

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

PUBLIC SCOPING MEETING  
FOR THE ELBA III PROJECT EIS

April 12, 2006  
7:00 p.m.

THOMSON HIGH SCHOOL CAFETERIA  
1160 WHITE OAK ROAD  
THOMSON, GA 30824

LeShaunda D. Cass, CCR-B-2291

## DISCLOSURE

1  
2  
3 Pursuant to Article 8(B) of the Rules and  
4 Regulations of the Board of Court Reporting of the  
5 Judicial Council of Georgia, I make the following  
6 disclosure:

7 I am a Georgia Certified Court Reporter,  
8 here as a representative of Alexander Gallo &  
9 Associates, Inc., to report the foregoing matter.  
10 Alexander Gallo & Associates, Inc., is not taking this  
11 deposition under any contract that is prohibited by  
12 O.C.G.A. 5-14-37 (a) and (b).

13 Alexander Gallo & Associates, Inc., has  
14 agreed to provide reporting services for  
15 ACE-Federal Court Reporters, the terms of which are as  
16 follows:

17 The above mentioned referring firm will do  
18 production and billing of transcripts of this matter.  
19  
20  
21  
22  
23  
24  
25

1 Transcript Orders:

2

3 LAURENCE J. SAUTER, JR.

4 Federal Energy Regulatory Commission

5 888 First Street, N.E.

6 Room 62-51

7 Washington, DC

8 202.502.8205

9 202.208.0353 - Facsimile

10 Laurence.sauter@ferc.gov

11

12 JAMES D. JOHNSTON

13 Southern Natural Gas

14 1900 Fifth Avenue North

15 Birmingham, Alabama 35203

16 205.326.2019

17 205.327.2253 - facsimile

18 James.johnston@elpaso.com

19

20

21

22

23

24

25

1                   Public Scoping Meeting  
2                   for The ELBA III Project EIS  
3                   April 12, 2006  
4

5                   MR. SAUTER: Good evening to all of  
6                   you. On behalf of the Federal Energy  
7                   Regulatory Commission, I would like to  
8                   welcome you.

9                   Let the record show that the Thomson  
10                  public scoping meeting for the Elba III  
11                  project began 7:10 -- oop -- 7:05 p.m.  
12                  on April 12, 2006.

13                 My name is Larry Sauter. I'm an  
14                 environmental project manager at the  
15                 Federal Energy Regulatory Commission.

16                 Tonight with me is Danny LaFin, who  
17                 some of you may have met the last time  
18                 through. He is at the table over there.  
19                 He is on my staff.

20                 Also Steve Compton and -- Steve  
21                 Compton and Alisa Smith of  
22                 TRC Solutions. That's an environmental  
23                 consulting firm. Steve and Alisa is at  
24                 the front door as well. They are  
25                 assisting me in the preparation of the

1 environmental impact statement.

2 The purpose of the meeting tonight  
3 is to give you an opportunity to provide  
4 environmental comments on the planned  
5 Elba III project.

6 The project consists of two  
7 components: The expansion of Southern  
8 LNG's existing Elba Island liquified  
9 natural gas import terminal on Savannah  
10 River, down just south of Savannah, and  
11 construction of a natural gas pipeline  
12 and related facilities in various  
13 counties in Georgia and South Carolina  
14 by the Elba Express Company.

15 Now, both of these outfits are owned  
16 by Southern Natural Gas, so I'm going to  
17 refer to them as "Southern" or "Southern  
18 Natural" tonight, even though they're --  
19 got two different names in these  
20 companies.

21 On February 1, 2006, Southern LNG  
22 and Elba Express were accepted into the  
23 FERC's prefile process, which means we  
24 will be getting our environmental review  
25 before a formal application is filed

1 with the Commission.

2 If built, this project would  
3 increase the storage and send-out  
4 capacity of the liquified gas import  
5 terminal and provide a new pipeline  
6 system to carry gas to various locations  
7 in Georgia and South Carolina.

8 I'm not going to spend a lot of time  
9 talking about the LNG import terminal  
10 tonight because that is way down the  
11 road. And I think what is more  
12 pertinent and of more interest to you  
13 all is the pipeline.

14 But I'm not bashful about talking  
15 about the import terminal. If you want  
16 details on it, ask or visit with  
17 Southern after the meeting and they will  
18 be happy to tell you more than you want  
19 to know, probably.

20 The second component of the project,  
21 though, is the pipeline. Pipeline would  
22 involve about 188 miles of new natural  
23 gas pipeline and related facilities and  
24 a new nominal 10,000-horsepower  
25 compressor station sited down here in

1 Woodcliff, Screven County, Georgia.

2 It's down the road a piece.

3 The pipeline will be divided, again,  
4 into two segments. There is a  
5 42-inch-diameter segment that runs from  
6 Port Wentworth, down north of Savannah,  
7 up to an existing compressor station  
8 that Southern Natural owns at Wrens,  
9 which isn't too far from here. That  
10 basically follows the existing pipeline  
11 corridor that extends between Port  
12 Wentworth and Wrens.

13 From Wrens, the other segment of the  
14 planned pipeline is a 36-inch-diameter  
15 line. From Wrens, come up through here  
16 and go on out towards Hart County,  
17 Georgia, and then over into Anderson  
18 County, South Carolina, across the  
19 Savannah River.

20 When it's completed, this pipeline  
21 and the compression that goes with it  
22 will be capable of carrying almost  
23 1.2 billion cubic feet of gas every day.

24 In a few moments I'm going to ask  
25 the Southern folks to come up and

1 present a more detailed description of  
2 their project to you. Southern is here  
3 to answer your questions.

4 And they will also be available  
5 after the formal portion of the meeting  
6 to discuss with you their project and to  
7 look at maps if you are interested in  
8 that. And we've got all kinds of  
9 information to share with you.

10 Right now I'm going to talk a little  
11 bit about the scoping process and public  
12 involvement in FERC projects.

13 In general, for the projects in  
14 general, the FERC docket number for this  
15 project is PF06-14-000. The "PF" means  
16 that we are in the prefiling stage. We  
17 talked about that a moment ago. Once  
18 the formal application is filed with the  
19 Commission, they will give it another  
20 docket number to let everybody know that  
21 it's not in the prefiling stage any  
22 longer and that we got a formal  
23 application.

24 The National Environmental Policy  
25 Act requires that the FERC take into

1 consideration the environmental impacts  
2 associated with new natural gas  
3 facilities.

4 "Scoping" is a general term for  
5 soliciting input from the public before  
6 the environmental analysis is conducted.  
7 The idea is to get information from the  
8 public, as well as federal and state  
9 agencies and other groups, so we can  
10 focus on the issues that are important  
11 to the particular project during our  
12 review.

13 For this project, the official  
14 scoping period will conclude on  
15 April 24th. However, the end of the  
16 scoping period is not the end of the  
17 public involvement. There will be  
18 additional points along the process for  
19 public input. Discovery is just the  
20 first step.

21 Our scoping process for the Elba III  
22 project started last month when we  
23 issued a notice of intent. I'm hopeful  
24 that everybody got one of these in the  
25 mail and that is why you came out

1        tonight. It's got the date it was  
2        issued on there, March 24th, and it's  
3        got the FERC docket number up there so  
4        you don't have to memorize it. It's all  
5        there for you. We have some extra  
6        copies of this notice at the front door,  
7        though, if you didn't get it or if you  
8        need a second one.

9            And I would encourage all of you who  
10        are here tonight to sign in on our  
11        sign-in sheet there at the front door.  
12        The sign-in sheet is real important to  
13        me because folks come out to these  
14        meetings; I figure they are interested  
15        in the project and the process. And the  
16        way I can make sure that you get the  
17        information you are interested in is for  
18        you to be on my mailing list. So it's  
19        real important to me.

20            They may ask you to put your name on  
21        there. Print legibly so I can read it  
22        when I get back home. If you haven't  
23        already signed in, you know, do so on  
24        the way out, maybe.

25            As I said a moment ago, scoping is

1 the first step in the process of  
2 preparing the environmental impact  
3 statement, determining what  
4 environmental resource issues are  
5 important to the public. Your comments  
6 and concerns, along with all of the  
7 other folks and agencies that have been  
8 asked to participate in this process,  
9 will be used to focus our environmental  
10 analysis. Comments we receive tonight,  
11 together with written comments you have  
12 already submitted or that you intend to  
13 submit, will be added to the record as  
14 environmental comments in the  
15 proceeding.

16 After scoping the project issues,  
17 we'll take your comments and other  
18 information we gather and do an  
19 independent analysis of the potential  
20 environmental impacts associated with  
21 the project.

22 Then we'll publish our findings in a  
23 draft environmental impact statement.  
24 This will be mailed out to everyone on  
25 our mailing list and it will be

1 publically noticed for comments. During  
2 the comment period, we'll hold  
3 additional meetings in the project area  
4 to receive oral comments on the  
5 document.

6 We'll then continue our analysis and  
7 incorporate the public comments in the  
8 final environmental impact statement.  
9 Again, that will be mailed out to  
10 everyone that's on our mailing list. So  
11 you see why that mailing list is  
12 important to me.

13 If you received our notice of  
14 intent, you will see that we plan on  
15 issuing our impact statements on these  
16 little disks, CDs. The reason we do  
17 that is simply economics. Right now we  
18 have a mailing list that is approaching  
19 2,000 entries. That is a lot.

20 The last time I did a big impact  
21 statement like this will be, it ran us  
22 between seven and eight dollars to mail  
23 each copy of it. So if you've got 2,000  
24 names on the list and it costs you \$8 to  
25 mail the thing out to each person,

1       that's a lot of money. I can't remember  
2       what the printing cost was, but I'm  
3       guessing it was in the neighborhood of  
4       \$25 apiece.

5               So you can see that adds up really  
6       quick. And these things cost about  
7       75 cents and then a dollar and a half to  
8       mail them. It makes a lot of sense if  
9       people like CDs.

10              What I'm trying to emphasize to you,  
11       though, is if you don't want one of  
12       these, you need to tell me and I'll make  
13       sure you get a paper copy of the  
14       document. You can bet there will be a  
15       paper copy on my desk. This is real  
16       handy, but I'll be working with a paper  
17       copy.

18              So if you do nothing, you will get  
19       one of these in your mailbox with a  
20       draft impact statement on it and then  
21       another one with the final impact  
22       statement.

23              There is a couple, three ways you  
24       can tell us that you want a paper copy  
25       instead of this. One is, there was a

1 return mailer on our notice of intent,  
2 back in the back. This notice of intent  
3 had a return mailer on the back of it.  
4 It said, Take my name off the list. I'm  
5 not interested. Or please send me a  
6 copy of the -- paper copy of the impact  
7 statement. So that is one way you can  
8 tell me you want a paper copy.

9 We have an agenda I hope each of you  
10 got when you walked in tonight. And the  
11 back page on it gives you an opportunity  
12 to write comments. You can tell me on  
13 here you want a paper copy of the impact  
14 statement. If you don't want a CD, that  
15 is all right.

16 The third way is the sign-in sheet  
17 there at the door. It has a column on  
18 it, on the right-hand side, that says  
19 "paper copy or CD-ROM."

20 So there is a couple, three ways you  
21 can tell us if you want a paper copy.  
22 Don't be bashful. I'm not real keen on  
23 sending these out because a lot of  
24 people don't like computers. And that  
25 is -- that is perfectly all right. But

1       you need to let me know.  If you don't  
2       do anything, you'll be getting a CD-ROM  
3       in your mailbox.

4             Now I'm going to differentiate  
5       between the role of the FER Commission  
6       and the FERC environmental staff.

