

U. S. DEPARTMENT OF ENERGY
FEDERAL ENERGY REGULATORY COMMISSION

BRADWOOD LANDING LNG PROJECT
FERC DOCKET NUMBERS CP06-365 and 366

PUBLIC MEETING
TRANSCRIPT OF PROCEEDINGS

* * *

Tuesday, November 6, 2007

9:00 a.m.

Clatskanie River Inn
600 East Columbia River Highway
Clatskanie, Oregon

* * *

BEFORE: Mr. Paul D. Friedman
Federal Energy Regulatory Commission
Office of Energy Projects

* * *

P R O C E E D I N G S

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MR. FRIEDMAN: Good morning, ladies and gentlemen. Thank you for being here. Can everyone hear me? Is that a yes or a no?

SPEAKER: Yes.

MR. FRIEDMAN: All right. We don't have microphones today, and so I will be speaking as loudly as I can and as slowly as I can so that you can all hear what I have to say. And when it's your turn to speak, because we don't have a microphone or a podium, I'll just ask you to stand at your chairs and speak loudly for the court reporter.

My name is Paul Friedman. I am an environmental project manager in the Office of Energy Projects, the Federal Energy Regulatory Commission. That's also abbreviated as F-E-R-C, or FERC, or often referred to simply as the Commission.

We have before us a project proposed by a company known as Bradwood Landing LLC and NorthernStar Energy LLC for a liquefied natural gas import facility at Bradwood Landing, Oregon, and a 36-mile long pipeline that goes

1 09:06:09 from that terminal to an interconnection with
2 the existing Northwest Natural -- the existing
3 Williams Northwest Pipeline Corporation system
4 near Kelso.

5 09:06:19 We recently published a draft
6 Environmental Impact Statement for that
7 project, and the purpose of this meeting is
8 it's a public meeting to take comments on the
9 draft Environmental Impact Statement, or DEIS,

10 09:06:33 issued by the FERC for the Bradwood Landing
11 liquefied natural gas -- abbreviated as LNG --
12 project. Let the record show that this meeting
13 was called to order at -- I have 9:05 a.m. on
14 Tuesday, November 6, 2007, at the Clatskanie

15 09:06:54 River Inn, 600 East Columbia River Highway,
16 Clatskanie, Oregon 97016.

17 For those of you who attended last night's
18 meeting at Clatskanie High, you're going to
19 hear basically the same spiel that I gave last

20 09:07:14 night. I apologize for that. I speak from a
21 script rather than off the cuff or
22 extemporaneously so that what I have to say is
23 accurately recorded by the court reporter and
24 is put into the public record in a consistent

25 09:07:28 manner.

1 09:07:31 On behalf of the FERC, I would like to
2 welcome you all here tonight -- all here this
3 morning, actually. You may have noticed that a
4 court reporter is transcribing this meeting.

5 09:07:41 This is so that we can have an accurate record
6 of this morning's comments. Within a few weeks
7 a copy of that transcript will be placed into
8 the public record for this proceeding and will
9 be available through the Internet via the

10 09:07:53 FERC's Web site.

11 Next slide.

12 The FERC is an independent reviewing
13 agency within the U.S. Department of Energy.
14 We regulate the interstate transportation of
15 09:08:06 electricity, hydropower, and natural gas. The
16 Commission is directed by five commissioners
17 appointed by the President of the United States
18 and approved by the United States Congress.

19 The FERC staff, like myself, are civil
20 09:08:20 servants.

21 On June 5th, 2006, Bradwood Landing LLC
22 filed an application with the FERC requesting
23 permission to construct and operate an LNG
24 import terminal under Section 3 of the Natural
25 09:08:34 Gas Act, or NGA, in docket number CP06-365, and

1 09:08:42 NorthernStar Energy LLC filed an application
2 for an associated natural gas sendout pipeline
3 under Section 7 of the NGA in docket number
4 CP06-366.

5 09:08:57 Hereafter I will refer to Bradwood Landi ng
6 LLC and NorthernStar Energy LLC collectively as
7 simply "NorthernStar" since, in reality, they
8 are two subsidiaries of the same parent
9 company.

10 09:09:11 Next slide.

11 The FERC is the lead federal agency for
12 this project, and we took the lead in produci ng
13 the EIS in order to comply with the National
14 Environmental Policy Act of 1969, often

15 09:09:26 referred to as NEPA. Our EIS also summarizes
16 activities related to compliance with other
17 federal laws such as the Endangered Species
18 Act, the Magnuson-Stevens Fishery Conservati on
19 and Management Act, the Marine Mammal

20 09:09:37 Protection Act, and the National Historic
21 Preservation Act, Clean Water Act, Clean Air
22 Act, and Coastal Management Zone Act.

23 Next slide, please.

24 As part of its decision-making process,
25 09:09:51 the Commission will consider the environmental

1 09:09:53 impacts of the project as disclosed in the EIS.
2 The production of the DEIS was a collaborative
3 effort involving FERC staff, a third-party
4 contractor, which is Natural Resources Group,
5 09:10:05 or NRG, and cooperating agencies.

6 Let me introduce to you some of the people
7 here this morning, in this room, who played a
8 major role in writing the DEIS. Representing
9 our environmental contractor, NRG, is Patricia
10 09:10:21 Terhaar. She's the one running the slide show.
11 She is NRG's project manager for this project.
12 And in the back, doing the sign-up sheet, is
13 Janelle Rieland. Janelle is the project
14 biologist. We consider our contractor to be an
15 09:10:34 extension of the FERC staff.

16 The federal agencies that cooperated in
17 the production of the DEIS include the U.S.
18 Army Corps of Engineers and the U.S. Coast
19 Guard and the U.S. Department of
20 09:10:45 Transportation. A cooperating agency has
21 jurisdiction by law or special expertise
22 related to project-specific environmental
23 impacts, and those agencies may adopt the EIS
24 to meet their own obligations for compliance
25 09:11:00 with the NEPA.

