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BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

- - - - -x
IN THE MATTER OF: : Project Number
CYPRESS PIPELINE PROJECT : PF05-7-000
- - - - -x

Embassy Suites
500 Mall Blvd, Glynn Place Mall
Brunswick, GA

Wednesday, March 9, 2005

The above-entitled matter came on for scoping
meeting, pursuant to notice at 7:05 p.m.

MODERATOR: RICH McGUIRE, FERC

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

2 (7:05 p.m.)

3 MR. McGUIRE: Okay, we'll go ahead and get
4 started. Good evening, and welcome to the public scoping
5 meeting for the Cypress Pipeline Project.

6 My name is Rich McGuire, and I'm an Environmental
7 Project Manager with the Federal Energy Regulatory
8 Commission. As it said in the Notice that went out for this
9 meeting, the Commission, the FERC, plans to put together and
10 Environmental Impact Statement for the proposed Cypress
11 Pipeline Project.

12 The purpose of tonight's meeting is to hear from
13 you, what type of issues you feel need to be addressed in
14 that EIS or Environmental Impact Statement.

15 With me tonight is Mark Padgett, who is also a
16 Project Manager with the U.S. Army Corps of Engineers. The
17 Corps of Engineer will be a cooperating agency in the
18 preparation of the Environmental Impact Statement.

19 In addition, the Corps will be reviewing the
20 project and its potential wetland impacts that the pipeline
21 project will have as it relates to their 404 permitting
22 process under the Clean Water Act.

23 In addition, with me tonight is Mitch Shields, to
24 my right. Mitch is a Project Manager with the Natural
25 Resource Group, or NRG. NRG is an environmental consulting

1 firm that's assisting the Commissions in the preparation of
2 the EIS or Environmental Impact Statement.

3 I'll briefly run through tonight's agenda. In
4 just a few minutes, we'll go over the Commission's
5 environmental review process. Following that, Southern
6 Natural Gas Company, the company that's proposing the
7 project, will give a brief overview of the project.

8 Following their presentation and description of
9 the project, we'll have a time for you to ask any questions
10 to clarify the description of the project, and then we'll
11 hear from those of you who have signed up to make formal
12 comments into the public record tonight.

13 We have brought forms that are in the back, to
14 explain how to provide written comments, and if you would
15 like to provide written comments into the public record for
16 the Commission and the Corps, you can do that. The forms
17 will explain that process. The NOI also explains that
18 process on pages 7 and 8 of the Notice of Intent that was
19 sent out and issued, and that, hopefully, many of you
20 received.

21 As you probably noticed, this meeting is being
22 recorded by a Court Reporter. The transcripts from this
23 meeting will be placed in the public record for this project
24 under PF05-07 at the Commission. Those are in the public
25 record for those individuals who are unable to attend here

1 tonight, so that they can get an accurate record of the
2 issues that are discussed here at tonight's meeting.

3 The Federal Energy Regulatory Commission is an
4 independent regulatory agency. Among other
5 responsibilities, the Commission regulates the
6 transportation of natural gas in interstate commerce.

7 The mission of the Commission is to oversee
8 energy industries and the economic and environmental
9 interests of the American public.

10 The Commission is made up of five members. Those
11 Commissioners are appointed by the President and approved by
12 Congress. We currently have four Commissioners.

13 The Commission Staff, which includes myself,
14 provides and prepares technical information to assist the
15 Commissioners in making their decisions on whether to
16 approve or deny a project.

17 The application process: When a company wants to
18 build natural gas pipeline facilities to transport and sell
19 natural gas in interstate commerce, they file an application
20 with the Commission.

21 That application includes a very comprehensive
22 environmental report, and when -- in this case, in the case
23 of Southern Natural Gas Company's project, they plan to file
24 that application with the Commission before the Summer of
25 2005.

1 The Cypress Pipeline Project is a 165-mile
2 pipeline, 24 inches in diameter, that runs between Effingham
3 County, Georgia, and Clay County, Florida. It also includes
4 a ten-mile pipeline loop, which is a pipe along their
5 existing pipeline facility in Effingham and Chatham
6 Counties.

7 They are also proposing three compressor stations
8 along the main line, the 165-mile pipe. Those will be new
9 compressor stations to move the gas.

10 Under the National Environmental Policy Act or
11 NEPA, the Commission is required to do an environmental
12 analysis of any project under our jurisdiction. In the case
13 of the Cypress Pipeline Project, we're doing that analysis
14 in an Environmental Impact Statement.

15 Now, I'll quickly run through the environmental
16 review process. We've handed out a flyer at the sign-in
17 table.

18 In this past December, 2004, Southern approached
19 the Commission and requested the use of the NEPA pre-filing
20 process. The NEPA pre-filing process enables FERC Staff
21 like myself to begin reviewing the project early in its
22 project design.

23 The purpose of the pre-filing process is to
24 identify and seek input from interested parties. That would
25 include landowners, non-governmental organizations and

1 agencies.

2 The Commission approved the pre-filing process in
3 January, early January, and then we began to put together
4 our environmental mailing list, which is very comprehensive.
5 At this point, we have just under 1,000 individuals.