7             The Commission is responsible for  
8       determining if the project is consistent  
9       with the public interest.  The EIS,  
10       environmental impact statement,  
11       prepared -- is prepared by FERC  
12       environmental staff.  That is me.  It  
13       does not make this determination.

14            In general, the EIS describes the  
15       project facilities, associated  
16       environmental impacts, alternatives to  
17       the project, reasonable mitigation to  
18       avoid or mitigate impact, and it  
19       presents conclusions of the analysis.  
20       So the EIS is used to advise the  
21       Commission and to disclose to the public  
22       the potential environmental impacts of  
23       the project.

24            The Commission will consider the  
25       environmental information and the impact

1 statement, public comments, as well as a  
2 whole bunch of nonenvironmental issues  
3 like engineering, markets, rates,  
4 terrorists, design of the facility, the  
5 cost of the facility. And they'll  
6 consider both environmental and  
7 nonenvironmental factors before they  
8 make their decision.

9 Are there any questions about the  
10 scoping process or the FERC's role in  
11 this proceeding?

12 I also want to tell you that there  
13 are several other federal agencies that  
14 have either already agreed to cooperate  
15 with this preparation of this impact  
16 statement or they will be involved in  
17 some way, shape, or form.

18 One agency is U.S. Army Corps of  
19 Engineers, will be issuing the necessary  
20 permits for the wetland process. And  
21 they will be cooperating with us in the  
22 preparation of the document.

23 Another is the U.S. Coast Guard.  
24 They are going to be focusing on the  
25 terminal expansion down south of

1 Savannah. I don't expect that I'll have  
2 any of their help on the pipeline. That  
3 is out of their jurisdiction. But they  
4 are going to be cooperating with us  
5 nonetheless. I look forward to that.

6 There is other agencies like the  
7 U.S. Fish and Wildlife Service, the  
8 marine fisheries people -- the federal  
9 marine fisheries people, State of  
10 Georgia, and probably some of the folks  
11 in the State of North Carolina and their  
12 Department of Natural Resources. They  
13 may not be as active participants in the  
14 development of this document, but I like  
15 to use all of the resources that are  
16 available to me when I prepare an impact  
17 statement like this. And those people  
18 have good ideas and good advice, so I  
19 like to use it.

20 All right. And the next thing on  
21 our agenda is we'll hear from Southern  
22 Natural Gas. So I'm going to let Chris  
23 Bradberry come up here and talk to you a  
24 little bit about his project.

25 MR. BRADBERRY: Hi. Good evening.

1 My name is Chris Bradberry with Southern  
2 Natural Gas.

3 Can you folks here see the screen  
4 behind me? Okay. I want to make sure.  
5 If not, I'll stand over there.

6 Larry mentioned that he was not  
7 going to focus much on the terminal  
8 portion of our project. Our slide  
9 presentation has both portions of the  
10 project in it, so I will talk a little  
11 bit about the terminal, but I will go  
12 through it rather quickly.

13 As Larry mentioned, the project has  
14 two components. A proposed expansion of  
15 our Elba Island LNG receiving terminal.  
16 That's south of Savannah, Georgia.

17 This is a recent aerial photo of the  
18 facility. The -- it's on -- this is the  
19 island itself, and Savannah is up here  
20 in the background. This is the  
21 terminal. This is an unloading slip or  
22 an LNG vessel which is actually berthed  
23 to unload the liquified natural gas into  
24 these tanks. These are the tanks that  
25 store the liquified natural gas.

1           So part of our proposed project is  
2           expand this terminal and increase its  
3           capacity. The second component, which I  
4           think probably most of you are  
5           interested in, is the proposed pipeline  
6           project.

7           This is a proposed new pipeline  
8           called Elba Express Pipeline Company.  
9           It would consist of a 42-inch pipeline  
10          starting at Port Wentworth, near  
11          Savannah, Georgia -- can you all see  
12          that? -- and running -- running north,  
13          parallel to the existing Southern  
14          Natural Gas pipeline, up to Wrens, as  
15          Larry mentioned.

16          On this map, you will see -- I  
17          believe this map is also included in  
18          your -- in your mail-out. You will see  
19          three pipelines noted. You will see  
20          Southern Natural Gas, which is the blue  
21          pipeline. That color is not that good  
22          on this slide. The black pipeline here  
23          is Transcontinental Gas pipeline or  
24          Transco pipeline. And then purple is  
25          the proposed -- the Elba Express

1 pipeline.

2 The second segment of the Elba  
3 Express pipeline that is proposed is a  
4 36-inch pipeline running from near Wrens  
5 north through several counties,  
6 including this county, to Trans- --  
7 interconnect with Transco's system.

8 One of the questions we often get is  
9 why this project is needed or why it's  
10 being proposed. Just a quick summary of  
11 why we are proposing to do this project.

12 First of all, maybe you are probably  
13 aware that demand for natural gas is  
14 increasing. The cost for natural gas is  
15 high. That is one of the reasons the  
16 cost is high, because the demand is  
17 increasing.

18 Unfortunately, domestic supplies for  
19 natural gas are not keeping up with  
20 demand. They are falling short of  
21 what -- of the increasing demand.  
22 Therefore, imported supplies are needed  
23 to fill the gap between the  
24 supply-and-demand chain.

25 The capacity that exists for

1 importing natural gas and transporting  
2 it to market is limited. And therefore  
3 more -- more import and transportation  
4 capacity for natural gas is needed to  
5 bring that imported natural gas to  
6 market.

7 So those are the reasons why this  
8 project is being proposed to begin with.

9 A little bit about the LNG supply  
10 chain. You've got to understand the  
11 steps that it goes through.

12 "LNG" does stand for liquified  
13 natural gas. By its name, that  
14 liquified natural gas is natural gas  
15 that has been put into a liquid state.  
16 It actually looks like water. It's  
17 clear.

18 The natural gas is first produced  
19 somewhere, using traditional production  
20 methods. This may be produced anywhere  
21 in the world through gas production  
22 wells. A lot we have here in the states  
23 and a lot we have in other areas of our  
24 continent. These -- this production  
25 will be produced anywhere in the world.

1           Then it can be liquified, and that  
2           is an interesting process. Basically,  
3           it's cooled or chilled down to a very  
4           cold temperature of minus 260 degrees  
5           Fahrenheit, that temperature where the  
6           natural gas turns into a liquid and it's  
7           liquified natural gas.

8           As it's liquified, it reduces its  
9           volume it consumes by 600 times. In  
10          other words, if you take one cup of  
11          natural gas -- 600 cups of natural gas  
12          and liquify it, you would have one cup  
13          of liquified -- 600 cups of natural gas,  
14          liquified, would be one cup of LNG  
15          liquified natural gas, which makes it  
16          easier to transport.

17          So it will then be put into a  
18          tanker, like is seen here, and  
19          transported somewhere else in the world.

20          The tanker then can go to some other  
21          receiving terminal, but it has to go to  
22          a terminal that can receive LNG --  
23          receive it, store it, and liquify it,  
24          which is exactly what the Elba Island  
25          terminal is. Now, this terminal here is

1 not Elba Island; it's another LNG  
2 terminal somewhere else.

3 And then, finally, the natural gas,  
4 once it's regasified -- and the  
5 regasification process is taking the  
6 liquid and warming it until it goes from  
7 minus 260 degrees Fahrenheit to about  
8 40 degrees Fahrenheit, which only -- it  
9 turns into gas again, is put back in the  
10 pipe -- the pipeline.

11 This photo here is actually a  
12 picture of a -- of a natural gas  
13 pipeline after it is constructed but  
14 before it has been buried in the ground.  
15 This is a large-diameter natural gas  
16 pipeline.

17 Those are the steps in the LNG  
18 supply chain. And the steps that we're  
19 involved in, which we are proposing on  
20 the three projects, are the last two,  
21 the LNG receiving and storage and the  
22 regasification terminal and then the  
23 natural gas pipeline.

24 Here is a photo of Elba Island. As  
25 it exists today, it has four tanks. You

1 will notice there are three tanks that  
2 is one size and one tank that's larger.  
3 The larger tank is the newest of the  
4 tanks.

5 The -- the terminal was built back  
6 in the late '70s. These three tanks  
7 were the original tanks, and then  
8 this -- and in the last few years, this  
9 new tank has been built, actually put  
10 into commission this past February.

11 Also some of the work down at the --  
12 at the island recently, in the last few  
13 weeks. They will be -- the building of  
14 this slip right here, where we can berth  
15 the LNG vessels.

16 Prior to building this slip, the LNG  
17 vessels were all berthed on the river,  
18 which this is the river here and this is  
19 the original river unloading dock. We  
20 now have two unloading docks down in  
21 this berth area or slips where the ships  
22 can berth there and be out of the main  
23 tanker traffic.

24 This proposed Elba III project would  
25 include two phases: An expansion of the

1 terminal that consists of two new  
2 storage tanks, as depicted here in this  
3 rendition, and also additional  
4 vaporizers, which those are the heat  
5 exchangers that convert liquified  
6 natural gas back into a gas form.

7 There were -- there is supposed to  
8 be two phases to this project, Phase A  
9 and Phase B. Phase A is proposed for  
10 2010 in service. Phase B is proposed  
11 for 2012 in service. Those two phases  
12 consist of mainly one tank and then a  
13 second tank and then some vaporizers.

14 But the tanks are -- as you can see,  
15 are slightly larger. These tanks that  
16 are -- we're proposing to build are each  
17 1,250,000 barrels if you are measuring  
18 the liquid volume. Some people measure  
19 tanks in terms of cubic meter or cubic  
20 feet. But if you're talking about  
21 barrels, it would be 1,200,000 barrels  
22 each, for each of the two tanks.

23 The cost of this project is around  
24 \$350 million.

25 Now, the part I think most people

1 here are more interested in is the  
2 pipeline -- proposed pipeline project.  
3 This map shows, again, the route for the  
4 proposed Elba Express pipeline project.

5 The Elba Express Company is a wholly  
6 owned subsidiary of Southern Natural  
7 Gas, which is our company. It is a  
8 separate company. It has its own  
9 separate rate structure.

10 What that would mean would be  
11 like -- I think it's like a toll road.  
12 You know, different toll roads have  
13 different toll -- toll rates, and it's  
14 kind of where our pipeline is.

15 We are in the gas transportation  
16 business. We don't -- this gas -- this  
17 natural gas, we don't produce it. We  
18 don't own it. The natural gas comes in  
19 the terminal. We don't own it.

20 We own and operate the terminal and  
21 we own and operate the pipelines. And  
22 the people who produce the natural gas  
23 pay us a fee to bring their natural gas  
24 through our terminal and through our  
25 pipeline.

1           We are much like the trucking  
2 industry or train industry. We  
3 transport but we don't -- we don't own  
4 the product we are transporting.

5           The designed capacity, as Larry  
6 mentioned earlier, is almost 1.2 billion  
7 cubic feet. Natural gas, in a gaseous  
8 state, is only measured in cubic feet.  
9 The standard measurement is a thousand  
10 cubic feet, which is an Mcf. These  
11 units here are one -- 1,175 million  
12 cubic feet would be one thousand --  
13 would be 1.175 billion cubic feet, which  
14 is the number that Larry first quoted as  
15 1.2. That is a large -- very large  
16 pipeline.

17          The facilities are listed there,  
18 about 140 -- about 105 miles of 42-inch  
19 pipe. That is -- again, that's the  
20 southern portion of the segment -- of  
21 the pipeline. The northern portion  
22 would be 36-inch.

