivering this fuel, will this be seasonal? Will
23 it be more prone to winter? Would it be such a problem?
24 You know, would it be the odd one or two during the summer?
25 Could we restrict the use by these ships during our peak

1 months?

2 That's all I have to say.

3 MR. SWEARINGEN: Thank you. Okay. Thank you,
4 Mr. Marques.

5 Next we have John Callahan followed by Robert
6 Sullivan.

7 MR. CALLAHAN: I have a few comments and I'll try
8 to make them slow. I used to be the chief engineer at the
9 Public Utility Commission when they outed -- I think it was
10 1995 and at that time we had control through those of the
11 inspection and everything else. Five years OBSO took it
12 back away, Department of Transportation agreed to buy the
13 Public Utility Commission. I know that the Attorney
14 General's office objected to that -- doing that as I
15 objected 25 years ago when they tried to do it.

16 My real problem right now is nowhere in the
17 documentation presented do you reference NFTA 59(a) and I
18 don't quite understand because safety principally is under
19 NFTA 59(a) which I was a member of for eight years and wrote
20 the steps that your C.F.R. is developed. And the safety
21 responsibility for this state in this state is the fire
22 marshal and that has not been removed under anything we've
23 done. Because NFTA 59(a) is still a working document.
24 Nowhere do you mention it and it's main argument is covered
25 in the C.F.R. that are not covered in the C.F.R. that are

1 covered in NFTA. So I think that FERC's whole proposal is
2 very lacking and I think the tax -- the only one
3 representative that I know that spent a lot of time looking
4 at that is Representative Gallison. And you must be aware
5 or should be aware why actually NFTA 59(a) in any of their
6 environmental and safety work. You're proposal is totally
7 lacking in that. And it takes care of the security, making
8 the terrorist resume funding --.

9 The security without using that document is
10 totally lacking. I think you are totally at fault in not
11 using that document. And I don't -- if any of you weren't
12 here, you didn't identify if there are any KeySpan personnel
13 or any of the other personnel here. Are the KeySpan people
14 here anywhere? I tried to look for them before.

15 But I don't understand the environmental impact
16 and I've worked with OBSO years ago with the just recently
17 retired executive and judges and other people that are at
18 FERC. This document, if I could use a word, is lousy. And
19 I'll close on that.

20 (Applause.)

21 MR. SWEARINGEN: Okay. Thank you, Mr. Callahan.
22 Next we have Robert Sullivan followed by Representative
23 Sandy Rice.

24 (Pause.)

25 MR. SWEARINGEN: Robert Sullivan?

1 (No response.)

2 MR. SWEARINGEN: Okay. We'll go ahead and go to
3 Representative Rice.

4 REPRESENTATIVE RICE: Hello. My name is Sandy
5 Rice and I'm a member of your House of Representative in the
6 vagil assembly representing District 72 which includes
7 portions of Aldertownsend, Nagiant, Piere, Portsmith middle
8 town and Newport.

9 While this facility is proposed for Providence,
10 obviously it involves our bay and all those three towns
11 above the bay. It's late, I'll be brief and I'm not going
12 to reiterate many of the great things that were articulated
13 here tonight in that meeting of the last year and a half.

14 Basically though, before I make my comment, I
15 would like to pose the following question. How many people
16 here tonight are with those people although we've lost half
17 the crowd, besides the one gentleman, are here to support
18 this LNG proposal?

19 I see no hands, for the record.

20 I would like to also compliment the people from
21 Massachusetts who may be here tonight. I think that speaks
22 volumes. Basically I too concur with the consensus of our
23 congressional delegation and many of our other leaders who
24 over the last year and a half have studied this including
25 our organization Save the Bay which is a nonprofit

1 organization and our Attorney General who are the attorneys
2 for our great state and they've studied this in depth.

3 So due to the fact that I have not, as your
4 elected official, had the opportunity to read the 167-page
5 Sandia study, I presume that many of you folks haven't
6 either. And as such I am going to defer to the Attorney
7 General and their conclusion in their most recent report
8 which is available here tonight dated January 2005 in the
9 Analyd report where they conclude that FERC's first
10 conclusion is "incomplete, erroneous, and misleading."

11 As such, I think it's reasonable to at least at a
12 very minimum allow for an addition 90 days for a more
13 accurate review of the DEIS and other reports relevant to
14 the safety and security of this facility.

15 And now the days have recently passed and this
16 shouldn't be rushed through simply to accelerate corporate
17 profits. I have nothing against in attributing other
18 objectives, I have nothing against liquid gas pipe gas,
19 natural gas in general, but it's everything else that goes
20 along with this proposal.

21 As a representative of people, you know, I give
22 you our requests that we have officially 90 days to provide
23 for additional and more accurate review. We've lived
24 without this proposal we can live without it for longer and
25 I believe that the alternatives absolutely need to be

1 explored. They must be explored. Otherwise, if this isn't
2 done, then I hear on the record to strongly object.

3 (Applause.)

4 MR. SWEARINGEN: Thank you Representative Rice.
5 Next we have Tom Burke.

6 MR. BURKE: My name is Tom Burke, I live in
7 Somerset, Massachusetts. My wife and six children and I
8 live on the River and I have a sailboat. What you are
9 telling me is that I sail the sailboat far away from here.
10 Thank you very much.

11 MR. SWEARINGEN: Okay. Thank you, Mr. Burke.
12 That's all the speakers that have signed up. If you have
13 not spoken and you feel like you have something to say and
14 you wish to do that tonight, you may. If you've been
15 prompted to comment, you can submit your comments in writing
16 as well. We give them equal consideration.

17 Okay. We will now close the meeting. The
18 transcript for this proceeding will be available free off
19 the FERC website after ten days. If you wish to purchase a
20 copy prior to ten days, you can meet with the transcript
21 service, the gentleman sitting over there.

22 On behalf of the Federal Energy Regulatory
23 Commission I want to thank you all for coming here tonight.
24 Let the record show that the meeting concluded at 9:21 p.m.

25 (Whereupon, at 9:21 p.m., the meeting was adjourned.)