6 We began to identify agencies that will have an
7 interest in the project and in reviewing the project.

8 We met with several of those agencies in Savannah
9 on February 8th, and we're continuing to meet with the
10 agencies. We had an agency meeting today, to identify and
11 discuss some of the issues that are of interest to those
12 individual state and federal agencies.

13 The FERC also participated in Souther's open
14 house meetings. They had open house meetings and notified
15 the landowners affected by the proposed project. Those were
16 held on February 15th and 17th in the Savannah area, the
17 Brunswick area, and then down in the Jacksonville area.

18 The Notice of Intent for this meeting described
19 the three scoping meetings that we're having this week. It
20 was issued by the FERC on February 18th.

21 In that Notice of Intent, if you received that,
22 there's a list of issues that we identified early. That's
23 an initial list of issues that we feel, based on our
24 understanding of the project right now, we feel need to be
25 addressed in the Environmental Impact Statement.

1 And, of course, that NOI is soliciting comments
2 from you of other issues that, in addition to the initial
3 list that we came up with, that you feel we need to address
4 in the EIS, and that's a big part of the reasons why we're
5 here tonight.

6 The scoping meetings -- of course, we're having a
7 meeting here in Brunswick. We'll have another one tomorrow
8 night in Jacksonville, and we had one last night in the
9 Savannah, Georgia area.

10 Between now and when the Company plans to file an
11 application in the summer, they're putting together an
12 application, and, at the same time, we're receiving
13 comments. The comment period at this time ends on April
14 7th, and so we'll use those comments to focus our analysis
15 when we prepare the EIS or begin to prepare the EIS.

16 We'll use the comments we receive tonight, the
17 input we get from agencies, and information we seek out on
18 our own, in our own independent analysis, to prepare a Draft
19 Environmental Impact Statement. That will go out to our
20 environmental mailing list for comment.

21 Following the Draft EIS, we will have public
22 comments, similar to the meetings we're having here,
23 probably in the same locations, and we'll be soliciting
24 comments on the adequacy of the Draft EIS and its analysis
25 of the potential impacts of this pipeline project.

1 Following the EIS, we'll use the comments to
2 revise our EIS, and then we'll issue a final EIS. The EIS,
3 I should say, is not a decision document in any way. It
4 provides the technical information.

5 We'll combine that with non-environmental
6 information, provide that to our Commissioners, the four
7 Commissioners, to assist them in making their decision about
8 the project. If the project is approved, the Commission
9 Staff, which includes myself, will oversee the project
10 through construction, as well as restoration, so we'll be
11 out on the land, making sure that they are in compliance
12 with the conditions that the FERC has, as well as the
13 conditions that the other agencies place on the proposed
14 project.

15 So that gives you a brief idea of FERC's process,
16 environmental process. If you have questions about the
17 Federal Energy Regulatory Commission's environmental review
18 process, I'd encourage you to look at our web page. It's
19 www.ferc.gov. It will give you some more information about
20 our process, as well as the Commission itself.

21 And the Corps also has a web page, I believe, to
22 seek information. That's in -- their web page was in the
23 Corps announcement that was noticed as well.

24 Now we'll begin to -- we'll hear from the
25 Southern Natural Gas Company, and they will provide an

1 overview and description of their proposed projects. I want
2 to introduce Bruce Hughes.

3 MR. HUGHES: Good evening. My name is Bruce
4 Hughes. I am a Project Developer for Southern Natural Gas.
5 And for those of you who are not familiar with our Company,
6 I'd like to take a few minutes to introduce Southern Natural
7 Gas and, specifically, the Cypress Project that we are
8 proposing.

9 I would also like to say that we have a number of
10 representatives from the Company here, and after the close
11 of the meeting, we've got aerial photography and preliminary
12 alignment sheets in the back, and we will be able to field
13 questions regarding any specific information related to our
14 proposed route.

15 To begin an overview, I'll spend just a few
16 minutes on Southern Natural Gas, and introduce Southern
17 Natural Gas. Also, because this particular pipeline
18 project, the gas supply project will come principally from
19 our LNG terminal at Elba Island, I would like to give you an
20 update on the status of our terminal.

21 Then I will get into a brief description of the
22 project that we're here to talk about tonight, our proposed
23 Cypress Pipeline. I'll give you an overview and a project
24 schedule.

25 This is a system map. Obviously you recognize

1 the Southeast, but the map represents Southern Natural Gas's
2 pipeline system. We have a pipeline system that began in
3 1929, the line from North Louisiana and East Texas, over to
4 Birmingham and Atlanta, the initial line, was constructed in
5 1929.

6 As the Southeast economy has grown over the
7 years, we have expanded and extended our pipeline system
8 across Alabama, Georgia, into South Carolina. There have
9 been numerous expansions and extensions of the years, as the
10 Southeast economy has grown and developed.

11 Southern Natural's pipeline system serves about
12 70 percent of the natural gas into the states of Alabama,
13 Georgia, and South Carolina. Most of the South Georgia
14 facilities that you see on the map, the Savannah Line that
15 you see on the map, was constructed in the mid- to late
16 '50s.