23          It's also -- the pipeline is also  
24 proposed to be constructed in two phases  
25 along with the terminal. The terminal

1 is going to have one tank, first phase,  
2 and the second tank, second phase. The  
3 pipeline -- the proposal is to build the  
4 pipeline itself -- the pipe -- the  
5 42-inch pipe, the 36-inch pipe -- in  
6 Phase A, which is 2010 in service.

7 Phase B would be the addition of a  
8 compression station in Screven County,  
9 near Woodcliff. It's about -- I think  
10 it's on here -- with a 10,000-horsepower  
11 compression station. And it would  
12 increase the capacity of the pipeline up  
13 to the 1.175 billion cubic feet.

14 The pipe, when it's originally built  
15 without the station, would be a little  
16 less than a billion cubic feet.  
17 Actually 945,000 Mcf. And the  
18 compression station we add another  
19 couple hundred on top of that.

20 But the 1.175 billion cubic feet  
21 assumes that the pipeline is built and  
22 the compression station is also built.

23 I failed to mention this on the  
24 terminal, but it's true that both the  
25 pipeline and the terminal, we have in

1 place contracts -- firm, long-term  
2 contracts with Shell, a company which is  
3 one of the importers of the liquified  
4 natural gas, and also British Gas.

5 You will see here the investment on  
6 the pipe -- the pipeline is even more  
7 than the terminal, which you will see  
8 that -- well -- oh, it's at the top. I  
9 am sorry. The pipeline investment is  
10 estimated at \$510 million.

11 So we are looking into an eight  
12 hundred and -- what was the other one?  
13 350? \$860 million. We certainly  
14 wouldn't spend that kind of money unless  
15 we had contracts in place with people  
16 for spending that kind of money.

17 So we do have contracts in place  
18 with these -- with these parties that if  
19 we can build the pipe and the terminal,  
20 they will pay the fee to operate those  
21 facilities and our investment will be  
22 recouped.

23 A little bit about our project  
24 schedule. We started the prefiling  
25 process in February, as Larry mentioned.

1 We plan to file our application with the  
2 FERC in September of this year. That  
3 would be after we finish all our surveys  
4 and preparing our resource reports and  
5 evaluating all of the environmental  
6 impact and looking at all of the issues  
7 and prepare our application and submit  
8 it to the FERC around September.

9 We are anticipating that if we can  
10 file it and get everything in place,  
11 that in July of next year we'll have our  
12 certificate, which -- approval to build  
13 these facilities. We'll start it -- if  
14 we do, we would start construction on  
15 the terminal shortly thereafter.

16 It's actually interesting to note  
17 that the terminal takes a lot longer to  
18 build than the pipeline. You think you  
19 are going to build a tank; it's one --  
20 in one place and then build \$200 --  
21 almost \$200 a pipe. But it takes longer  
22 for the terminal. So we're starting it,  
23 as you see, in two -- in 2007. So it  
24 takes almost three years to build it.

25 But it only takes a little less than

1 a year to build a pipeline, \$200 a  
2 pipeline [sic]. So if approved, we  
3 would start construction of the pipeline  
4 in 2009 and be in service in 2010. That  
5 would be the first phase.

6 So Phase A would be in service in  
7 mid-2010 and then Phase B would be in  
8 service 2012, which would be the second  
9 tank and then that compressor station  
10 near Woodcliff.

11 I have a blank slide here.

12 Before -- I'm about finished here.  
13 Before I get into -- a couple of  
14 questions came up at the first two  
15 meetings. As opposed to you asking,  
16 I'll go ahead and try to answer them  
17 ahead of time so you will have the  
18 answer. And then if you have other  
19 questions, we'll talk about those.

20 The question that keeps coming up:  
21 Well, how do you select a pipeline  
22 route? Why do you pick this route or  
23 that route? Why do you go this way  
24 versus that way?

25 There were a number of factors we

1 had to consider or we do consider. One  
2 are the markets. Where is the natural  
3 gas needed to be transported to? Just  
4 like you were going out and building a  
5 road or building whatever. Well, where  
6 does it need to end up? Where are the  
7 markets for this particular project?

8 Most of the markets for natural gas  
9 are in the Southeast -- Georgia,  
10 Alabama, South Carolina. Also the East,  
11 eastern coast. There are -- there  
12 are -- as you know, this area -- this  
13 area is growing. A lot of demand.

14 And if you -- if you go back -- I  
15 will go back to the map. If you do look  
16 back at the map in your handout, you'll  
17 see that the Southern Natural Gas  
18 pipeline and the Transcontinental Gas  
19 pipeline both go to those markets.  
20 They -- one of them goes to the --  
21 toward the East Coast and comes from the  
22 Southeast, the Transco pipeline. The  
23 Southern Natural Gas pipeline put out  
24 and serves the Southeast. So those two  
25 pipelines go to places that these

1 markets are located.

2 So one thing that -- well, where are  
3 the markets? Where is the gas being  
4 delivered? What are the environmental  
5 impacts of choosing this route versus  
6 that route or some other route?

7 Obviously, for the southern portion  
8 of our route, we have an existing  
9 pipeline corridor. And we feel the  
10 least environmental impact is to follow  
11 that same corridor.

12 We also have to consider  
13 constructability. Though you may find  
14 that one particular area is the most  
15 direct route to get into your market and  
16 maybe it's the least -- it's the most  
17 benign in terms of the environmental  
18 impact, but it may not be buildable. It  
19 may -- I mean, it -- maybe it's over a  
20 mountain or in some area where you can't  
21 afford to build a pipeline.

22 We do consider environmental  
23 impacts, try to minimize those. And  
24 also cost comes into play as well.

25 Larry, I'm going to turn it back

1 over to you. I believe that is the last  
2 of my slides. And. . .

3 MR. SAUTER: Once again, after the  
4 formal portion of the meeting is  
5 concluded tonight, Southern folks will  
6 be here. They are eager to answer any  
7 questions they can, look at properties  
8 on the maps, talk about specifics --  
9 right-of-ways, construction techniques,  
10 all that sort of thing. So if you want  
11 information, now is a great time to get  
12 it from them.

13 Well, I probably have talked long  
14 enough, so I'm going to listen and let  
15 you speak at this point. If you'd  
16 rather not speak, again, there is --  
17 page on the back of the agenda you can  
18 write your comments. So if you would,  
19 send them -- what the deadlines are.

20 I'm never real keen on talking in  
21 front of groups, and so this would  
22 probably be my choice. But some people  
23 like to talk in front of groups, and  
24 they are going to get a chance to do  
25 that in a moment.

1           So there is a page on the agenda.

2           There is also -- I think the last  
3 page on the notice of intent, which is  
4 for environmental comments. And as long  
5 as you get them sent in to the Secretary  
6 of the Commission by April 24th, I  
7 believe is the date, we'll be in good  
8 shape.

9           No matter how your comments get to  
10 us, whether they're presented orally  
11 tonight or they are sent in by the  
12 notice of intent or you scribble them  
13 tonight on the agenda, comments will all  
14 be considered. That's the whole purpose  
15 of coming out here is to get your  
16 comments. And believe me, we are going  
17 to consider every comment we get.

18           I guess the best thing to do next is  
19 to call on the speakers who signed up  
20 tonight to speak.

21           You can probably see our meeting is  
22 being recorded by a court reporter.  
23 There is a couple of reasons for that.  
24 One is I have real problem trying to  
25 remember every comment when I go home.

1           And so this way I have a written record.

2           And no comment that is made here  
3           tonight, either by myself or by you or  
4           by Southern Natural, will be forgotten.  
5           This is the public record that the  
6           Commission relies on in making its  
7           decisions. All of your comments are  
8           going to go into that public record.

9           What I would ask each speaker to do  
10          tonight, whether you signed up or you  
11          just feel compelled to speak later on,  
12          is to speak into the microphone. Spell  
13          your name for us so the court reporter  
14          can get it right. Speak slowly and  
15          clearly. If you are representing a  
16          group, I would also like you to tell us  
17          who your group is that you are  
18          representing.

19          So without further ado, I call on  
20          Mr. William Tanner.

21          And I know this looks really formal,  
22          but if you come up and use this, it's  
23          best for my court reporter. She won't  
24          even let me not use a microphone.

25          MR. WILLIAM TANNER: My name is

1 William Tanner, T-a-n-n-e-r. And other  
2 than comments, really, I have questions.  
3 And that is what I told the young lady  
4 here.

5 The first question I've got has to  
6 do with this dock facility. I  
7 understand the Coast Guard is going to  
8 do an assessment on security. How in  
9 the world can they guard a dock facility  
10 when they can't guard our borders?

11 With the illegal immigrants that we  
12 have today, the situation, for them to  
13 assess themselves is not really a good  
14 idea. You know, and I'm wondering what  
15 you are adding to this to ensure that  
16 that facility will be safe.

17 Is there a comment?

18 MR. DARAGONA: Do you want us to  
19 comment now in terms of the safety  
20 equipment that we've got installed?

21 MR. WILLIAM TANNER: No. The  
22 security of the facility.

23 If the Coast Guard is going to do  
24 the assessment of the facility and make  
25 their report to the FERC, we know the

1 track record of the Coast Guard as it  
2 pertains to illegal immigrants. So what  
3 are we doing -- how do you make that  
4 comparison?

5 MR. DARAGONA: Is your concern --

6 MR. WILLIAM TANNER: Sure.

7 MR. DARAGONA: -- immigrants or is  
8 your concern the safety of the port?

9 MR. WILLIAM TANNER: The safety of  
10 the port. Well, if an immigrant or  
11 anyone else came in there and we've now  
12 increased the capacity of the facility  
13 for this huge amount, the risk is that  
14 much greater to Savannah and the  
15 Savannah area.

16 MR. SAUTER: Mike, could you give  
17 the man your report, please.

18 MR. DARAGONA: My name is Mike  
19 Daragona. I am an employee of the  
20 Southern Natural Gas Company.

21 FEMALE SPEAKER: He can't hear you.

22 MR. DARAGONA: My name is Mike  
23 Daragona. I am an employee of Southern  
24 Natural Gas Company.

25 MR. SAUTER: Mike, come over to the

1 dais.

2 MR. DARAGONA: Okay.

3 MR. SAUTER: Spell your last name,  
4 please.

5 MR. DARAGONA: It's D-a-r-a-g-o-n-a,  
6 Daragona. Rhymes with Arizona.

7 The issue that you've raised is a  
8 good issue. The Coast Guard is -- does  
9 monitor that particular aspect of our --  
10 our operations.

11 The people who come in on these  
12 ships are basically restricted to the  
13 ship. The Immigration Department has to  
14 check if any of the people who -- any  
15 people who leave the ship are checked by  
16 the Immigration Department before they  
17 can leave the ship.

18 There is really very close  
19 monitoring of people coming in and out  
20 of the ship. And the Coast Guard keeps  
21 very close tabs on who is on the ship,  
22 whether they get off the ship or don't  
23 get off the ship. So in that regard, I  
24 think I can say, just out of experience,  
25 they -- they do keep very, very close

1 tabs on that.

2 The other item that I might mention  
3 in regard to your comment with regard to  
4 the Coast Guard's ability to control  
5 that: This is not a thousand-mile  
6 border. This is a controlled vessel  
7 where they know what is -- what is going  
8 on.

9 In fact, as part of the control  
10 process, before the ship ever reaches  
11 our dock, which is like eight miles  
12 upriver from -- from -- from the ocean,  
13 where it initially comes in, sets out in  
14 the ocean at a spot called the T buoy.  
15 Before the ship can ever come up the  
16 river, a Coast Guard pilot boards the  
17 ship, checks everything out, and then  
18 actually stays on the ship as it  
19 traverses the river for the eight miles.