1 09:11:02 Next slide, please.

2 We issued a notice of availability, or

3 NOA, for the DEIS on August 17th, 2007, which

4 gave a closing date for comments as December

5 09:11:14 24th, 2007. The U.S. Environmental Protection

6 Agency noticed the issuance of our DEIS in the

7 Federal Register on August 24th, 2007.

8 Next slide, please.

9 We mailed almost 1300 copies of the DEIS

10 09:11:29 to various elected officials, federal, state,

11 and local government agencies, landowners, and

12 interested members of the public. In addition,

13 copies were sent to local newspapers and local

14 libraries. Copies of the DEIS are also

15 09:11:43 available at the public reference room and at

16 the FERC in Washington, D.C., and it may be

17 viewed electronically on the FERC Internet Web

18 site under the eLibrary link.

19 In addition, NRG has some extra copies in

20 09:11:58 hard bound, and so anyone who does not have a

21 hard copy who wishes to have a hard copy should

22 tell that to Janelle. She'll take your name

23 and address and send you out a copy in the

24 future.

25 09:12:08 Next slide, please.

1 09:12:10 The DEIS described the proposed action.
2 The purpose of the project, as it's described
3 by the applicants, is to provide a new source
4 of natural gas to the Pacific Northwest by
5 09:12:22 importing LNG. LNG is natural gas that has
6 been cooled to about minus 260 degrees
7 Fahrenheit for shipment and storage as a
8 liquid. It can be transported in specially
9 designed ships across oceans from its point of
10 09:12:37 origin.
11 Next slide.
12 This is a photograph of an LNG
13 liquefaction plant. That's where they take
14 the natural gas and cool it down to make it
15 09:12:45 into a liquid. This one's in Alaska.
16 Next slide.
17 This is what an LNG ship looks like that
18 transports it.
19 In summary, the Bradwood Landing LNG
20 09:12:56 project would consist of the following key
21 elements.
22 Next.
23 An LNG import storage, vaporization, and
24 sendoff facility located at Bradwood Landing in
25 09:13:07 Clatsop County, Oregon, about 38 miles up the

1 09: 13: 10 Col umbi a Ri ver from i ts mouth. The termi nal
2 would i ncl ude a dredged 58-acre maneuveri ng
3 area i n the Col umbi a Ri ver adj acent to the
4 exi sti ng navi gati on channel and a si ngle berth
5 09: 13: 23 capabl e of handl i ng shi ps up to 200,000 cubi c
6 meters i n capaci ty.

7 Next sl i de.

8 The waterway for LNG mari ne traffi c would
9 extend from 12 nauti cal mi les off the Oregon
10 09: 13: 34 coast up the Col umbi a Ri ver to Bradwood
11 Landi ng. The upl and porti on of the termi nal
12 would i ncl ude two full containment LNG storage
13 tanks wi th a capaci ty of 160,000 cubi c meters
14 each. Next sl i de.

15 09: 13: 49 A nonjuri sdi cti onal , 1.5-mi le-l ong,
16 115-kil ovol t power li ne i s to be built, owned,
17 and mai ntai ned by Paci fi Corp. It wi ll extend
18 from the exi sti ng Bonnevi lle Power
19 Admi ni strati on system to the Bradwood Landi ng
20 09: 14: 04 LNG termi nal . The LNG termi nal would have a
21 maximum sendout capaci ty of 1.3 billi on cubi c
22 feet per day of natural gas.

23 Next sl i de.

24 That natural gas wi ll be transported i n a
25 09: 14: 16 36.3-mi le-l ong natural gas sendup pi peli ne from

1 09: 14: 20 the Bradwood Landi ng LNG termi nal to an
2 interconnecti on with the Willi ams Northwest
3 exi sti ng pi pel i ne system near Kel so,
4 Washi ngton. Thi s woul d i ncl ude 18. 9 mi les of
5 09: 14: 30 36-i nch di a meter pi pel i ne across porti ons of
6 Clatsop and Columbi a counti es, Orego n, and 17. 4
7 mi les of 36-i nch di a meter pi pel i ne, mostly i n
8 Cowl itz Count y, Washi ngton.
9 Next sl i de, pl ease.
10 09: 14: 46 Associ ated with the pi pel i ne woul d be a
11 sendout meter stati on l oca ted wi thi n the LNG
12 termi nal tract, four del i very meter stati ons
13 and i nterconnecti ons wi th the Georgi a-Paci fi c
14 Wauna Mi ll at pi pel i ne mi lepost or MP 37, a
15 09: 15: 00 connecti on wi th Northwest Natural 's pi pel i ne
16 system at MP 11. 4, a connecti on wi th the PGE
17 Beaver power pl ant at mi lepost 18. 9, and a
18 connecti on wi th the Willi ams Northwest Pi pel i ne
19 system at MP 36. 3.
20 09: 15: 15 There woul d be si x mai n-l i ne val ves
21 l oca ted al ong the pi pel i ne, pi g l aunchers at
22 the termi nal meter stati on and Beaver meter
23 stati on, and pi g recei vers at Beaver and
24 Will i ams Northwest.
25 09: 15: 28 Next sl i de, pl ease.

1 09: 15: 31 Short, nonjurisdictional pipeline laterals
2 would be built, operated, and maintained by the
3 gas customers to interconnect with the
4 NorthernStar pipeline at Wauna Mill, Northwest
5 09: 15: 41 Natural, and PGE Beaver power plant.

6 I want to clarify that the FERC is not a
7 sponsor of this project. This is a project
8 proposed by NorthernStar. The FERC is a
9 licensing and regulatory agency, and we take no
10 09: 15: 58 position on the project until after we have
11 completed a full review of NorthernStar's
12 applications.

13 Next slide, please.

14 Before the FERC makes a decision about the
15 09: 16: 10 project, there are several steps that must be
16 completed, including public input.