17 So we've been in service in the Southeast for
18 over 70 years, and in South Georgia and the Savannah area
19 for over 50 years.

20 Our major customers include Atlanta Gas Light in
21 Georgia; South Carolina Electric and Gas in South Carolina;
22 Alabama Gas in Alabama; and most recently, as power
23 generators have begun to use natural gas for power
24 generation, we've begun to serve the Southern Company and
25 other electric utilities along our system.

1 And then, finally, a large portion of the markets
2 that we serve are municipal customers and industrial
3 customers along our pipeline system.

4 I'm going to switch from the pipeline system to
5 our terminal at Elba Island. This is an aerial photo of our
6 existing terminal at Elba Island.

7 The three smaller tanks in the photo have been
8 there since the mid-'70s. We constructed the facility and
9 actually placed it in service in 1978.

10 It was moth-balled for about a 20-year period.
11 We reactivated the terminal in 2001, and we're currently in
12 the process of expanding the terminal.

13 The larger tank that you see on the left side of
14 the Island, and the slip that you see on the left side of
15 the Island, are currently under construction. We plan to
16 place the expanded portions of the terminal into service in
17 early 2006.

18 The reactivation of the terminal and the
19 expansion of the terminal have given us an opportunity to
20 expand pipeline infrastructure. We used to flow gas from
21 our main line to the Savannah market; now that line flows
22 gas away from the Savannah market.

23 In addition, we're proposing the Cypress Project
24 to serve incremental markets in Florida, and to be able to
25 serve incremental market -- position ourselves to serve

1 incremental markets in Georgia, as well.

2 The Cypress Pipeline Project, as Rich mentioned
3 earlier, is a proposed 165 miles of 24-inch pipe from the
4 Savannah area down to an interconnect with Florida Gas
5 Transmission, southeast of Jacksonville.

6 Phase II of the project will include a midpoint
7 compressor station. We have, on a preliminary basis, named
8 that station Waynesville, I believe, but based on some
9 information I have received this evening, we may consider
10 renaming that site.

11 The Phase III facilities will be additional
12 looping, as Rich mentioned, and additional compression as
13 well.

14 I've mentioned the project scope already. As to
15 the project timeline, Rich mentioned that we approached the
16 FERC in December. We plan to file our application, if all
17 goes well, in late May or early June.

18 We expect to start construction in the third
19 quarter of 06, and the pipeline would be placed in service,
20 if we meet our schedule, May 1, 2007.

21 As far as commercial commitments for the project
22 that enable us to go forward: Progress Energy, Florida, has
23 committed to the project; British Gas LNG, who is a supplier
24 to the terminal at Elba Island, is committed to support the
25 project; Jacksonville Electric Authority has a power

1 generation facility called Brandy Branch in Jacksonville
2 that is fueled with natural gas and they will be part of the
3 project.

4 And then the City of Austell, Georgia, and
5 Georgia Pacific, an industrial customer on our South Georgia
6 system, have committed to capacity on the project, as well.

7 As far as project benefits, we clearly believe
8 that from a commercial and an infrastructure standpoint,
9 having additional infrastructure in Georgia to be able to
10 serve southern and south-central Georgia, is a driver for
11 the project.

12 Being able to get more gas through out
13 liquefaction terminal at Elba Island, is clearly one of the
14 drivers for the project.

15 Incremental gas supply for the Georgia and
16 Florida markets; supply diversity for the Florida markets,
17 are certainly reasons why we're proposing the project.

18 And, finally, being able to connect two major
19 pipeline systems: Southern Natural's system, historically,
20 has been used predominantly in the Winter for residential
21 and commercial use. The Florida Gas system has been used,
22 principally in the Summer, for power generation, and we
23 think having a link between the two systems is a good thing
24 for infrastructure development in the Southeast.

25 So, we will be available for questions after the

1 formal meeting is concluded.

2 MR. MCGUIRE: Thank you, Mr. Hughes. Are there
3 any questions about the description of the project for
4 Southern Natural Gas?

5 We're going to need to get your name for the
6 Court Reporter's benefit.

7 MS. SHEPPARD: I'm Deborah Sheppard, and I just
8 had a simple question. You say one of your customers is
9 going to be Austell?

10 MR. HUGHES: City of Austell.

11 MS. SHEPHERD: And how will that take place?

12 MR. MCGUIRE: Bruce, could you come up to the
13 microphone, please? And could you repeat the question for
14 the Court Reporter.

15 MR. HUGHES: Sure.

16 MR. MCGUIRE: Thanks.

17 MR. HUGHES: The question was, with the City of
18 Austell, with the geography of Georgia -- they are a suburb
19 of Atlanta. You've seen our pipeline system as it cross the
20 Southeast.

21 Because we're an open-access interstate pipeline,
22 whenever we propose an expansion, we have what we call an
23 open season where existing customers or new customers can
24 request additional capacity on our pipeline system.

25 And when we held our open season for this

1 project, the City of Austell requested additional capacity,
2 so that's the link.