20 So there -- there is an ample amount  
21 of security going on on that. So I  
22 don't -- I don't know if that answers  
23 your question.

24 I -- we -- in our first meeting, we  
25 had the Coast Guard officials here. And

1 he could probably answer it a lot better  
2 than I can.

3 So -- and we will -- in our response  
4 to your comment, we will provide, you  
5 know, some further detail if you like.  
6 And we can get that to you.

7 MR. WILLIAM TANNER: My next  
8 question, then, would be when you  
9 arrived at the concept of building this  
10 facility.

11 MR. DARAGONA: Yes.

12 MR. WILLIAM TANNER: It's been  
13 stated that you already had contracts in  
14 place for this gas. Isn't that sort of  
15 getting the cart before the horse?

16 MR. DARAGONA: No.

17 MR. WILLIAM TANNER: How do you know  
18 that the FERC is going to take these  
19 people's lands?

20 MR. DARAGONA: Well --

21 MR. WILLIAM TANNER: Or let me  
22 rephrase that.

23 MR. DARAGONA: Okay.

24 MR. WILLIAM TANNER: How do you know  
25 that the FERC will allow you to take

1       these people's land?

2               MR. DARAGONA: We don't. We don't.

3               MR. WILLIAM TANNER: Then you've  
4       already gotten contracts in place.

5               MR. DARAGONA: We have contracts in  
6       place. Those contracts are obviously  
7       contingent on the -- on the approval of  
8       the FERC to our project. If the FERC  
9       denies our application, then our  
10      contracts are not valid. So the --

11              MR. WILLIAM TANNER: So you created  
12      loop- -- a legal loophole to get out of  
13      that?

14              MR. DARAGONA: Well, I would -- I  
15      would not call it a loophole. I call it  
16      a condition to the contract. The  
17      contracts are conditioned on acceptable  
18      permits. That is a standard practice on  
19      any of these projects.

20              You couldn't do -- it's kind of like  
21      a chicken-and-egg thing. We -- we can't  
22      get the permits from the FERC unless we  
23      have a real project. So -- okay.

24              MR. WILLIAM TANNER: All right. The  
25      other issue I have is, I think there has

1       been some -- I'm not sure how I want to  
2       put this, but misinformation, let's call  
3       it, that's in this report.

4           MR. DARAGONA: Which report are you  
5       referring to, sir? Say --

6           MR. WILLIAM TANNER: It's the notice  
7       of --

8           MR. DARAGONA: Okay.

9           MR. WILLIAM TANNER: It says that  
10       this pipeline facility would require  
11       approximately 1600 acres.

12          MR. SAUTER: I'm sorry?

13          MR. DARAGONA: Pardon me?

14          MR. WILLIAM TANNER: The pipeline  
15       itself and related facility consists of  
16       approximately 1600 acres.

17                 In the letter that I got from the  
18       president of your company, Mr. James C.  
19       Yardley, it indicated there would be a  
20       survey made. It would be 200 feet each  
21       side of the center line of the pipe.  
22       That is 400 feet total.

23                 If you take that 400 feet total  
24       right-of-way and run it from, say, Wrens  
25       to where you are going to end up,

1       83 miles, we are talking about  
2       4,000 acres in just that short of a  
3       distance.

4             MR. DARAGONA: Okay.

5             MR. WILLIAM TANNER: And that is a  
6       big difference. That doesn't even  
7       account for what you may be going to try  
8       to take south of Wrens.

9             MR. DARAGONA: Okay. Let's -- let's  
10       talk about the facts here.

11            MR. WILLIAM TANNER: I thought his  
12       letter was factual.

13            MR. DARAGONA: I don't -- I don't --  
14       I don't have his letter in front of me.  
15       His letter is factual, but I think you  
16       may have misinterpreted what he said.

17            The actual right-of-way that we  
18       are -- Chris, you want to come up here  
19       and talk about the right-of-way?  
20       Let's -- let us -- let's show you some  
21       diagrams about how much right-of-way we  
22       are actually -- actually talking about.

23            MR. WILLIAM TANNER: I understand  
24       what 400 feet is. And that is what it  
25       said.

1 MR. DARAGONA: Okay.

2 MR. WILLIAM TANNER: And I'm pushing  
3 it.

4 MR. DARAGONA: That -- that is  
5 ten -- there -- there is a difference  
6 between what we are asking for  
7 right-of-way in terms of permanent space  
8 that we are wanting to locate our  
9 pipeline in and actual temporary work  
10 space.

11 And there is some additional area  
12 that in order for us just to do the  
13 surveys, to get enough archeological,  
14 biological, cultural data that the FERC  
15 requires of us when we -- when we do a  
16 project like this, we have to gather  
17 information pretty far out from where  
18 our pipeline is going to be just to make  
19 sure that we are not impacting a  
20 sensitive area.

21 So let's --

22 MR. WILLIAM TANNER: I don't know of  
23 anything that's not sort of sensitive.

24 MR. DARAGONA: Well, let's -- let's  
25 talk about -- let's talk about the real

1 numbers and let's talk about -- let's  
2 put some pictures up here so you can see  
3 what we are actually talking about.

4 Okay?

5 MR. WILLIAM TANNER: Okay.

6 MR. DARAGONA: Okay.

7 MR. SAUTER: Why don't you introduce  
8 him?

9 MR. BRADBERRY: Oh, Chris Bradberry,  
10 B-r-a-d-b-e-r-r-y.

11 The white area that Mr. Tanner is  
12 referring to is the survey corridor, the  
13 area that we go out and survey, looking  
14 for the things that might -- that are  
15 going to mention archeological areas  
16 that are -- that we think will avoid  
17 environmental areas, wetlands, those  
18 sorts of things. That is not the extent  
19 of the right-of-way that we need to  
20 build a pipeline nor operate or maintain  
21 the pipeline.

22 I've got some pictures here, and I  
23 haven't put them on the screen for us.  
24 I'm not sure how clear it will be. And  
25 I'll be glad to give anybody hard copies

1 of these. These are also available on  
2 the FERC website because they are part  
3 of one of our filings.

4 But let me ask first -- before I go  
5 through these, let me ask generally  
6 where you folks are. Is anybody here  
7 that lives -- their property is south of  
8 Wrens by more than 15 miles? Is  
9 everyone her who has property interested  
10 in north of that point? In other words,  
11 either 15 miles south of Wrens or north  
12 of there; indeed, north of where we are  
13 at now?

14 Okay. Then I'll skip over one of  
15 these because it won't apply.

16 This diagram here shows the  
17 right-of-way -- a typical right-of-way  
18 dimension that we are proposing for the  
19 project. This would -- this would apply  
20 for those sections from Wrens, if  
21 you're -- if you take a look at our map  
22 again, from Wrens south for  
23 approximately 15 miles.

24 For that 15 miles, there are  
25 currently -- Southern Natural Gas

1       Company has three pipelines in a 90-foot  
2       right-of-way. For the -- there may be  
3       exceptions. I'm talking generally.  
4       Southern Natural Gas Company has a  
5       90-foot right-of-way. And in that  
6       right-of-way, for those 15 miles, there  
7       are three pipelines. There are two  
8       14-inch pipelines and one 20-inch  
9       pipeline.

10       For the Elba Express project, what  
11       Elba Express is proposing to do is build  
12       its new pipeline adjacent to those  
13       existing pipelines.

14       Currently the 90 feet -- let me add  
15       it up for you. You got -- you got --  
16       and this would be to the northeast and  
17       this would be to the southwest. So if  
18       you are looking -- if you are looking  
19       north -- north is kind of that way. So  
20       to the right-hand side or the east side  
21       or northeast side, our right-of-way we  
22       currently have, which is 90 feet,  
23       consists of 15 feet on the edge to the  
24       first pipeline, 20 feet from it to the  
25       next pipeline, 20 feet from it to the

1 next pipeline. That is, what, 15, 35,  
2 55 -- there is 20. That is 75, 80, 90.

3 This line here is our existing  
4 right-of-way today, as it exists today.  
5 This proposed pipeline does not exist  
6 today. So today we have 25, 35 feet of  
7 additional right-of-way to the  
8 west-southwest of our pipeline corridor.

9 The proposal for Elba Express is to  
10 build a new pipeline 25 feet from this  
11 pipeline. And to do that, we are  
12 proposing to acquire an additional  
13 20 feet of permanent right-of-way.

14 And in order to construct that  
15 pipeline, we need -- we are proposing to  
16 use an additional 70 feet of temporary  
17 work space which is not permanent  
18 right-of-way; it's only property that  
19 would be used during the construction of  
20 the pipeline. And then after that it  
21 would be reverted back to the landowner  
22 for their use.

23 So in this particular case, this  
24 will be Wrens south for about 15 miles.  
25 We are proposing to acquire,

1 temporarily, 90 feet, and of that  
2 90 feet, 20 of it to be permanent. We  
3 don't plan to impact anything outside,  
4 to the -- further southwest or further  
5 northeast of those -- of that corridor.  
6 That corridor now is 180 feet, then --  
7 if you look at that, 180 feet -- 70 of  
8 which would go back to the landowner  
9 once we finish construction.

10 Now, the area I think most people  
11 here are probably interested in is north  
12 of Wrens, which is the Greenville -- we  
13 call it the Greenville section, in other  
14 words. There is not a pipeline there  
15 today. We are proposing to build a new  
16 pipeline, a 36-inch pipeline.

17 This diagram shows you what we are  
18 proposing. And again, if you want to  
19 get a copy of it, I'll be glad to send  
20 one to you or you can get one off the  
21 FERC website. I'll show you how to find  
22 it.

23 For the -- for the first -- I am so  
24 sorry. Sorry about that. Okay. I'll  
25 try and touch that.

1           I think this is the area of most  
2           interest. For the Greenville section,  
3           the 36-inch pipeline, we are proposing  
4           to acquire 50 feet of permanent  
5           right-of-way -- 25 feet on the east side  
6           of the pipeline, 25 feet on the west  
7           side. The pipeline will go in the  
8           center of the right-of-way.

9           Twenty-five feet either side will be  
10          permanent right-of-way that we would  
11          need to continue to maintain and operate  
12          that pipeline, make sure it's protected,  
13          keep people from encroaching upon it --  
14          people who build construction right next  
15          to it, that sort of thing.

16          During the construction phase, we do  
17          need more than 50 feet to build a  
18          36-inch pipeline. We need an additional  
19          60 feet to build a 36-inch pipeline.

20          That 60 feet would be temporary. We  
21          would use it during the nine-month or so  
22          construction, nine- or ten-month  
23          construction phase, and then restore it  
24          back to -- to the landowner.

25          MR. WILLIAM TANNER: It would be

1       cleared, would it not?

2           MR. BRADBERRY:  Here again, this --  
3       this is -- in general, some areas would  
4       be cleared.  If there are short segments  
5       that we can avoid clearing, we will  
6       avoid clearing.

7           But -- and this here is just a  
8       general.  If you have a specific  
9       question about your property, we would  
10      be glad to look on the map and look at  
11      it and tell you what we -- we plan to do  
12      on your property.  This is just in  
13      general.

14          Certainly, in general, this is the  
15      way you would build a pipeline.  You  
16      need that additional space.  And yes,  
17      the 60 feet is needed for the equipment,  
18      the heavy equipment moving up and down  
19      to construct the pipeline.  And yes, you  
20      need to clear that normally of trees in  
21      order to build and construct.