17 First, we will consider comments we
18 receive on the DEIS. Because the commission
19 has the responsibility to treat all parties to
20 09: 16: 22 a proceeding equally, we must make certain that
21 our process is open and public. For this
22 reason, we are constrained by the FERC's
23 internal ex parte rules. This means there can
24 be no off-the-record discussions or
25 09: 16: 35 correspondence between the FERC staff and

1 09:16:37 parties to the proceedings regarding the merits
2 of this case. Therefore, I urge you to either
3 speak tonight -- speak this morning on the
4 record or send us your comments in writing.

5 09:16:49 Next slide, please.

6 You can use the Internet through the
7 FERC's Web page at www.ferc.gov to have access
8 to public records in this proceeding and to
9 post your comments. You may follow filings in

10 09:17:06 this proceeding through the FERC's
11 eSubscription service, you may view all filed
12 documents in the public record through our
13 eLibrary link, and you may send comments in
14 electronically via our eFiling process, or you

15 09:17:21 can send in written comments the old-fashioned
16 way through the U.S. mail. Written comments
17 should be addressed to:

18 Kimberly D. Bose, Secretary, Federal
19 Energy Regulatory Commission, 888 First Street,
20 09:17:35 Northeast, Room 1A, Washington, D.C. 20426.

21 In your letter you must reference docket
22 numbers CP06-365 and CP06-366, and send one
23 original and two copies of all written comments
24 submitted. Label one copy attention to the

25 09:17:56 attention of FERC Office of Energy Projects,

1 09:17:56 Division of Gas, Environment and Engineering,
2 in Gas Branch 3, PJ-11.3, which is our internal
3 mail stop code.

4 The FERC will address comments on the DEIS
5 09:18:08 in a final EIS, or FEIS. Copies of the FEIS
6 will be sent to parties on our mailing list.

7 After we have issued the FEIS, the FERC
8 staff will analyze both the environmental
9 impacts of the proposed project and
10 09:18:23 nonenvironmental issues, including markets and
11 rates. The FERC staff will then make
12 recommendations about the project to the five
13 commissioners, who are our decision-makers at
14 and the head of our agencies. It is those
15 09:18:34 commissioners who will make the final decision
16 about whether or not to authorize this project.

17 Next slide, please.

18 If the FERC decides to authorize the
19 project, the commissioners would issue an order
20 09:18:46 to NorthernStar. If the Commission issues a
21 Certificate of Public Convenience and Necessity
22 for the pipeline, under Section 7h of the
23 Natural Gas Act, that certificate would convey
24 to NorthernStar the power of eminent domain for
25 09:19:03 nonfederal and nontribal lands along the

1 09:19:05 pipeline route.

2 If NorthernStar is unable to negotiate an
3 easement agreement with property owners, it may
4 acquire its right-of-way easement through the
5 09:19:14 local courts. We urge NorthernStar to

6 negotiate in good faith with all landowners to
7 reach agreements. The LNG terminal is under
8 Section 3 of the Natural Gas Act, which does
9 not include the power of eminent domain.

10 09:19:29 It is likely a commission order
11 authorizing the project would include our
12 recommended environmental conditions as
13 outlined in the EIS. One of the conditions in
14 the DEIS was that NorthernStar should develop
15 09:19:40 and fund a third-party environmental monitoring
16 program to be implemented during construction.

17 In addition, the FERC staff will monitor
18 the project through construction and
19 restoration, performing on-site inspections for
20 09:19:54 compliance with the environmental conditions of
21 the order. The U.S. Department of
22 Transportation will also monitor the project
23 for safety, design, and construction criteria.

24 Next slide.

25 09:20:09 Other agencies must also issue various

1 09: 20: 12 permits before this project could go forward to
2 construction. The U.S. Coast Guard would issue
3 a letter of recommendation indicating whether
4 or not the waterway is suitable for LNG marine
5 09: 20: 22 traffic. The Corps of Engineers would issue a
6 permit under the Rivers and Harbors Act and
7 Section 404 of the Clean Water Act.

8 The Washington Department of Ecology, the
9 Oregon Department of State Lands, and the
10 09: 20: 33 Oregon Department of Environmental Quality
11 would issue federally delegated permits under
12 Section 401 of the Clean Water Act. The Oregon
13 Department of Environmental Quality would also
14 issue a federally delegated permit under the
15 09: 20: 46 Clean Air Act, and the Oregon Department of
16 Land Conservation and Development would make a
17 determination of whether or not the project is
18 consistent with the Coastal Zone Management
19 Act.

20 09: 20: 58 Let me emphasize that this meeting is not
21 a hearing about the merits of NorthernStar's
22 proposal. As I said earlier, the purpose of
23 this meeting tonight is to give you, the
24 public, an opportunity to comment on our draft
25 09: 21: 10 Environmental Impact Statement.

1 09:21:11 While you may want to declare that you are
2 for or against the project, those kinds of
3 subjective statements are not particularly
4 useful to the FERC staff in focusing our
5 09:21:23 environmental analysis. The types of comments
6 that we do find useful are those that address
7 data gaps in the DEIS or point out factual
8 errors that need to be corrected. In last
9 night's meeting we got many very good comments
10 09:21:36 about the DEIS that we will address in the
11 FEIS.

12 Next slide.

13 We want this meeting to be civil, and so
14 we have printed up a rules of decorum. We just
15 09:21:52 ask that you respect the other participants and
16 that you do not speak out of turn. Allow
17 people who have the floor to speak without
18 interrupting them from the floor.

19 Next slide, please.

20 09:22:03 Now, typically we give people three
21 minutes to speak. To be consistent with all
22 the other meetings, I will hold you to the
23 three-minute rule. However, if there's time
24 remaining, I may allow you to speak a second
25 09:22:17 time. People who spoke last night will go last

1 09:22:20 in order today. People who have not had an
2 opportunity to speak will go first.