3 MR. MCGUIRE: Thank you. Your name, sir?

4 MR. HOLLAND: My name is James Holland, and I'm
5 with the Altamaha Riverkeeper. And this question might
6 should be held for later, but I noticed that on your
7 Southern Natural System overview, that you already have a
8 line from Alabama to near Jacksonville.

9 I don't understand why you want to come across
10 Georgia.

11 MR. MCGUIRE: Bruce, could you explain that
12 question?

13 MR. HUGHES: Sure, the line that you see on the
14 map is a small-diameter line, and it's not sufficient to
15 serve the markets that we will be serving.

16 MR. HOLLAND: I guess I didn't get my point
17 right. Why can't you put your processing plant somewhere
18 else and put your line right down beside this if you want to
19 go to Florida? That's my thing, is, you have alternatives
20 (inaudible) every natural resource (inaudible) Georgia.

21 Just because you don't want to put a line
22 somewhere, doesn't mean that these people shouldn't cause
23 you to put the line there. If you want -- your corporation
24 is (inaudible) to sell gas, and I don't deny you that, to
25 make money.

1 But what we don't want, is you coming through the
2 coast of Georgia when there's a possibility of an
3 alternative route, which is, put it right down beside the
4 one you've already got. This don't make sense to me.

5 MR. McGUIRE: Okay, Mr. Holland, your comments
6 are important. I see you've signed up to speak. If those
7 are the kinds of issues, when we open it up for comments, if
8 you could come up to the podium and put those types of
9 comments on the record.

10 MR. HOLLAND: I'll do it.

11 MR. McGUIRE: If we could right now, just focus
12 on the description of the project, and then we'll open it up
13 for those of you who want to come up and make formal
14 comments. These are just questions about clarifying the
15 description of the project. If we could keep focusing on
16 that right now, and then we will open it up for you to make
17 comments into the record.

18 MR. KNEIB: I'm Ron Kneib. I was just curious
19 about one of the statements you made about the Elba Island
20 plant being moth-balled for 20 years. Why was that? I'm
21 not really familiar with it.

22 MR. HUGHES: The question was, why was our
23 terminal at Elba Island moth-balled for 20 years? And the
24 answer is, the original supplier or the terminal was
25 Sonatrak, which is an Algerian corporation, and they

1 abrogated the contract that we had for a gas supply, and it
2 was nearly 20 years before we found another supplier for the
3 terminal.

4 MR. McGUIRE: The gentleman in the back?

5 MR. KYLER: I'm David Kyler with the Center for
6 Sustainable Coasts. I wonder if you have done any market
7 projections for the customers you intend to serve with this
8 new line.

9 MR. HUGHES: The question was whether we've done
10 any market surveys for the customers we intend to serve for
11 the new line. In response to the previous question, we have
12 commercial commitments for the entire capacity that we
13 propose to build, and if -- when we had the open season, to
14 see if there were additional markets for capacity, we sized
15 the line to serve all of the requests that we received in
16 the open season.

17 Had we received additional requests, we would
18 have looked at different sizes for the proposed facilities.
19 So we're not building a line on speculation; we're building
20 the line to meet the market that has committed to the
21 project.

22 MR. KYLER: Just a followup question: What
23 portion of the market that you have already locked in, is
24 Georgia and how much in Florida?

25 MR. HUGHES: The question is, how much of the

1 market commitment to the project is in Georgia, and how much
2 of the market commitment is in Florida?

3 I'm going to say that the majority of the market
4 is in Florida for the Phase I capacity. The Phase II and
5 III capacity is being taken by the supplier at Elba Island,
6 and whether they choose to ship that gas to Florida or
7 whether they choose to ship that gas to Georgia, they will
8 determine.

9 MR. McGUIRE: Yes?

10 MR. LIGHTSEY: I'm Curtis Lightsey, and I've got
11 a question about the compressor stations. Are those manned
12 or automated facilities?

13 MR. HUGHES: Those will be automated facilities.

14 The question was, will our compressor stations be
15 manned or automated?

16 MR. McGUIRE: Good, thank you, Mr. Hughes. Thank
17 you for your questions. Now we'll begin to hear from those
18 of you who have signed up to speak. I encourage you to, if
19 you prefer to provide written comments, too, we urge you to
20 be specific about how the potential project does or might
21 affect your land.

22 If you prefer to provide that in written form,
23 that is fine. That's of equal weight. We also encourage
24 you to put into the -- express your concerns in the public
25 record tonight, as well.

1 The first speaker tonight is James Holland, with
2 Altamaha Riverkeeper. We'll ask you to come up to the
3 microphone, if you would. Please spell your name for the
4 record, too.

5 MR. HOLLAND: My name is James Holland, J-A-M-E-
6 S, H-O-L-L-A-N-D.

7 As the Altamaha Riverkeeper, one of my major
8 concerns is going to be the pipeline crossing our natural
9 resources of the southern part of Georgia, in which the
10 intent of this pipeline is to go through, across, under, or
11 over all the headwater streams that empty into the Atlantic
12 Ocean.

13 This is a major concern. Our wetlands in coastal
14 Georgia have already been ditched, drained, and fragmented
15 to the point of where they are -- they don't have a seam to
16 burst from, because they've shrunk.