22          But there may be short areas, there  
23      may be -- for example, this diagram does  
24      not apply to a wetland.  If we approach  
25      a wetland, we don't do this.  We narrow

1 down. But wetlands hopefully are fairly  
2 short. We can get around it.

3 But we can't build a 200-mile  
4 pipeline in a 50-foot width. We've got  
5 to have -- for most of the route, we do  
6 need the additional footage. And if it  
7 has timber on it, we would have to clear  
8 it in most cases. But not in every  
9 case.

10 MR. WILLIAM TANNER: If you cleared  
11 the timber, would you put it back like  
12 that?

13 MR. BRADBERRY: I don't know the  
14 answer to that.

15 MR. WILLIAM TANNER: And what I mean  
16 by that is, if you take a 30-year-old  
17 tree, would you purchase and reinstall?

18 MR. BRADBERRY: A 30-year-old tree?

19 MR. WILLIAM TANNER: You don't know?

20 MR. BRADBERRY: I know I won't  
21 purchase and reinstall a 30-year-old  
22 tree. We don't know how to do that.

23 MR. WILLIAM TANNER: All right.

24 MR. BRADBERRY: I know I wouldn't do  
25 that. But if Bill or somebody wants to

1 talk about how you restore something  
2 after you -- after you -- and Bill  
3 Friedman.

4 If you could talk generally, Bill,  
5 if you want to, about that or Jamie or  
6 somebody -- or Steven -- who knows how  
7 the land is restored back -- if it had  
8 timber on it and you cut the timber, how  
9 do you restore it -- the land back? I'm  
10 not -- I'm not the person to answer  
11 that.

12 MR. HOLLINGSWORTH: Compensation is  
13 addressed on a -- on a person-by-person  
14 scenario. And the actual brief  
15 recitation will be addressed in the  
16 final environmental impact statement and  
17 the draft environmental impact  
18 statement. It's very comprehensive, and  
19 it will be available for your review  
20 twice.

21 THE REPORTER: Can you state your  
22 name, please.

23 MR. HOLLINGSWORTH: Jamie  
24 Hollingsworth.

25 THE REPORTER: Thank you.

1           MR. BRADBERRY: So the right-of-way  
2 we need permanently for the pipeline and  
3 the temporary portion we need to  
4 construct this is much more narrow than  
5 the area we are surveying. We got -- we  
6 do know we are surveying a much wider  
7 area so that we can be prepared in case  
8 adjustments need to be made, slight this  
9 way or that way, or we find out that  
10 there is some archeological find over  
11 there. We got to know about it because  
12 we got to stay away from those things.  
13 Or there is a wetland over here. We got  
14 to be aware of those things.

15           But we are not planning on using  
16 150 feet that way and 150 feet that way.  
17 We are only planning on using a total of  
18 110 in this area and return 60 of it  
19 back to the landowner.

20           And the restoration would be as  
21 Jamie was talking.

22           MR. WILLIAM TANNER: That is really  
23 all of the questions I have. But I do  
24 have one comment I would like to make  
25 and make you aware of it, Mr. Sauter.

1           MR. SAUTER:  Yes.

2           MR. WILLIAM TANNER:  Most of the  
3           people that I know who are being  
4           affected by this will not do anything.  
5           Their whole concept of this is -- and it  
6           says as much in this document -- is that  
7           they are going to take it anyway.  Why  
8           should do I anything?  Why should I  
9           write the FERC?  Why should I write my  
10          senator?  Why should I talk to anybody?  
11          Because they are going to take it  
12          anyway.

13          And that is the attitude of most of  
14          the neighbors out there.  And that is a  
15          bad attitude.

16          How many people here have really  
17          written anyone about this?  How many  
18          people have already written FERC?  
19          Anyone?

20          MALE SPEAKER:  I haven't written,  
21          but I agree with you 100 percent.  I'm  
22          on your side and I --

23          MR. WILLIAM TANNER:  Yeah, we need  
24          to do that.  We need to talk to our  
25          senators.  We need to talk to our

1       congressmen. And we need to write these  
2       people.

3               We need to write Southern Natural  
4       Gas and tell them what they can do with  
5       it. You know, these people are in  
6       business to make money. They are not in  
7       business to look after our interest.

8               And they are here -- and I guarantee  
9       you once this pipeline is installed,  
10      they will not -- they will then not be  
11      going to the FERC; they will be going to  
12      the public service commissions looking  
13      for rate increases. That's how they  
14      make their money. Let's be realistic  
15      about this.

16              And we need to write some people.  
17      If you need any addresses -- your  
18      senators, the FERC, your congressmen --  
19      I've got all of that. I'll be glad to  
20      share that.

21              But if you are willing to just sit  
22      back and take it, go ahead, because I'm  
23      not.

24              Thank you.

25              MR. SAUTER: The next speaker

1           tonight is Sam Booker. Booker? Is that  
2           spelled right?

3           MR. SAM BOOHER: Booher.

4           MR. SAUTER: Booher.

5           MR. SAM BOOHER: My name is Sam  
6           Booher, B-o-o-h-e-r. I live in Columbia  
7           County and I'm coach here of the local  
8           Sierra Club.

9           First let me thank FERC for holding  
10          this public hearing. I have been very  
11          pleased working with FERC, NOLA, and the  
12          U.S. Fish and Wildlife for the last  
13          several years on Savannah River issues.  
14          Someday we may have the needed fish  
15          ladders for the American shad and other  
16          fish that are trying to survive in the  
17          Savannah River. So I know you care  
18          about our local environment.

19          Double parking and off-loading two  
20          1,000-foot tanker ships at the same time  
21          in the Savannah River. It would not  
22          take a terrorist attack on -- which will  
23          then be the largest LNG site on the East  
24          Coast of the United States. Another  
25          accident like the one this last month of

1 the current single LNG dock, we will not  
2 have to be concerned about tourist  
3 traffic in Savannah.

4 Never mind that Jasper County, South  
5 Carolina, is about to build a whole new  
6 port system right near this same  
7 location on the Savannah River. And we  
8 all know how busy the U.S. Ports  
9 Authority is with its ever-increasing  
10 new shipping in the Savannah River.

11 The bottom line is, I'm happy I'm  
12 retired. Because I would not like to be  
13 in the Coast Guard and be their ports  
14 manager in Savannah as soon as all of  
15 this increased shipping traffic is in  
16 place. I would rather manage the New  
17 York City ports authority than the  
18 Savannah River.

19 It is my understanding that FERC has  
20 to be convinced that this new  
21 double-docking and additional tanks are  
22 needed and there is no alternative for  
23 the pipeline that would go over streams  
24 and through 83 new miles that includes  
25 nonviolated forests. Then, if convinced

1       these new developments are needed and  
2       safe for Savannah, FERC will be given  
3       alternative courses that the LNG can  
4       use.

5             My question tonight is why has Sou-  
6       -- LNG not discussed any alternatives  
7       with the public? Why are we not told  
8       about offshore docking so that they can  
9       stay out of the Savannah River  
10       completely? Why not have the new large  
11       tanks at an industrial site just  
12       northwest of Interstate 95 on  
13       Interstate 16 instead of in the city of  
14       Savannah? Why not use the existing  
15       pipelines the whole way? Why pipe over  
16       streams and cut unnecessarily 40-foot  
17       tracks through our forests?

18             I am sure, with approval as an  
19       incentive, Southern LNG can find an  
20       acceptable route from Jefferson County  
21       to somewhere on the Tasco [sic] pipeline  
22       that does not require forest  
23       destruction.

24             In 1997, the North Alabama Pipeline  
25       went to FERC asking to do much of the

1 same destruction in Alabama as Southern  
2 LNG is asking for you -- for approval  
3 from here for you tonight.

4 The FERC staff in Washington, DC,  
5 did a great job pointing out  
6 alternatives. For the record, they were  
7 in Document No. CP96-153-000 and  
8 CP97-343-000.

9 I am sure your staff will again do a  
10 great job in recommending sound  
11 environmental alternatives. LNG does  
12 not need to endanger Savannah nor our  
13 streams nor our forest habitats. Even  
14 if they prove that these increases are  
15 needed, LNG could do the right thing  
16 using alternatives not given to us here  
17 tonight. I am sure your FERC staff  
18 would give you -- give you even more  
19 acceptable alternatives before the FERC  
20 commission is asked to make a final  
21 decision.

22 Thank you for giving me this  
23 opportunity.

24 MR. SAUTER: Well, I think that was  
25 a pat on the back. Thank you.

1           I know about the -- that Northern  
2           Alabama project. I was -- played a very  
3           minor role in that.

4           All right. I'm going to butcher  
5           your name. I'm not going to try to say  
6           the last gentleman or lady's name  
7           because I can't read it. I am sorry.  
8           Who is the only other person who signed  
9           up tonight?

10          FEMALE SPEAKER: It looks like it  
11          might be Newton.

12          MR. SAUTER: Yes.

13          FEMALE SPEAKER: A lot of scribbling  
14          there.

15          MR. SAUTER: Yes. It's a lot of  
16          scribbling.

17          MR. JOE NEWTON: I think I might  
18          have -- might have just a few words.

19          MR. SAUTER: I appreciate that.  
20          Could you spell your name for me? And  
21          I'll make it on here so I can read it  
22          next time.

23          MR. JOE NEWTON: N-e-w-t-o-n.

24          MR. SAUTER: N-e-w-t-o-n. Very  
25          good. Thank you, sir.

1           MR. JOE NEWTON: We have people that  
2           came up here tonight and -- well  
3           prepared to present their side and their  
4           thinking on what -- what is happening.

5           And my answer to this is relatively  
6           narrow. I'm a landowner. I own some  
7           farm properties around here, and this  
8           would affect some of my land.

9           Now, the -- I have heard a good bit  
10          about environment impact. A little word  
11          about landowner impact but more about  
12          environment. It seems that we might be  
13          interested sometimes in woodpeckers and  
14          mudholes and water airs and all of the  
15          people that they are running over to get  
16          to where they want to go.

17          It looks like that whoever drew  
18          these things up -- and I don't know who  
19          did it and don't blame anybody. And  
20          I'll probably be saying some things that  
21          may not be correct. But the appearance  
22          of your maps appear that somebody took a  
23          pencil and a ruler and laid it on a  
24          piece of paper and drew a line from  
25          Savannah to Wrens, Georgia, to Hartwell,

1 Georgia, to wherever in South Carolina  
2 and Alabama that you are going and that  
3 is it. Well, that's where we're going,  
4 and the hell with who's in the way.

5 You see, and I'm one of those people  
6 that is in your way. But the problem is  
7 I don't know if I could be in your way.

8 You see, I have land that -- we are  
9 in an area right here and we are  
10 fortunate to be that way. Our land  
11 values are increasing. I have land that  
12 I bought at good prices and they are  
13 increasing in value every year.

14 And I -- the people who -- well, I  
15 had one contact, really, and she was  
16 nice. And they asked if they could go  
17 and look over my land.

18 And I said, well, no, first. And  
19 then I said just -- Well, go ahead and  
20 go ahead and survey it. It won't cost  
21 me anything and I won't be obligated.

22 But I told my wife later, I am going  
23 to withdraw that. Because once you have  
24 let them walk over your land, they say,  
25 Well, that is -- we are going to take

1       that one, you see.

2             And my experience is this: I have  
3       land where we have power -- the power  
4       lines that come into Thomson, Georgia,  
5       for the industry that we have in this  
6       town and this county, McDuffie County --  
7       I live in McDuffie County -- come across  
8       my land, a big pile of land.