3 This is a meeting for you, the public, to
4 comment on the DEIS. It is not a question or
5 09:22:35 answer forum. To the extent that I may know
6 the answer to your question, I'll address it,
7 if possible. However, most of your comments
8 will probably be too complex for me to answer
9 off the cuff, and you'll have to wait until the
10 09:22:51 FEIS is issued to see our researched answer to
11 those questions. I will address questions of
12 an administrative or process nature.

13 Before we start hearing from speakers, I
14 suggest that we take a short break, about a
15 09:23:09 minute, given how few people are in the room.
16 So anyone who has not had an opportunity to
17 sign up at the speakers' list can do so at this
18 point. If you haven't signed up on the
19 speakers' list, Janelle has it, please do so
20 09:23:22 now, and then we'll give the floor to the
21 public.

22 (Brief recess.)

23 MR. FRIEDMAN: Is there anyone who has not
24 signed up for the speaker's list who wants to?
25 09:24:00 Please do so now, because then Janelle's going

1 09:24:02 to bring it up to me.

2 So the only thing that I ask is that you
3 stand up where you're sitting. We don't have a
4 microphone or a podium. You speak as loudly as
5 09:24:38 you can. Speak as slowly as you can. Don't

6 worry about the three minutes. It's more
7 important that we get what you have to say
8 accurately from the court reporter. If you
9 have very detailed comments, you're better off
10 09:24:51 sending them to us electronically or through
11 the U.S. mail rather than trying to spend half
12 an hour trying to tell them to us here
13 tonight -- or here this morning.

14 I ask that each speaker stand up, state
15 09:25:04 their name clearly for the record, and spell
16 their last name, identify any organization they
17 may be representing. If you are a landowner
18 along the pipeline route, please indicate where
19 your property is located according to mile
20 09:25:17 marks. And if you need to find out where your
21 property is located, I have a copy of the DEIS
22 with me that shows mile marks.

23 So the first person on our list is Betty
24 Reeves.

25 09:25:32 MS. BETTY REEVES: I think you answered my

1 09: 25: 33 question, so...

2 MR. FRIEDMAN: Okay. Next -- and if I

3 mispronounce your name, please correct me. I'm

4 sorry. Marvin Albert.

5 09: 25: 42 MR. MARVIN ABBOTT: Abbott.

6 MR. FRIEDMAN: Abbott. I'm sorry.

7 MR. MARVIN ABBOTT: I'm Marvin Abbott.

8 Last name is A-B-B-O-T-T. And I'm here to

9 speak in favor of the project, whether that's

10 09: 25: 51 of significance or not, but in favor of labor.

11 I'm a business rep for the Machinists'

12 Union. I've been a business rep for about 30

13 years. I personally am assigned to operations

14 in Washington, Oregon, California, particularly

15 09: 26: 03 people in this community know Stimson Lumber

16 Company. That's one that I personally

17 represent. And so I've had quite a bit of

18 involvement in this community and this area and

19 know quite a few people here.

20 09: 26: 15 And it is certainly a rural community

21 where there's no question that jobs are very,

22 very critical. These are the types of jobs

23 that support the whole -- the whole community,

24 not just a few. A lot of people here in

25 09: 26: 28 Clatskanie that work here are from Kelso,

1 09:26:30 Longview, all those other types of things.

2 So, I think jobs is an extremely important
3 issue and particularly family-wage jobs. Most
4 small communities have a couple of antique
5 09:26:40 shops, but if there isn't a Stimson and a
6 NorthStar, then there isn't much to support
7 that community. So a family wage will be a
8 major factor in this as far as I'm concerned.

9 With that being said, I know, from what
10 09:26:51 I've -- from what I've learned, that NorthStar
11 has got a good track record of environmental
12 stuff, and I really do believe that -- that the
13 overall benefit of this would be that, clearly,
14 it would add economic value to the properties
15 09:27:04 to -- to the families and the communities here,
16 and so it would be a benefit to the people in
17 the area.

18 MR. FRIEDMAN: Thank you.

19 Next on my list is Gary Herber.

20 09:27:20 MR. GARY HERBER: My name is Gary Herber.
21 That's H-E-R-B-E-R. I am a property owner
22 that's going to be affected by this. In
23 addition, they are planning on using my
24 property to dig underneath one of the sloughs.

25 09:27:33 The one question I have asked, and the

1 09:27:35 slide barely touched on it -- because every
2 time I come to one of these meetings I go away
3 with the feeling that this is a done deal and
4 that the people that are directly affected are
5 09:27:45 just being listened to out of courtesy, to be
6 honest.

7 The one question I have is what kind of
8 compensation are we looking at for the loss of
9 our property and, in some cases, you know, the
10 09:27:59 danger of what's going on on our property?
11 Your slide touched on that, said they should
12 act in good faith. That doesn't mean that they
13 will act in good faith.

14 Who is overseeing this? Is there some
15 09:28:14 figure in mind? Who do I ask? I've asked at
16 every meeting I've gone to. I've never
17 received an answer. I think it's time we get
18 some kind of a clue as to how much is at stake
19 here. Thank you.

20 09:28:25 MR. FRIEDMAN: Okay. I can answer some of
21 those questions. The value of compensation is
22 negotiated between you and NorthernStar.
23 That's who determines that.

24 MR. GARY HERBER: Attorneys probably then.

25 09:28:38 MR. FRIEDMAN: All right. And if you

1 09:28:39 cannot reach an agreement, the local court, not
2 the FERC, but a local district court will
3 decide in an eminent domain hearing what the
4 value of your property is and what the
5 09:28:48 compensation should be. So that's made
6 locally, in the local county courts. All
7 right?

8 What was -- your other question was about
9 what, Gary?

10 09:29:02 MR. GARY HERBER: Oh, I don't know now.
11 You answered my question, though, because I was
12 told by the natural gas company that I would
13 have to hire an attorney.