17 Now, we intend to lose a few hundred to a
18 thousand or more acres of wetlands because of this. I would
19 -- one comment I would like to make is, I read -- excuse
20 me.

21 (Pause.)

22 I read in the literature that has been handed
23 out, about geology and soils, and I see the effect on soils
24 and soils with high potential for compaction. Now, I know
25 that these people, if they bring this pipeline through our

1 wetlands, that are of hydric soil nature, these wetlands
2 will have to be mitigated away.

3 Now, just because a pine plantation of row-crop
4 pines, is growing pines, does not mean that it is not a
5 wetland. These areas must be looked at, as well.

6 It says hydric soil. It didn't say what kind of
7 tree grows on it.

8 Number two: I'm deeply concerned that crossing
9 these streams and what have you, especially in the
10 summertime, the effects of erosion and sedimentation, that
11 the water muddying up. It's normal and natural for the
12 waters in southeastern Georgia, especially. They're black
13 water. They normally and naturally carry lower dissolved
14 oxygen than plain white or clear water.

15 This is a concern because erosion and
16 sedimentation will muddy up these waters and we'll see fish
17 kills that most will never get to see out there. This is a
18 great, great, great concern.

19 I'm deeply concerned, as I mentioned awhile ago,
20 about the Southern Natural system's overview having a line
21 that they could come down from Alabama, almost to
22 Jacksonville, to start with.

23 Quite frankly, the people that I represent
24 throughout Georgia and the United States, don't care where
25 these people have to bring this gas to pump it away from

1 there, but they do care about them bringing it across their
2 natural resources for no reason whatsoever.

3 We, as Georgians, stand to gain nothing. So you
4 hook up to one pipeline, one line somewhere, some one power
5 plant, big deal. Look at the thousands of dollars in
6 natural resources we've lost, whereas now the number two --
7 one of the -- the number two growing industry in Georgia
8 today is ecotourism, and ecotourism centers around our
9 natural resources, and we're going to give them away so that
10 some folks from some board of directors in New York or
11 London or wherever they're at, can make some more money.

12 This does not make sense to us. Then they talk
13 about Phase II and III, optional for gas to go to Georgia or
14 Florida. This is speculation.

15 Why should we give up our natural resources so
16 someone can speculate?

17 Lastly, I'm going to make a request. Generally
18 speaking, when these things get this far along, they're a
19 done deal. If it so happens that it may not be a done deal,
20 but it happens anyway, I think that this company, this
21 corporation, should have a partnership with people in this
22 area to be able to go out and inspect these areas for
23 erosion and sedimentation, and I hereby volunteer right now
24 for Glenn and McIntosh Counties. Thank you.

25 MR. McGUIRE: Thank you, Mr. Holland. The next

1 speaker tonight is David Kyler. Mr. Kyler, if you could
2 spell your name into the public record, please?

3 MR. KYLER: David Kyler, K-Y-L-E-R. I'm with the
4 Center for Sustainable Coasts, a nonprofit organization
5 serving the coastal region of Georgia and dealing with
6 issues of development and environmental quality.

7 In addition to reiterating a lot of what James
8 says, which I won't do for the sake of repeating him, I just
9 want to point out a few other nuances about these kinds of
10 concerns.

11 Most of the area you're going to be covering are
12 going to be interlaced with wetlands. It's almost
13 impossible to traverse that geography without violating and
14 intruding up, disturbing, and even destroying wetlands.
15 That's of great concern to us, for the reasons that James
16 described.

17 Wetlands are habitat that serve an integral
18 function with the estuary system of Georgia, and some 60
19 percent of the state's land area drains to these estuaries,
20 and the estuaries of Georgia represent a significant portion
21 of the remaining functional tidal wetlands in the
22 Southeastern United States.

23 So, this is, in effect, a multi-state impact
24 you'd be having on the wetlands, because of their importance
25 to the whole Southeast. In coastal Georgia alone, we

1 estimate the nature-based businesses supported by the
2 estuaries -- that includes commercial and recreational
3 fishing, outdoor recreation of various kinds, ecotourism and
4 so forth -- to be valued at about \$1 billion a year.

5 Of course, the area of the Southeast that could
6 be affected by any harm to the wetlands, could be far
7 greater than that because of the interstate nature of
8 fisheries. I would urge you to address -- and I assume you
9 will address in your Environmental Impact Statement, any
10 methods for -- alternative methods of installation and
11 maintenance of the line to reduce impacts and reduce any
12 possibility of harm to the resources in the vicinity of the
13 line.

14 I would also encourage the applicant to be
15 willing to sponsor some conservation practices for just
16 general environmental monitoring and assessment in the
17 vicinity of the corridor, both because of the impacts of --
18 possible impacts of the pipeline and also because of a good-
19 faith effort to support these resources for the general
20 welfare.

21 Just out of curiosity, I would be interested in
22 knowing from the FERC people, if there is any example where
23 an Environmental Impact Statement has made a recommendation
24 -- it's described as a technical report, only part of which
25 is the basis for the FERC's Board's decision -- is there any

1 example where an Environmental Impact Statement has made one
2 recommendation and the FERC Board has altered or deviated
3 from that recommendation, and, if so, to what extent? Thank
4 you.