9             I mean, they steal land and they  
10       come right -- they pick the best part of  
11       your land around to come through because  
12       it's easier. They come right across  
13       your field. They don't have to move a  
14       tree. And they love that.

15            Now, they -- the County has done the  
16       same thing with roads. I have roads in  
17       my property. And they'll tell you up  
18       front, just like the lady from your  
19       company -- she didn't say -- well, she  
20       did say it in so many words. We --  
21       either you let us have it or we are  
22       going to take it.

23            And the word "eminent domain" comes  
24       into the picture. And that is the  
25       reason I'm standing here. Because

1 without them, we have no voice. Because  
2 if eminent domain comes in, then you get  
3 what you want and somebody that probably  
4 doesn't know anything about farming or  
5 land development or values of land comes  
6 in and put a price on your property and  
7 you have no voice. And that is my  
8 concern.

9 And the real concern is I hate  
10 eminent domain. I realize there's a  
11 place for it in this country. There has  
12 to be some. But they're -- but it seems  
13 like they are sort of picking on me  
14 because they own several pieces of my  
15 property.

16 And I am interested to know whether  
17 eminent domain applies to this program  
18 that are coming through the land -- that  
19 are coming through in this county  
20 particularly, because this is where I  
21 live.

22 And I would like an answer on that:  
23 The current situation as far as the  
24 status of the people who oppose this  
25 project and the relationship concerning

1 eminent domain. Do you have that or do  
2 you not at this time?

3 MR. SAUTER: Of course.

4 MR. JOE NEWTON: Eminent domain is  
5 unfair.

6 MR. SAUTER: We're going to use it  
7 some.

8 MR. JOE NEWTON: Then she told the  
9 truth, you see.

10 MR. SAUTER: Let me explain.  
11 This -- first of all, I would -- for the  
12 Commission rather than Southern.

13 MR. JOE NEWTON: Well, I'm here --  
14 I'm here to ask questions about what  
15 affects me. I mean, I'm looking out for  
16 Joe Newton tonight. And because this --  
17 I'm interested in what goes on in  
18 Savannah. I use gas, too. But I'm  
19 interested in Joe Newton in Thomson,  
20 Georgia, and that is the reason I'm  
21 asking the questions.

22 MR. SAUTER: If the Commission  
23 authorizes the project, if they do,  
24 according to the Natural Gas Act, which  
25 is what -- where the Commission gets its

1 authority, under the Natural Gas Act --  
2 if the Commission authorizes the  
3 project, the Natural Gas Act provides  
4 eminent domain as an option for the  
5 applicant -- that's Southern, Southern  
6 Natural Gas -- for the applicant to use  
7 if the Commission authorizes the  
8 project. The Natural Gas Act gives them  
9 that authority, that right.

10 MR. JOE NEWTON: Well, my position  
11 is this. And this -- I don't think we'd  
12 find very many people in your business  
13 that would be interested in my view on  
14 this.

15 But I have land that I bought a few  
16 hundred dollars per acre. It's worth  
17 thousands upon thousands of dollars per  
18 acre now because of industry in this  
19 town. And if eminent domain is in  
20 effect, and you say it is, it will go  
21 back to be worth about two or three,  
22 four hundred dollars per acre.

23 And that is my situation, and I am  
24 opposed to it being here. That is my  
25 position. So I'm in opposition to your

1 program.

2 And thank you.

3 MR. SAUTER: Thank you, Mr. Newton.

4 Is there anyone else that would like  
5 to speak tonight?

6 MR. BOB MARBERT: I might as well,  
7 if we got a moment.

8 MR. SAUTER: Come on up. Would you  
9 spell your name for us, please, sir?

10 MR. BOB MARBERT: Yes. My name is  
11 Bob Marbert, M-a-r-b-e-r-t. And I  
12 represent my wife, Kay Marbert, and her  
13 sister, Jan Hall.

14 And in respect to eminent domain, I  
15 understand that. And I understand that  
16 if you approve the project, they will  
17 get it.

18 However, that doesn't mean that you  
19 have to take what they offer you for it.  
20 There is still the court system here in  
21 this county, in Grascott County. And  
22 Grascott County meets once a month  
23 maybe, on a good month.

24 So for all of you people who think  
25 that you are going to suffer some loss

1 of 30-year-old trees, minerals on your  
2 property, anything else of value to you,  
3 you might want to let some of your peers  
4 in a court decide what the value of that  
5 is rather than negotiating totally with  
6 Southern Natural Gas people.

7 Thank you.

8 MR. SAUTER: Thank you, sir. And I  
9 appreciate that you came up and spoke  
10 even though you didn't sign up.

11 MR. JOE NEWTON: May I make a  
12 statement?

13 MR. SAUTER: Yes, sir. Please state  
14 your name again for us.

15 MR. JOE NEWTON: Newton,  
16 N-e-w-t-o-n.

17 Can you hear me from -- hear me from  
18 here?

19 MR. SAUTER: She can hear you.  
20 That's fine.

21 MR. JOE NEWTON: Okay. What I  
22 wanted to say is this, that the piece of  
23 land that they want to go through for --  
24 in my case is about -- it's square; it's  
25 about 60 acres. This land, at \$6,000

1 per acre, is 360,000.

2 Now, but when you -- but your  
3 position is, we're only going to take  
4 40 feet or whatever it is to use. But  
5 for industry, that 40 feet through the  
6 center of that property kills the whole  
7 program.

8 Can you repay me \$360,000 for that  
9 property? It's for sale.

10 MR. SAUTER: I have to refer you to  
11 the company.

12 MR. JOE NEWTON: Answer my -- I  
13 asked a question and I would like an  
14 answer on it.

15 MR. SAUTER: Bear with me for a  
16 moment. Can I -- maybe I -- maybe I can  
17 help a little bit. Can I ask you to  
18 speak with the Southern people back on  
19 the maps after a while?

20 MR. JOE NEWTON: Sure. I would be  
21 glad to.

22 MR. SAUTER: Because I think they  
23 can give you a better answer if they are  
24 looking at what you are talking about.

25 MR. JOE NEWTON: This is -- this is

1 real, I mean.

2 MR. SAUTER: I understand.

3 MS. SARAH NEWTON: Is this line  
4 going to be above ground or underground?

5 MR. SAUTER: The pipeline is  
6 traditionally, typically, varied.

7 MS. SARAH NEWTON: Typically. But  
8 is this one going to be varied?

9 THE REPORTER: Can I get your name,  
10 please?

11 MS. SARAH NEWTON: Okay. Pardon?

12 THE REPORTER: Your name.

13 MS. SARAH NEWTON: Oh, Sarah Newton.

14 THE REPORTER: Thank you.

15 MR. SAUTER: The pipeline will be  
16 buried.

17 MS. CAROL TAYLOR: How deep?

18 Carol Taylor.

19 THE REPORTER: Thank you.

20 MR. BRADBERRY: Yes, Ms. Taylor.  
21 The pipeline is -- it will be a minimum  
22 of three feet deep and in many cases  
23 much deeper. It depends on the terrain  
24 and it depends on where we are. From  
25 the top of the pipe, it will be a

1 minimum of three feet covered.

2 MR. JOE NEWTON: In a -- in a case  
3 like that -- now, Mr. Newton, again --  
4 one pipeline, if it's 20 feet deep or  
5 20 feet high, would kill the whole deal  
6 on the industry moving onto your  
7 property. They are not interested at  
8 all.

9 MR. BRADBERRY: Okay. Well, yes,  
10 sir. Okay. We would like to talk to  
11 you in the back after -- after the  
12 meeting to see exactly what you are  
13 talking about, to see what we can do.

14 MR. SAUTER: We're not trying to  
15 obscure the facts.

16 MR. JOE NEWTON: I understand.

17 MR. SAUTER: But it's much easier  
18 when they look at the aerial photographs  
19 and they see exactly what you are  
20 talking about, and then real  
21 communication can be had. So I hope  
22 that would help.

23 Yes, sir. I'm sorry. Can I have  
24 your name, please?

25 MR. REEVES LEWIS: My name is

1 Reeves, R-e-e-v-e-s, Lewis, L-e-w-i-s.

2 And following up on this gentleman's  
3 concern and Mr. Marbert's concern, in  
4 thinking outside of the legal box, if  
5 you would -- and I just lay this on the  
6 table.

7 What can you think of, in a planning  
8 way -- environmental planning way,  
9 economic planning way -- what kind of  
10 ways could the funds generated by the  
11 pipeline be shared by those that are  
12 going to give you the access to make  
13 that money? Is there any way that that  
14 income that you are going to generate  
15 day after day, year after year -- and  
16 have been, over the years, generating  
17 that money on existing pipelines that  
18 are in the ground today. They have, you  
19 know, been there for 40, 50 years.

20 I'm not saying the old-timey way.  
21 I'm saying think outside the box. Think  
22 outside the box. What can be done to  
23 make people more cooperative?

24 We can litigate until the cows  
25 come -- we can litigate through to the

1 final judgment, and that is fine. But  
2 rather than doing that, is there  
3 something that you can think of outside  
4 the box that -- I'll just lay it on the  
5 table. You can go back to Washington  
6 and beat it around or whatever. Is  
7 there any way to do that that could  
8 be -- to work in the problem other than  
9 hearings and litigation? That is my  
10 only point.

11 MR. SAUTER: Thank you for that  
12 comment.

13 Yes, ma'am. Could I have your name,  
14 please?

15 MS. DANA LEWIS: Dana Lewis.  
16 D-a-n-a, L-e-w-i-s.

17 I wanted to ask you a question. The  
18 gas is going to be piped through Georgia  
19 and South Carolina. Is it going to be  
20 used by any Georgians or South  
21 Carolinians where it's going to go? And  
22 who is going to be using it and why  
23 don't they have it brought closer to  
24 wherever they are?

25 I understand that it's not going to

1 be used in the state of Georgia or South  
2 Carolina but that it will be used up  
3 north and that they didn't want the  
4 ports there to bring these big tankers  
5 in. They did not want them to have  
6 access to their ports.

7 So they found Savannah. And  
8 Savannah, for some reason unknown to me,  
9 thought it would be fine for them to  
10 come in there.

11 But I just want to know where the  
12 gas is going. And why is it that  
13 Georgia and South Carolina are having to  
14 bear the burden of all of the negatives  
15 when we are not going to benefit at all  
16 for the citizens of Georgia and South  
17 Carolina?

18 Now, I don't know about the people  
19 that actually do. I'm sure they're  
20 going to benefit. But the people whose  
21 land that they are going to be taking,  
22 they are not going to benefit. They are  
23 going to lose for generations and  
24 generations.

25 These people have farmlands that

1       have been in the family for generations  
2       and hope to have them in the family for  
3       generations.  They're for our children,  
4       our grandchildren, our  
5       great-grandchildren.

6             There are tree farms.  You can't  
7       grow trees on these gas lines.  You  
8       can't build houses.  You can't develop  
9       land at a future date.

10            And you can't put a value on these  
11       lands that I think would be fair.  I  
12       don't think it's possible.

13            Anyway, I want you to know, as the  
14       record stands, I oppose it completely  
15       and utterly.

16            Thank you.

17            MR. SAUTER:  Thank you, ma'am.

18            MR. DARAGONA:  I appreciate your --  
19       your concern, and I understand your  
20       position fully.

21            But from our perspective, let's  
22       think back.  For almost 75 years, the  
23       state of Georgia has been served with  
24       gas through Southern Natural's pipeline.  
25       That pipeline actually ran not -- not

1 necessarily through Georgia; it ran from  
2 Louisiana, Texas, across Alabama, across  
3 Mississippi, to bring gas into the state  
4 of Georgia for all of those years.