14 MR. FRIEDMAN: Oh, I know what it was. It
15 09:29:13 was about whether or not it's a done deal.
16 That's an important statement. I've heard that
17 at numerous meetings. That's a total
18 misconception. It's not a done deal until two
19 things -- three things happen:

20 09:29:25 One, the Commission makes a final
21 decision. All right? I've already gone over
22 this morning that they're not going to make the
23 final decision until: One, we've done an FEIS;
24 two, we've looked at the nonenvironmental
25 09:29:35 issues about markets, rates, and needs; and,

1 09:29:37 three, after the decision is made, then
2 NorthernStar has to implement all the
3 conditions of the order. And I believe there
4 are something like 98 conditions in the DEIS.

5 09:29:48 Only then would we allow this project to go
6 forward.

7 I can also tell you something that you may
8 or may not know, which is that the FERC has
9 authorized numerous LNG facilities all across
10 09:29:59 the United States, some of which have never
11 been built even though they had authorization.

12 For example, I was a project manager for an LNG
13 facility in Corpus Christi, Texas. They have
14 an order. They have a certificate. They can
15 09:30:14 build tomorrow if they chose to. They have not
16 built. The reason is they have no market for
17 the gas.

18 Under Section 3 of the Natural Gas Act,
19 the company is at a hundred percent risk for
20 09:30:28 all market issues relating to the importation
21 of LNG. What that means is that these
22 facilities cost over \$500 million. And no
23 company is going to go forward until they
24 believe the economics are ripe for them to do

25 09:30:44 so.

1 09: 30: 45 All right. Now our next speaker is Kyle
2 Munson.

3 MR. KYLE MUNSON: My name is Kyle Munson.
4 That's M-U-N-S-O-N. I represent Transmarine
5 09: 30: 54 Navigation. We're a shipping agency. We
6 represent charters and owners who are bringing
7 the ships in. Currently work petroleum tankers
8 coming up and down the Columbia and Willamette
9 rivers as well as grain ships.

10 09: 31: 11 And I just wanted to express being for
11 this project. The economic impact that I think
12 a lot of people probably don't look at is that
13 the service sector, working with these ships,
14 each ship that comes in, somebody has to
15 09: 31: 25 arrange pilots, tugs, people that are
16 coordinating all of that. You've got stores'
17 deliveries. You've got barging companies.

18 I think that the economic impact of a
19 project like this would far outreach just the
20 09: 31: 39 people working at the plant. There are a lot
21 of service jobs that are tied in with the
22 shipping industry, and it could be a real good
23 deal for Oregon's economy.

24 MR. FRIEDMAN: Thank you for your
25 09: 31: 50 comments.

1 09: 31: 53 Next I have Rick Stonex. And please
2 correct me if I mispronounce your name.

3 MR. RICK STONEX: Stonex, S-T-O-N-E-X.

4 MR. FRIEDMAN: I'm sorry.

5 09: 32: 03 MR. RICK STONEX: I represent Greenwood
6 Resources. We manage the Lower Columbia Poplar
7 Tree Farm here in the area, and I'm also
8 representing Midland Diking District. Our land
9 is impacted, for the Greenwood Resources, from
10 09: 32: 17 about mile six to 16 on the pipeline, I would
11 guess. Midland Diking District is within that.

12 As for Greenwood Resources -- I've got two
13 hats on here. For Greenwood Resources, we
14 support the project and believe that the
15 09: 32: 31 environmental impact is outweighed by the
16 economic benefits to the region. For both
17 Midland and Greenwood Resources, there's
18 concerns about Levy crossings within Oregon
19 under the pipeline and the internal diking
20 09: 32: 43 structure.

21 And I think Warren Makkela from Beaver
22 district addressed most of that, and I just
23 want to reiterate that we stand by his comments
24 for both Midland Diking District and Greenwood
25 09: 32: 54 Resources and Greenwood Resources.

1 09:32:56 MR. FRIEDMAN: Thank you very much for
2 your comments.
3 Next is Marc Averbach.
4 MR. MARC AVERBACH: Thank you. My
5 09:33:04 comments were referred to Section 2.1 --
6 MR. FRIEDMAN: Mark, can you stand up,
7 please?
8 MR. MARC AVERBACH: No, not really.
9 MR. FRIEDMAN: Okay. That's fine.
10 09:33:11 MR. MARC AVERBACH: I prefer not to.
11 MR. FRIEDMAN: Marc, can you spell your
12 name for the court reporter.
13 MR. MARC AVERBACH: Yes. A-V-E-R-B, as in
14 boy, A-C-H. My comments refer to section 2.1.6
15 09:33:20 of the DEIS, the Palomar pipeline. I'm an
16 affected landowner on the pipeline.
17 MR. FRIEDMAN: On Palomar?
18 SPEAKER: On Palomar. I understand it's
19 only tangentially referenced in the DEIS.
20 09:33:33 To quote from the DEIS, it says: However,
21 as of the date of the writing of the draft EIS,
22 Palomar has not yet submitted its formal
23 request to initiate prefilling process with the
24 FERC.
25 09:33:43 As you know, they are now in a

1 09: 33: 45 notice-of-intent period.

2 The Palomar pipeline -- it also says the
3 Palomar pipeline would then proceed northwest
4 to interconnect with the Northwest Natural's
5 09: 33: 53 existing source shield at Mist. From Mist, the
6 Palomar pipeline could branch off to serve the
7 proposed Bradwood Landing LNG import terminal.

8 On a map I have in my possession labeled
9 in part Northwest Natural/TransCanada Palomar
10 09: 34: 07 gas transmission project dated 5/21/07. The
11 pipeline route is more accurately described as
12 making a beeline for Bradwood with a spur to
13 Mist. Indeed, a Palomar representative told me
14 in mid-October the following: That the Mist
15 09: 34: 22 spur was off the table; that the Clatsop County
16 portion of the pipeline would only be built if
17 Bradwood was built, but the intent of the
18 pipeline was to get gas to California.