5 MR. MCGUIRE: Thank you, Mr. Kyler. That's
6 everyone who signed up to make formal comments into the
7 public record. Is there anyone else who would like to come
8 up to the microphone and make comments on the project?
9 Ma'am, if you'd come up, and if I could get you to spell
10 your full name, as well?

11 MS. SHEPPARD: Good evening. I'm Deborah
12 Sheppard, S-H-E-P-P-A-R-D, and I'm also with the Altamaha
13 Riverkeeper.

14 Thank you very much for providing this
15 opportunity tonight to find out more about this project and
16 to learn more about it. And I'd like to say, in starting,
17 that we do appreciate FERC's effort to notify and inform the
18 public about this particular hearing.

19 We were notified in a timely fashion, and
20 obviously we were able to be here. Unfortunately, I feel
21 like I need to point out on the record that Southern has not
22 done the same courtesy to affect its stakeholders throughout
23 the region, and I don't know who is here that's actually
24 representing the company. If I could just see, so I'll know
25 who I'm talking to.

1 It was more than a little frustrating to learn
2 approximately two weeks after the proceedings, the February
3 proceedings, in which I assume Southern put forth critical
4 information about how this pipeline would be constructed,
5 what sorts of techniques, technical information and that
6 kind of thing, would happen.

7 But we, as a stakeholder who had expressed an
8 interest, were not notified, and, to my knowledge, no other
9 stakeholders who would have an environmental interest, were
10 notified, either, and that's a huge oversight that needs to
11 be remedied immediately.

12 As a consequence of that, I come to this hearing
13 tonight, having no idea what is actually being proposed,
14 other than the fact that I can see some maps with lines down
15 them, that appear to be crossing all the headwater streams
16 in the area.

17 I've been told that there's going to be minimal
18 or no impact to the river systems, and, quite frankly, I
19 think that's a bit of a ridiculous statement. Things have
20 been said in the order of we'd be going under the river, so
21 there's no impact.

22 Well, you simply can't make statement like you're
23 going to go under rivers and there's no impact. We need to
24 know more about what are the techniques, what's been
25 considered when you're making the decision of what kind of

1 technology to use.

2 Have groundwater resources been considered?

3 There are just numerous questions about what's going on
4 that, at this point, we really don't have that information,
5 and it's kind of unfair to be asked to participate in
6 scoping and let you all know what are environmental concerns
7 are, when we really lack a complete understanding of what is
8 being proposed.

9 From what I think I heard this evening, earlier,
10 we're not even really positive, if the lines on the maps
11 that we're seeing, are the same lines as where we think the
12 pipeline will be. So, just in an overview, that's a
13 concern.

14 I think other people have said this, but it needs
15 to be stated over and over again. It appears that the vast
16 benefit from this pipeline will go to Florida and Florida
17 consumers, and very obviously, it is Georgia, Georgia's
18 wetlands, Georgia's citizens, Georgia's resources that are
19 going to be impacted by this.

20 I think that before decisions are made about the
21 specifics of the route, which wetlands will be destroyed,
22 whose property will be harmed, there really needs to be a
23 very complete analysis of alternatives. Is this line
24 cutting down the coast of Georgia, necessary, and should
25 Georgians continue to be asked to bear the price for

1 consumption of energy in Florida?

2 Unfortunately, I'm not totally up to date on what
3 sales are occurring to Florida from Georgia transmission
4 facilities and generating facilities, but I know that,
5 historically, portions of Plant Shear (ph.) in Macon, were
6 actually -- the power plants were actually sold to Florida,
7 and I know that large amounts of generating capacity has
8 been wheeled down to Florida through our transmission lines,
9 which means that Georgia is already paying a price in air
10 quality, mercury emissions, that kind of thing, from the
11 consumption of electricity in Florida.

12 So, I would respectfully ask FERC, that the first
13 question that you need to be asking is, is placing this
14 facility in Georgia, an appropriate thing to do to Georgia,
15 when the net benefit is actually going to Florida?

16 In that same vein, if meeting Florida's energy
17 needs is the goal -- and certainly the people in Florida
18 have a right to have their energy needs met -- I think it's
19 critically important that a true alternatives analysis be
20 conducted, that would take a look at the amount of money
21 that's going to be spent to construct this facility, to
22 mitigate the wetlands, pay the landowners, and really look
23 at what that amount of money being spent on construction and
24 efficiency for these customers that are going to be served
25 by the new resources, would offer.

1 And, you know, that's obviously a technical
2 question that needs serious technical evaluation, but if you
3 can't answer that question, you should not be permitting a
4 pipeline down the coast of Georgia, because if that same
5 amount of money could have the same outcome in serving those
6 customers, then it's just blatantly unfair to create that
7 unnecessary harm in Georgia.

8 And it's a waste of money. We are continuing in
9 this country on the wrong path by working to meet need
10 instead of working to ensure that efficiency is the mandate.
11 It's gotten us into trouble internationally, and it will get
12 us in trouble at home, if we don't take a serious look at
13 that.