5 And same thing happened then to  
6 those people in Louisiana, Mississippi,  
7 Alabama. Pipelines for -- had to be  
8 built to bring gas and distribute it to  
9 the people who need it.

10 I understand your point. I really  
11 do. I understand it. And it doesn't  
12 seem fair to you because obviously  
13 it's -- you're -- you're getting  
14 impacted. But over the years, the state  
15 of Georgia has benefited tremendously  
16 from pipelines that have been built  
17 through other states when the gas was  
18 located elsewhere.

19 Now the state of Georgia is a prime  
20 spot to bring this LNG in. And there --  
21 there is a benefit to the state of  
22 Georgia along with the benefit to other  
23 states.

24 So it's a trade-off. I agree. I  
25 can't argue with you, too. All I can

1 say is, I think -- I think you made your  
2 point. I think there is another side to  
3 it. But -- and you probably won't  
4 consider it. But anyway, I understand  
5 it.

6 And I wanted to let you know that --  
7 that the infrastructure that was built  
8 and the infrastructure that the  
9 pipelines are talking about here is  
10 purportedly for the greater good of the  
11 nation as a whole.

12 There are going to be people who are  
13 not going to like it. We understand  
14 that.

15 MS. DANA LEWIS: Lewis again.

16 There are reasons why they don't  
17 like it, obviously. It affects their  
18 entire life.

19 MR. DARAGONA: Yes, ma'am.

20 MS. DANA LEWIS: Okay.

21 MR. DARAGONA: I understand.

22 MS. DANA LEWIS: All over there are  
23 gas lines already running through our  
24 property, and now they want more land to  
25 run more gas lines.

1 MR. DARAGONA: I understand.

2 MS. DANA LEWIS: Instead of taking  
3 the same route that they already have  
4 established, the same right-of-way. And  
5 now they want to take a brand new  
6 right-of-way over property that is ours.

7 MR. DARAGONA: I -- I appreciate --

8 MS. DANA LEWIS: It's getting to be  
9 a bit much.

10 MR. DARAGONA: Okay. I understand.

11 MS. DANA LEWIS: I'm not trying to  
12 build an argument, either.

13 MR. DARAGONA: No, no. I  
14 appreciate your --

15 MS. DANA LEWIS: I'm trying to --

16 MR. DARAGONA: No, I -- I very much  
17 appreciate your comment.

18 I just wanted to say that there is  
19 other sides of the story. I mean, there  
20 is people who really want this gas, need  
21 this gas.

22 This infrastructure is important to  
23 the -- to the nation, we think. And  
24 there is -- there is trade-offs in any  
25 infrastructure you build. So anyway, I

1 don't know what else to tell you.

2 MS. DANA LEWIS: We really want our  
3 property, too.

4 MR. DARAGONA: I know. I mean --

5 MR. SAUTER: Mr. Tanner, you may  
6 like to speak to this.

7 MR. WILLIAM TANNER: I would like a  
8 comment, please.

9 If we are going to assist the, say,  
10 other people in other areas and this  
11 assistance will commence somewhere  
12 around 2010, give or take -- I've got  
13 some barns that need some work, fences  
14 that need to be put up. How about  
15 sending you folks in there and helping  
16 me for a while?

17 MR. SAUTER: Ms. Taylor, can you  
18 help me there, please?

19 MS. CAROL TAYLOR: Carol Taylor.

20 If you would like to add -- what I  
21 would like to add is: Where is it  
22 going? Where is the ending spot up  
23 there? You didn't never answer that to  
24 my satisfaction.

25 MR. DARAGONA: See -- okay. Well,

1 I'm sorry. I don't have a -- like an  
2 infrastructure map of the United States.

3 MS. CAROL TAYLOR: Okay.

4 MR. DARAGONA: But the gas is  
5 actually interconnecting with two major  
6 interstate pipelines.

7 The interstate pipeline that belongs  
8 to us, the Southern Natural system,  
9 actually spans all of the way from Texas  
10 across to Louisiana, to Mississippi,  
11 Alabama, Georgia and South Carolina,  
12 down into Florida. So gas could  
13 actually end up -- in fact, Tennessee in  
14 addition to that -- could end up in any  
15 of those states from this facility.

16 Then up further north, where it  
17 interconnects with the Transco system,  
18 that line actually spans all of the way  
19 back to Texas again, Louisiana, up  
20 through the same northern part of those  
21 same states, and then goes up further  
22 north, up into the mid-Atlantic states,  
23 all of the way up -- in fact, all of the  
24 way up to New York. So -- and then all  
25 of those pipes interconnect with other

1 pipes.

2 So I can't tell you, hey, this  
3 molecule is going to end up in West  
4 Virginia, but it --

5 MS. CAROL TAYLOR: I have another --  
6 I have another question.

7 MR. DARAGONA: It could end up  
8 anywhere, just about, based on how we --  
9 how we got it interconnected.

10 MS. CAROL TAYLOR: Right. I would  
11 have to admit before you, we have not --  
12 my sister and I really have not done our  
13 homework as well as you all have. But  
14 we certainly thought, as Mama will, she  
15 is doing some homework.

16 But the four of -- four of us  
17 children inherited some land from our  
18 mother who has been in the Wren  
19 family -- if any of you know the  
20 Wrens -- for generations, you know. So  
21 I'm getting highly offended. And I know  
22 my mother would, if she could, rise up  
23 out of her grave.

24 I don't understand -- or I guess I  
25 would like to know -- three foot. If

1       it's buried three foot, my  
2       seven-year-old granddaughter could come  
3       up and dig that up. What is the  
4       protection or how do you prevent that  
5       from happening? What is the security?

6           MR. ROBERT HULSEY: They will be  
7       there like for fifty years or a hundred,  
8       and the land will change over the top of  
9       it. Or it may only be --

10          MS. CAROL TAYLOR: Right. And so  
11       therefore it will be --

12          MR. ROBERT HULSEY: Maybe in that  
13       case --

14          THE REPORTER: I need your name,  
15       please.

16          MS. CAROL TAYLOR: But what is the  
17       protection for the homeowner in there?

18          THE REPORTER: One second, please.  
19       Can I start out with your name, please?

20          MR. ROBERT HULSEY: Douglas Robert  
21       Hulsey, H-u-l-s-e-y.

22          THE REPORTER: Thank you.

23          MR. ROBERT HULSEY: I didn't --

24          MS. CAROL TAYLOR: Now, what is my  
25       protection that my granddaughter is not

1 going to go out there -- we are now  
2 using that 200 acres for hunting. Deer,  
3 you know, that sort of thing.

4 So what is -- No. 1, what is that  
5 granddaughter to do? I don't know,  
6 because I don't particularly -- I don't  
7 know myself. And what is the danger to  
8 my grandchildren and her grandchildren?  
9 I haven't heard that yet. What is the  
10 obligation of the gas company?

11 MR. ROBERT HULSEY: I didn't --

12 MALE SPEAKER: Aren't we sticking --

13 MR. ROBERT HULSEY: I didn't  
14 register the speaker. My question was  
15 the same as their question. They did a  
16 better job of asking it. And I had kind  
17 of a follow-up to that.

18 I will -- think I saw in the news  
19 where the Georgia legislature this year  
20 was trying to get a charge on the  
21 Georgia Gas customers to build a  
22 pipeline. Was this it?

23 FEMALE SPEAKER: Getting somebody to  
24 pay for it.

25 MALE SPEAKER: We're watching.

1           MR. ROBERT HULSEY: I didn't notice.  
2 I just knew there was such a thing in  
3 the news.

4           MR. BRADBERRY: Chris Bradberry  
5 again. I wanted to address some of the  
6 questions that were asked.

7           One -- one, first of all, the lady  
8 asking about what we do to protect the  
9 pipeline. We are --

10          MS. CAROL TAYLOR: I want to protect  
11 the homeowner from the pipeline.

12          MR. BRADBERRY: I'm sorry. To make  
13 sure the pipeline is safe.

14          I am not sure what I can do to  
15 protect you personally. I mean, I don't  
16 protect you when you are driving your  
17 car, either, if I'm somewhere else.

18          But what --

19          MS. CAROL TAYLOR: But you don't  
20 drive it on my land if I don't want you  
21 to.

22          MR. BRADBERRY: But what I'm -- what  
23 I'm required to do -- as an operator of  
24 the pipeline, we do have to adhere to  
25 the standards that are imposed by the

1 Department of Transportation, which  
2 requires us to control the pipeline,  
3 monitor it for encroachments. We do  
4 have to take various measurements on the  
5 pipeline periodically to make sure it's  
6 in good, safe condition.

7 And I can give you much more detail  
8 to get you -- refer you to some  
9 reference material that can show you all  
10 of the maintenance standards we do  
11 follow. I'd be glad to show that, but I  
12 can't explain it all right now on the  
13 record. There are many maintenance  
14 standards we do have to adhere to. And  
15 we are inspected by the Department of  
16 Transportation regularly to make sure we  
17 adhere to those standards.

18 And I wanted to mention also, there  
19 was some -- I think there is some  
20 understanding that maybe we're regulated  
21 by the Public Service Commission. We  
22 are not. We are regulated by the  
23 Federal Energy Regulatory Commission.  
24 Our rates are established by them, not  
25 by the Public Service Commission. We

1 are not regulated by the State of  
2 Georgia.

3 We were not involved in the project  
4 the gentleman has been referring to.

5 Here again, we don't own natural  
6 gas. We just operate pipelines.

7 Another thing I wanted to clarify.  
8 Mike Daragona was talking about where  
9 the gas goes and who are the users of  
10 the gas. In addition to those various  
11 markets that Mike referred to, also  
12 anyone along the route in the  
13 industry -- electric power generators,  
14 those sorts of things that locate  
15 anywhere along this route or near it,  
16 they also could be users of the natural  
17 gas.

18 Not just somebody in Alabama or  
19 Georgia or North Carolina or South  
20 Carolina or Tennessee or Florida or  
21 wherever. It could be someone in  
22 Jefferson County. It could be someone  
23 in Wilkes County, in McDuffie County.

24 Someone wanted to develop an  
25 industrial park or develop a new power

1 plant to use natural gas. Those could  
2 be users of this natural gas flow, not  
3 just someone outside of the state or  
4 inside of the state. All of this gas  
5 will be consumed in Georgia by consumers  
6 in Georgia.

7 Now, we don't sell to those  
8 consumers. Someone else does. We just  
9 transport it. And another distribution  
10 company sells it to the consumer. Not  
11 us.

12 But back to the safety things. Yes,  
13 we have a long litany of safety  
14 standards. I'll be glad to give you the  
15 reference material for you to review.  
16 And we have a very, very good safety  
17 record. And I'll be glad -- we are  
18 proud of our safety record.

19 The pipeline industry is one of the  
20 safest modes of transportation in the  
21 country if you compare it to a railroad  
22 or a train or any other way of  
23 transporting energy. It's much safer to  
24 transport it by pipeline than to  
25 transport it in a tanker truck or in a

1 train car or something like that.

2 But we do monitor it. And, now, you  
3 know, are we out there 24 hours a day  
4 making sure your daughter or  
5 granddaughter is not digging on it? No.  
6 We're not there 24 hours a day. But we  
7 do patrol the pipeline, and we do have  
8 maintenance standards we adhere to.

9 For example, one of them that you  
10 would be interested in is we patrol it  
11 every month by air, from a helicopter,  
12 looking for things on the pipeline that  
13 shouldn't be there. Someone with a  
14 backhoe, somebody drilling, somebody  
15 doing something they shouldn't be doing.