19 There's several sections about the
20 09: 34: 39 pipeline -- the Palomar pipeline being only
21 secondary to the Bradwood facility, and its
22 main pipeline being the connection to Williams.
23 So I think you will hear, or already have heard
24 evidence perhaps last night, that the Williams
25 09: 34: 52 pipeline is possibly inadequate for the

1 09:36:01 Bradwood DEIS.
2 How much time do I have?
3 MR. FRIEDMAN: You've got 15 more seconds.
4 MR. MARC AVERBACH: Bradwood also makes a
5 09:36:06 big deal out of having made --
6 MR. FRIEDMAN: You don't have to speak
7 fast. You can slow down. I'll give you a few
8 more seconds.
9 MR. MARC AVERBACH: Bradwood makes a big
10 09:36:13 deal out of having made the site, at 40 acres,
11 as compact as possible. But in the book LNG --
12 I won't read the whole thing, but it's just
13 titled "LNG," on page 180, the SES project at
14 the Port of Long Beach is described as only 24
15 09:36:28 acres. Surely then Bradwood is not as compact
16 as possible, and Bradwood should be required to
17 explore alternative locations as opposed to the
18 most compact design possible.
19 Thank you.
20 09:36:39 MR. FRIEDMAN: Thank you for your
21 comments.
22 All right. Is there anyone who did not
23 speak last night who would like to speak now?
24 All right. Now I'm going to call the
25 09:36:50 people who had a chance to speak last night.

1 09: 36: 52 So this is their second chance to speak again.

2 Mr. Dragich, you can go first, but please,
3 again, you have to say your name and spell it
4 for the court reporter.

5 09: 37: 03 MR. STEVE DRAGICH: Yes. Mr. Dragich,
6 D-R-A-G-I-C-H, speaking today as an ex-tactical
7 firefighter, first responder for the State of
8 Washington.

9 Specifically about a comment you made last
10 09: 37: 16 night, Mr. Friedman, about the clarity of the
11 maps and the information passed on to the
12 people that live adjacent and on top of the
13 pipeline. I'm resubmitting these maps that
14 were sent to me by your agency, FERC, in
15 09: 37: 33 December of 2005. I refer to your comment
16 about clarity. I'm sure you can see the route
17 of the pipeline. So I'm resubmitting these
18 back to FERC as inadequate.

19 (Handing document.)

20 09: 37: 54 MR. STEVE DRAGICH: My other comment deals
21 with emergency response, specifically the
22 connection in Cowlitz County in the state of
23 Washington. The proponent, through the
24 Northwest Natural Gas Industrial Association,
25 09: 38: 07 filed suit against our utilities and

1 09:38:14 transportation commission, blocking the issuing
2 of pipeline route maps, including to first
3 responders, who have to respond to any incident
4 that would happen to this proposal, should they
5 09:38:31 happen at all.

6 The presiding judge, Judge Hicks, Ronald
7 Hicks, Superior Court, Thurston County,
8 Washington, called the prevention of the issue
9 of pipeline route maps, even to emergency
10 09:38:47 response personnel, inane. The very next day,
11 March 16th, 2007, the Northwest Industrial Gas
12 Association appealed Judge Hicks's order to the
13 appellate division of the appeals court,
14 division 3, state of Washington.

15 09:39:08 On August 29th, when the land use hearings
16 were proceeding in Clatsop County on this
17 proposal, the Washington appeals court
18 overturned Judge Hicks's decision. We will not
19 be allowed any route maps in the state of
20 09:39:24 Washington unless it's appealed to our
21 Washington State Supreme Court.

22 In Cowlitz County alone there's been three
23 incidences, major incidences, of the Williams
24 gas line exploding. Two I've witnessed
25 09:39:40 personally. As for the honesty of the pipeline

1 09:39:47 operators and the proponents, even in Cowlitz
2 County the incidences that we've had, in my
3 former department, the court records have been
4 sealed and the people living with this project
5 09:40:03 are not even allowed to see the incident
6 reports, even if you're an emergency responder
7 like myself.

8 So any integrity these people may have and
9 what's transpired just this past year totally
10 09:40:23 negates any honesty they may have in the
11 proposal like this.

12 MR. FRIEDMAN: Thank you for your
13 comments.

14 Next is Duncan MacKenzie.

15 09:40:34 MR. DUNCAN MacKENZIE: My name is Duncan
16 MacKenzie, M-A-C-K-E-N-Z-I-E.

17 Reference is made to the information
18 regarding cruise ship operations as noted on
19 table 4.8.1-5 on page 4-328 of the DEIS and as
20 09:40:49 discussed on page 4-332. The presented
21 information does not fully address the true
22 scope of all cruise ship operations associated
23 with the lower Columbia River affected by LNG
24 carrier operations.

25 09:41:00 As found in the DEIS, only the portion of

1 09:41:02 the river from the mouth of the Columbia River
2 to the Port of Astoria is considered. No
3 consideration is given to cruise ship
4 operations upstream from the Port of Astoria to
5 09:41:10 beyond river mile 38.

6 Two cruise ship lines currently operate on
7 the Columbia River between Portland and Astoria
8 on a regular and scheduled basis. Majestic
9 America Line, formerly known as America West,
10 09:41:24 operates the cruise ship EMPRESS OF THE NORTH,
11 QUEEN OF THE WEST, and COLUMBIA QUEEN. The
12 Cruise West division of West Travel
13 Incorporated operates the SPIRIT OF 98, the
14 SPIRIT OF DISCOVERY, and the SPIRIT OF ALASKA.

15 09:41:33 While these are not large cruise ships --
16 the largest being about 223 guests, 84 crew --
17 these ships have been in operation for a number
18 of years, carry tourists to several ports along
19 the Columbia and Snake rivers, adding not only
20 09:41:46 to the economies of Astoria and Portland, but
21 these ports of call as well. The itineraries
22 of these ships take them not only past the
23 Bradwood Landing terminal site, but places the
24 ships in the traffic pattern of the lower
25 09:41:59 Columbia River.