14 I think that FERC is in a unique position to
15 really start weighing some of these things when you make
16 decisions about a facility such as this.

17 I would also ask that you look at what the
18 cumulative effects of other pipelines and other corridors
19 are in this area. You're not just looking at one pipeline;
20 you're looking at a number of different transmission
21 facilities that are in this area and in other places, and
22 it's -- every time you make another cut, you create a
23 greater impact than just the original cut, and I think other
24 people have spoken to that.

25 In any project such this, there's always the

1 increased potential for accidents. And it would seem quite
2 important to understand what that potential was, and, again,
3 whether that was an appropriate risk for Georgians and
4 Georgia's resources to be taking when the outcome is service
5 for Florida.

6 I think other people have spoken to the issues
7 associated with the damage to the wetlands, and I won't go
8 that very much, but I will say that, as Mr. Holland said,
9 one of the things that people in South Georgia value the
10 most, is their ability to hunt and fish and actually get out
11 into these areas.

12 A project of this nature may well have impacts on
13 the individual hunting seasons and fishing opportunities of
14 literally dozens or hundreds of people. And I don't think
15 they know about this, and they're not here, and they have no
16 idea what kind of project is being put forth here and what
17 kind of impacts it might have.

18 Let's see -- in closing, I think I would like to
19 follow up on Mr. Kyler's question where he was asking you
20 about the Environmental Impact Statement. You made a
21 statement that sounded as if it was possible for FERC to
22 deny this pipeline, and I'd like for you to illuminate, if
23 possible, what circumstances would lead to denying a permit
24 for a facility such as this?

25 MR. McGUIRE: Well, that would be -- it's --

1 where we've denied -- that would all be on the adequacy of
2 the information that we get from the company, so
3 applications of a project -- usually, if it's an inadequate
4 or ill-conceived project, it wouldn't get that far into the
5 process, before it's -- before the project falls apart, so -
6 - does that --

7 MS. SHEPPARD: So, is a process that's traveled
8 this far, destined for approval?

9 MR. McGUIRE: It's a difficult question to
10 answer.

11 MS. SHEPPARD: If a project has gotten to this
12 stage, is it destined to be approved?

13 MR. McGUIRE: Well --

14 MS. SHEPPARD: Is this an exercise we're in?

15 MR. McGUIRE: As I mentioned earlier, I mean,
16 normally, our public process begins after an application is
17 filed, so this pre-filing process is early in the process
18 for the Commission, so the whole purpose of pre-filing, as I
19 mentioned earlier, is to get public input early, so that it
20 can have some impact on the design of the project.

21 So, just -- I mean, I understand your concerns,
22 that you haven't been notified, and I hope that the Company
23 will hear you and seek you out to meet with you as an
24 organization, to address your issues and hear your issues
25 more fully.

1 I'm sure that they will be motivated to do that,
2 to address your issues. But it's early in the process. I
3 mean, this -- we're just beginning the public input
4 process, and the project is -- you know, the application has
5 not been filed with the Commission, so they're designing the
6 project as we speak.

7 The point of tonight is to identify issues and
8 resolve those issues, if that's possible.

9 MS. SHEPPARD: Okay, well, I would certainly hope
10 that the issues that I've raised about whether any pipeline
11 down the coast of Georgia is an appropriate facility in
12 Georgia, given the outcome.

13 And I do want to clarify, because I don't want
14 anybody to have misunderstood, Cypress has been in touch
15 with us, and they asked if we wanted to participate. We
16 said yes, but somehow this matter of informing people about
17 the public meeting where the information was dispersed, did
18 not take place.

19 I agree with you that I'm quite sure people will
20 be willing to take additional amounts of time to share
21 information, and I appreciate that, but in terms of policy
22 and process to hold public meetings and not let people who
23 are known to be interested in that issue, know about them,
24 is a really serious problem.

25 It gives me great concern for how everything is

1 going to happen when I'm told that I don't need to worry
2 because there's no impact, but I missed the meeting when the
3 discussion was about how the impact is going to take place.

4 But again, I do appreciate FERC's effort to
5 inform people, because I do think that your notices have
6 gone out, and people are aware from your mailings. Thank
7 you very much.

8 MR. McGUIRE: Thank you, Ms. Sheppard. Is there
9 anyone else who would like to make formal comments into the
10 public record? Yes, sir?

11 MR. JOHNSON: I would like to ask a question.

12 MR. McGUIRE: If you wouldn't mind coming to the
13 podium to ask the question in to the record?

14 MR. JOHNSON: Certainly. Do you want me to spell
15 my name?

16 MR. McGUIRE: Please?

17 MR. JOHNSON: My name is Carl Johnson, J-O-H-N-S-
18 O-N. I'm a Glenn County Commissioner, and it's
19 predominantly going to run through all of the district that
20 I am elected to.

21 Are you going to mainly follow -- and I guess
22 this is for Southern. Are you going to mainly follow the
23 electric power line; is that what you're mainly going to do
24 with this? Is the majority of the gas line going to be in
25 the electric utility right of way that is already cut?