16 Of course, our pipeline is well  
17 marked, so people should know where it  
18 is. And we have a 50-foot corridor  
19 which we keep clear so people understand  
20 that is a pipeline.

21 But does it keep them off of it?  
22 Not always, no.

23 So if someone is trying to build  
24 something, digging on the pipeline, if  
25 they are logging across the pipeline, we

1       need to make them aware that the  
2       pipeline is there. We can catch that as  
3       we monitor the pipeline by air every  
4       month, as we fly with our helicopter.

5               Oh, one other question. The  
6       question about how it is -- how -- what  
7       the im- -- effect of the pipeline is on  
8       deer. My experience is that pipelines  
9       are not good for deer because it makes  
10      hunting very good. In Mississippi and  
11      Alabama, where there are lots of  
12      pipeline right-of-ways, those are the  
13      favorite place for hunting.

14             So I would say it would not be good  
15      for deer because they are much more  
16      likely to get killed by hunters on  
17      pipeline right-of-ways. Now, that has  
18      been our experience.

19             Most of our pipeline right-of-ways,  
20      there are deer stands all along them.  
21      The landowners -- I don't know how -- if  
22      it's legal here, but they bait the deer  
23      on our right-of-way and they come out  
24      and shoot.

25             So I would say that it's not good

1       for deer in terms of their health.  But  
2       if you want to manage a deer population  
3       and you want to get a lot -- kill a lot  
4       of deer, a pipeline right-of-way is a  
5       great -- great place to shoot them.

6             MR. SAUTER:  Yes, sir.

7             MR. REEVES LEWIS:  This is up  
8       there --

9             MR. SAUTER:  Can I have your name  
10       again, please?

11            MR. REEVES LEWIS:  I'm sorry.  
12       Reeves Lewis again.

13            What -- is there -- what is the  
14       answer for not coming out of Port  
15       Wentworth over to a large county and  
16       right up into Atlanta?

17            The reason I say that is in Georgia,  
18       Atlanta is for -- the dominating city.  
19       You know, everything goes -- even Delta  
20       goes through Atlanta.  So I think that  
21       Atlanta is a city, and, you know, they  
22       are used to dangers with respect to any  
23       kind of terrorist activities and what  
24       have you.

25            So I'm just asking, why couldn't you

1 just draw the line from Port Wentworth  
2 over to Laurens County and go adjacent  
3 to your existing lines and get to a city  
4 where you have to sell lots of gas?

5 MR. BRADBERRY: Now Chris Bradberry  
6 again.

7 I believe -- to make sure I  
8 understand your -- your -- what you  
9 would suggest we consider -- and that is  
10 building a pipeline from here --

11 MR. REEVES LEWIS: Right. Right.

12 MR. BRADBERRY: -- to here to here  
13 to here. Or maybe here or here or  
14 something like that.

15 That is possible, yes. The pipeline  
16 can be built there. Atlanta is not the  
17 only market for this natural gas.

18 MR. REEVES LEWIS: I understand.  
19 But it's the major one. And so -- so --

20 MR. BRADBERRY: Atlanta doesn't  
21 consume enough natural gas to use all of  
22 the gas in this pipeline.

23 MR. SAUTER: Yes, ma'am.

24 MS. DANA LEWIS: My name is Dana  
25 Lewis.

1           What does happen if the pipeline  
2           reached the subway; there is some sort  
3           of accident, there is a leak, or there  
4           is a -- physical damage to the pipe  
5           itself? What are the ramifications of  
6           explosions and fires and gas leaks and  
7           all of that kind of stuff? Tell me,  
8           what is the worst scenario that can take  
9           place if that happens? Not to speak of  
10          the big tanks in Savannah. I mean -- I  
11          mean, it's just a long pipeline.

12          So tell me something about the  
13          dangers of that. Because they have to  
14          exist. There has to be that  
15          probability.

16          MR. DARAGONA: Obviously -- this is  
17          a high-pressure pipeline. There are  
18          certain risks and --

19          MS. DANA LEWIS: Yes.

20          MR. DARAGONA: -- dangers associated  
21          with that.

22          However, we monitor the pipeline.  
23          We have slot valves every so often on  
24          our line. We are -- we are always  
25          monitoring the pressures in our line.

1       If there is any breach to our -- to our  
2       line, we will immediately know what  
3       has -- we'll notice a drop in pressure,  
4       obviously, and we'll block off a section  
5       and blow that section down. That is  
6       typically what would happen.

7               Now, I -- I really don't want to  
8       speculate as to, you know, what could be  
9       the worst possible scenario. I don't  
10      even know how to address that.

11             But we'll -- obviously, this is --  
12      this is something that we deal with, we  
13      work with. We have a whole book of  
14      regulations that we have to adhere to,  
15      that -- that are very stringent in terms  
16      of our safety and our design and our  
17      monitoring and all of that type of  
18      thing.

19             But can an accident happen? Sure.  
20      But if we monitor it and adhere to the  
21      regulations like we should, those --  
22      those type incidents can be minimized.

23             Now, we've -- we have been operating  
24      our pipeline out since 1929, and we have  
25      had relatively few incidents. Most of

1       our pipeline is located in areas that  
2       are, you know, not densely inhabited.  
3       We try to do that where we can.

4             But I'm not going to tell you -- I  
5       can't tell you that there is no --  
6       absolutely no danger associated with a  
7       pipeline. But I can tell you there are  
8       hundreds of thousands of miles of  
9       pipeline in this country, and people  
10      don't even realize they are there  
11      because they are buried. They are just  
12      sitting there.

13            People don't even -- don't even  
14      think about them. They are located next  
15      to houses. They are located next to  
16      businesses. They are -- they are --  
17      they're pretty much everywhere. You  
18      just don't think about them like the  
19      power lines; you see them. But I think  
20      that is --

21            MS. DANA LEWIS: Thank you.

22            MR. REEVES LEWIS: Thank you.

23            MS. DANA LEWIS: Let me again -- can  
24      I ask one more question? I promise I  
25      won't ask any more questions.

1           MR. SAUTER: This -- this meeting is  
2           so you can ask questions.

3           MS. DANA LEWIS: Okay. This is  
4           changing the subject a little bit on  
5           this whole topic. But do you all know  
6           whether or not the Federal Aviation  
7           Administration has made any steps to  
8           make the Elba Island facility a  
9           no-flight zone so that planes can't fly  
10          directly over it or fly -- or fly  
11          directly into it or something like that?  
12          Do you know whether or not there has  
13          been any sort of -- anything happening  
14          in that arena?

15          MR. SAUTER: I personally don't know  
16          that.

17          MS. DANA LEWIS: I haven't heard  
18          that.

19          MR. SAUTER: That is a good  
20          question.

21          MS. DANA LEWIS: Federal Aviation --

22          MR. SAUTER: Do you fellows --

23          MR. DARAGONA: I don't.

24          MS. DANA LEWIS: -- Administration.  
25          Maybe they should be brought in on some

1 of the things.

2 MR. DARAGONA: Yeah, I don't -- I  
3 don't think, at least to my knowledge,  
4 that that has occurred.

5 I do know that in our design and  
6 impact statement, which will be  
7 available to you in the future, we do  
8 studies of what basically would happen  
9 if our tanks were breached and if we had  
10 an explosion of some type at our  
11 facility.

12 We basically have got our -- in  
13 addition to the tanks, we've got burn  
14 dikes all around the tanks which could  
15 actually hold the entire quantity of  
16 those tanks. It's actually bigger, more  
17 area, than what those tanks are. If we  
18 had a spill of any type, it would go  
19 into those dikes.

20 And then even if it were ignited, it  
21 would basically -- any flame would flow  
22 right back down to the source and  
23 burn -- burn itself out there, right  
24 in -- in our -- at our facility.

25 Our facility is -- as you know, is

1 on an island, and that makes it  
2 particularly ideal for this type of  
3 application. And that is why, you know,  
4 we got it on an island as an isolated  
5 facility. I think the nearest home is  
6 at least two miles away.

7 So our modeling that we do when  
8 we -- when we design it, we check for  
9 that type of incident, I'll call it, to  
10 make sure that if we had an accident, if  
11 there was an accident, that the thermal  
12 radiation as a result, that -- that  
13 would result from a fire of that type  
14 would not impact any inhabited area.

15 MS. DANA LEWIS: Thank you very  
16 much.

17 MR. DARAGONA: Okay. Thank you.

18 MR. SAUTER: Would anyone else like  
19 to ask a question or offer a comment,  
20 make a statement?

21 Okay. Let me tell you that anyone  
22 who wants to purchase a copy of the  
23 transcript for tonight's meeting, see  
24 the young lady after the meeting.  
25 Transcriber people make pretty good

1 money off of selling these things.

2 But if you hold on for a week --  
3 week and a half to two weeks, the  
4 transcript will be put up on the FERC  
5 website and you can -- if you like  
6 playing with the computer, you can get  
7 the transcript for free.

8 There is a thing we have at FERC  
9 called the e-library. I think it's  
10 referenced in our notice of intent, in  
11 the back of it. If you go on the  
12 computer and -- with the docket number  
13 for this case, PF06-14 -- and that is on  
14 the notice of intent and probably on the  
15 agenda, too. Yes.

16 If you go onto the e-library with  
17 the docket number, you can access every  
18 scrap of information that is in the  
19 public file about this case. Everything  
20 that is said tonight, all the work that  
21 my people will be doing, transcripts  
22 from the other public meetings, all of  
23 the material that Southern has to file,  
24 their application -- lots of information  
25 about this case. You can keep informed

1       about everything, because on -- on this  
2       case by way of this e-library. It's  
3       kind of a neat little thing if you don't  
4       mind playing with the computer some.

5             And with that, I'll thank you one  
6       more time for coming out tonight, on  
7       behalf of the Commission. I appreciate  
8       and my agency appreciates you taking the  
9       time out.

10            Let the record show that the  
11       Thomson, Wash- -- Thomson public scoping  
12       meeting concluded at 8:45 p.m.

13            (Meeting concluded at 8:46 p.m.)

14

15

16

17

18

19

20

21

22

23

24

25

1 STATE OF GEORGIA:

2 COUNTY OF FULTON:

3 I hereby certify that the foregoing  
4 transcript was reported, as stated in the  
5 caption, and the questions and answers  
6 thereto were reduced to typewriting under my  
7 direction; that the foregoing pages represent  
8 a true, complete, and correct transcript of  
9 the evidence given upon said hearing, and I  
10 further certify that I am not of kin or  
11 counsel to the parties in the case; am not  
12 in the employ of counsel for any of said  
13 parties; nor am I in any way interested in  
14 the result of said case.

15

16

17

18

19

20

21

22

23

24

25

1                   Disclosure Pursuant to Article  
2           8(B) of the Rules and Regulations of the  
3           Board of Court Reporting of the Judicial  
4           Council of Georgia, I make the following  
5           disclosure:

6                   I am a Georgia Certified Court  
7           Reporter, here as a representative of  
8           Alexander Gallo & Associates, L.L.C.,  
9           to report the foregoing matter. Alexander  
10          Gallo & Associates, L.L.C., is not taking  
11          this deposition under any contract that is  
12          prohibited by O.C.G.A. 5-14-37 (a) and (b).  
13          Alexander Gallo & Associates,  
14          L.L.C., will be charging its usual and  
15          customary rates for this transcript.

16  
17  
18  
19  
20  
21  
22  
23  
24  
25

LESHAUNDA D. CASS   RPR,   CCR-B-2291