1 09: 41: 59 The Majesti c Ameri ca Li ne and Columbi a
2 River Cru ise Northwest Ri vers has approxi mately
3 eight to ten saili ngs per month. A review of
4 the combi ned schedu les for Maj esti c Ameri ca and
5 09: 42: 09 Cruise West notes a combi ned total of almost a
6 hundred saili ngs. The quanti ty of cruise shi p
7 calls noted in the DEIS in the note table was
8 26 in 2006 and does not appear to include the
9 port calls arisi ng from the operation of these
10 09: 42: 22 two cruise li nes.

11 The economi c report prepared by the
12 proponent' s economi c consul tant does not
13 address the tangi ble economi c impact of the
14 port calls and docki ng fees, nor does it
15 09: 42: 30 reflect the jobs represented by the direct crew
16 personnel , admini strative personnel , or outsi de
17 vendors associ ated wi th the operation of these
18 shi ps.

19 Addi ti onally, if as noted in the DEIS, a
20 09: 42: 41 cruise shi p and an LNG vessel would not be
21 placed in a meeti ng si tuati on as the proponent
22 factored the moveme nts of the noted vessels
23 into the scheduli ng of constructi on dredgi ng,
24 mai ntenance dredgi ng, or LNG carrier
25 09: 42: 54 operations. In view of the signi fi cant

1 09:42:55 potential economic impact and scheduling issues
2 raised by the operations of these cruise ships,
3 it is recommended that the draft EIS be revised
4 to accurately reflect ongoing cruise ship

5 09:43:06 operation from Astoria to above Columbia River
6 mile 38.

7 MR. FRIEDMAN: Thank you, Mr. MacKenzie.

8 Next on my list is Vance Fraser.

9 MR. VANCE FRASER: Vance Fraser, spelled

10 09:43:19 F-R-A-S-E-R.

11 I have to say that it appears to me that
12 FERC was pushed into publishing this DEIS
13 prematurely. It doesn't present all of the
14 facts, nor many legitimate alternatives.

15 09:43:34 There's also a lot of erroneous information, so
16 much so that I question even the need for these
17 comment meetings at this time. I have never
18 seen such a biased love letter to the

19 benefactor of an EIS, and recommend FERC to go
20 09:43:50 back and hire an unbiased firm to do this DEIS.
21 This one's wholly inadequate.

22 I only skimmed through the DEIS last
23 night, and it is rife with wrong information
24 and bias. For example, on page 3-3, claims

25 09:44:06 that industries may not be able to change from

1 09:44:09 natural gas due to their equipment, this is
2 ridiculous. Industries that switch to natural
3 gas do so due to price, and they'll switch to
4 another type of energy found to be less
5 09:44:19 expensive and reliable. Those that cannot
6 afford a switch won't be able to afford the
7 natural gas when the prices rise.

8 Page 3-6, Trojan Nuclear Plant was not
9 closed, in large part, due to public opinion as
10 09:44:33 claimed. It passed a vote of the people and
11 was later shut down due to equipment failures.
12 One can infer that the cost to replace the
13 steam turbine generator was more than the
14 project profits for the life of the plant, or
15 09:44:46 the plant had more serious problems, or likely
16 a combination of both.

17 On page 3-36, if all that was claimed in
18 this section were true, then the Bradwood site
19 would certainly not be chosen. One part of
20 09:45:04 that, ships have to transit past Astoria, which
21 has residential waterfront. Number two,
22 minimal dredging would not be Bradwood. Kalama
23 has deep-water port. Partial availability is
24 mostly a function of price. Item four, it is
25 09:45:20 just as possible that an undisturbed site may

1 09: 45: 25 require less work than a previously disturbed
2 one. On proximity to existing interstate
3 pipelines that cross fewer bodies of water and
4 impact less wetlands, certainly wouldn't be

5 09: 45: 38 Bradwood. Kalama and Goebel area come to mind
6 and so on.

7 Page 3-32, the table has an "NA," not
8 applicable, for rough seas. Has FERC even
9 bothered to investigate problems at other
10 09: 45: 54 similarly situated LNG facilities? Apparently
11 not. Rough seas can be generated by passing
12 ship wakes. The table shows low environmental
13 impacts for Bradwood and the sendout pipeline,
14 which is basically preposterous. It completely
15 09: 46: 09 ignores the facts and is obviously biased.

16 Bradwood impedes the necessary transit of
17 endangered white tail deer, the destruction to
18 the salmon grounds in this. It is also
19 interesting to note that in maps, Tenasillahe
20 09: 46: 25 Island is just noted as Tenasillahe Island
21 rather than as part of the white tail deer
22 refuge, and it's just across the river from
23 Bradwood.

24 How all the proposed pipeline impacts can
25 09: 46: 38 be considered low is also ridiculous. However,

1 09:46:42 one thing is clear from the table, that is
2 cost. FERC appears more than willing to
3 sacrifice our security, our lives, our jobs,
4 and our prosperity, and our property to save
5 09:46:54 NorthernStar money.

6 Page 3-49. The major pipeline route
7 alternatives must not include an alternative
8 facility site, nor other valid alternative
9 sites not included in this DEIS. There are
10 09:47:10 certainly pipeline routes which would cause
11 much less impact.

12 MR. FRIEDMAN: Vance, can you please wrap
13 it up.

14 MR. VANCE FRASER: What's that?

15 09:47:19 MR. FRIEDMAN: Can you wrap it up?

16 MR. VANCE FRASER: Sure. That's the end
17 of that. The jobs that I've heard, you know,
18 jobs considerations, basically I view them as
19 irrelevant. None of these job proponents care
20 09:47:33 about my job or my neighbor's job is lost, only
21 that they may get a job or make some money; not
22 how much I and others may lose and all the
23 other businesses lose. If the good man really
24 cared about grain exporters, he'd be against
25 09:47:49 the project because they will be blocked by

1 09:47:52 this -- the ships transitting the river.