1 MR. HUGHES: Can I answer that on the record?

2 MR. McGUIRE: Yes.

3 MR. HUGHES: The preliminary proposal for the
4 right of way is to be immediately adjacent to the existing
5 power line right of way. We're going to use as much
6 temporary work space as we can on the existing right of way,
7 but our preliminary proposal is to acquire a 50-foot
8 easement adjacent to the power line right of way. But that
9 is an issue that is part of the EIS.

10 MR. McGUIRE: And just to address that concern as
11 well as Mrs. Sheppard's, alternatives is one of those items
12 that we identified in our list of issues that we will be
13 looking at, alternatives to the pipeline, either system
14 alternatives, as well as route alternatives.

15 MR. JOHNSON: Can I ask one other question then?
16 We have three major roads you've got to cross, and I guess
17 you'll do boring under all those highways, directional bore?

18 MR. HUGHES: Our project engineer is not with us
19 tonight. Unfortunately, he was not able to join us, but I
20 believe all road crossings are to be bored and all major
21 river crossing are to be drilled.

22 MR. JOHNSON: One other question: Where do you
23 propose to get the majority of your labor force from?

24 MR. HUGHES: Again, our Project Engineer would be
25 a better source for that information. Typically, for a

1 project of this magnitude, assuming that the project is
2 approved by the FERC, we would bid or solicit bids from
3 multiple contractors for a project of this magnitude, and
4 depending on the contractor selected for the installation of
5 the line, would determine where most of the labor pool would
6 come from, and the skill sets that are required from the
7 labor pool.

8 MR. JOHNSON: This is my last one and I'll sit
9 down and hush. Is there any proposal or any speculation on
10 putting in an electric generating plant along this pipeline?

11 MR. HUGHES: The power generation industry, in
12 general, Georgia, Florida, Southeast, Mid-Atlantic, actually
13 nationwide, has elected to use natural gas to fuel most of
14 the new power plants that have been constructed in the U.S.
15 in the last five years.

16 Based on just a general overview, while coal and
17 nuclear -- I'm not aware of any new coal or nuclear plants
18 that have been either permitted or filed, there continues to
19 be gas-fired generation proposed in Georgia and Florida.

20 Whether any of those potential sites would be
21 proposed along this pipeline corridor, remains to be seen.
22 There have been a couple of projects that have been, on a
23 very preliminary basis, looked at in the Brunswick area, but
24 I think all but one of those projects have been abandoned.

25 There is still one project that, from time to

1 time, we hear about, that would require additional natural
2 gas in the area in order for that project to be developed,
3 but at this time, I'm not aware that anyone is in the
4 process of pursuing construction of a facility.

5 MR. JOHNSON: Final comment: I'd just like to
6 thank you all for being here, and that as a County
7 Commissioner, we received excellent correspondence and
8 different things pertaining to this. It's been in the
9 newspaper two or three times. I think Brunswick News
10 covered it, and it's been advertised quite well, in my
11 opinion. Thank y you.

12 MR. McGUIRE: Thank you very much. That
13 concludes the formal part of our presentation -- sir, did
14 you have a comment?

15 MR. KNEIB: Yes, I'd like just add one thing, if
16 I may. My name is Ronald Kneib, K-N-E-I-B. I appreciate
17 this opportunity, as well, and agree very much with the
18 previous speakers' concerns about the environmental issues.

19 But there is one other issue that I thought --
20 that I was hoping would be considered. This pipeline -- and
21 it does carry a flammable and explosive product -- is going
22 to be going under all of the roadways that lead away from
23 the coast, and I hope that that is considered in terms of
24 hurricane evacuation.

25 Usually, in times of emergency or serious

1 disasters like this, are when things go wrong, so I just
2 hope that there will be extra care taken in that regard, as
3 well. Thank you.

4 MR. McGUIRE: Thank you very much. Sir?

5 MR. MR. LIGHTSEY: Yes, my name is Curtis
6 Lightsey. That's L-I-G-H-T-S-E-Y.

7 I've heard four people talk about being against.
8 Now, I live at the River, at Altamaha River, and there's
9 already a gas line there that goes east to west.

10 And it's a very unobtrusive thing. It's not an -
11 - it's an explosive hazard, but it's not a -- you know, you
12 don't have to worry about things blowing up all the time.

13 And I think that the pipeline running from
14 Savannah to Florida would be a good thing for this port.
15 You know, people talk about, you know, we want to grow our
16 port and all, and it would be good infrastructure.

17 I wanted to just come out and say that I support
18 the pipeline coming through. Thank you.

19 MR. McGUIRE: Thank you, sir. I'll ask again:
20 Is there anyone else who would like to make comments into
21 the record?

22 (No response.)

23 MR. McGUIRE: That concludes the formal part of
24 our presentation tonight. I encourage you to stay and look
25 at the maps and the information that Southern Natural Gas

1 has brought with them tonight, particularly if it relates to
2 the effects of how your land is crossed.

3 If you are interested in transcripts of these
4 meetings, the transcripts will be available in the public
5 record at FERC. They will be accessible.

6 On behalf of the Federal Energy Regulatory
7 Commission, I thank you for coming here tonight and
8 expressing your comments.

9 (Whereupon, the scoping meeting was concluded.)

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