2 MR. FRIEDMAN: Thank you very much for
3 your comments.

4 At this time is there anyone else who has
5 09:47:59 something to say?

6 Yes, Marc. Go ahead. You have to restate
7 your name for the court reporter.

8 MR. MARC AVERBACH: Yes. My name's Marc
9 Averbach. You have the spelling.

10 09:48:12 This is the book I referred to earlier,
11 "LNG: A level-headed look at the liquified
12 natural gas controversy." It's generally
13 favorable to LNG, but it does make the
14 following point about -- on page 214: Who is
15 09:48:25 looking out for us in the process of making
16 such decisions? No one is. This to me is the
17 most unfortunate part of the whole situation.

18 There's a long, drawn-out, and complicated
19 government mandated process to gain permit -- a
20 09:48:36 permit for an LNG import facility, with all
21 sorts of documentation required of all kinds of
22 issues.

23 But despite a sequence of federal -- of
24 federal policies, most recently the Federal
25 09:48:47 Energy Policy Act produced in 2005, there was

1 09:48:50 no overall guidance as to where an appropriate
2 site might or might not be. No agency is
3 empowered to do any proactive planning.
4 Looking at the country as a whole and saying
5 09:49:01 the United States needs to have this many LNG
6 ports and these are the best locations for
7 them, so don't even bother talking to us about
8 siting an LNG facility anywhere else. This is
9 the most glaring error, among several.

10 09:49:13 And I think we feel -- speaking for people
11 who are opposed to this project, we kind of
12 feel under attack and inundated by numerous LNG
13 plants and pipelines, lots of mailings. I know
14 some of my neighbors have actually disregarded
15 09:49:30 some of the notices because they thought they
16 were related to Oregon LNG, and they didn't
17 realize it was a notice that they were actually
18 on a pipeline route. So it's becoming a little
19 bit overwhelming.

20 09:49:41 And I think also it's startling because we
21 think we're being put in line for LNG because
22 the market that really wants it, California,
23 doesn't want the facilities there, but then
24 we're stuck with them, and with a very
25 09:49:53 expensive infrastructure to pipe it all the way

1 09:49:55 to California.

2 One of the questions that FERC considers

3 in its Environmental Impact Statement is what

4 alternatives are there to this particular

5 09:50:05 project before -- that can fulfill the same

6 objectives? So far, they've shown a pattern of

7 tautologically answering in terms of the

8 project itself, with each EIS concluding that

9 the particular project under discussion is

10 09:50:19 best. An application says its goal is to

11 provide natural gas directly to a particular

12 market. So if another alternative wouldn't

13 provide natural gas directly to that market

14 but, rather, by pipeline, FERC says it was

15 09:50:33 incompatible.

16 And Bradwood engages in this kind of

17 tautologically -- tautological thinking when it

18 gives reasons why its site is particularly

19 suited to an LNG plant at that location. In

20 09:50:51 its property use application -- and it's before

21 Clatsop County -- they claim that the reason

22 the site was particularly desirable was it was

23 at river mile 39. Therefore, I assume saying

24 any other site that is not at river mile 39 is

25 09:51:05 not as suitable; that it has railroad access,

1 09:51:07 that it has dredge material disposal at the
2 site, that it's a relatively isolated location
3 and it has an existing dock. But actually
4 Skipanon LNG has none of these features.

5 09:51:19 Therefore, Bradwood has not really
6 presented credible evidence that it has
7 thoroughly examined alternatives given the
8 least -- or the actual set of criteria that
9 define what's needed for an LNG facility.

10 09:51:31 Thank you.

11 MR. FRIEDMAN: Marc, thanks for your
12 comments, and I do have some thoughts on that.

13 Numerous people at various meetings that
14 I've attended have spoken on the issue of why
15 09:51:45 isn't the FERC looking at national planning?
16 And the reason is quite simple. Congress has
17 not given us that -- has not given us that
18 task. FERC only does what Congress tells us to
19 do. So there's the answer to that question.

20 09:52:03 I understand the feeling that Oregon --
21 the citizens of Oregon have been inundated with
22 numerous, competing in some cases, projects.
23 To some extent that's true. For those of you
24 who don't know the whole picture in Oregon,
25 09:52:20 there is an LNG facility currently proposed

1 09: 52: 22 before FERC in Coos Bay called Jordan Cove with
2 a pipeline that extends from there to Malin,
3 Oregon.

4 There is the Oregon LNG proposal. That's
5 09: 52: 36 in prefiling. That's at the Skipanon site.

6 And then there is this Palomar pipeline, which
7 is not an LNG proposal, but its pipeline does
8 parallel the sendout pipeline for Oregon LNG to
9 some extent through Clatsop and parts of the
10 09: 52: 54 Willamette Valley, Clatsop County and parts of
11 the Willamette Valley.

12 So the way it works is that FERC doesn't
13 think up these ideas. A project proponent
14 comes to the FERC and asks us to grant them
15 09: 53: 07 permission to build the facilities that they
16 are proposing. FERC then does analysis as to
17 what are the environmental impacts of those
18 proposals and ultimately what is the need for
19 it.

20 09: 53: 22 In many past cases, FERC has authorized
21 two competing projects that serve the exact
22 same marketplace and have similar environmental
23 impacts. I'll give you an example of what's
24 called the Wy-Cal pipeline and the Kern River
25 09: 53: 37 pipeline. They were both authorized. They

1 09:53:39 extended from Wyoming to California. Only one
2 of those projects got built because, in the
3 end, the market decides. But FERC was willing
4 to authorize both of them, and that's just the
5 09:53:51 way we operate.

6 Yes, sir. Is there a question in back?

7 Yes.

8 MR. VANCE FRASER: Yeah. About that part
9 about --

10 09:54:01 (Reporter requests clarification.)

11 MR. VANCE FRASER: Vance Fraser,
12 F-R-A-S-E-R.

13 The comment about FERC only does what
14 Congress authorizes, if I'm not mistaken, Ron
15 09:54:12 Wyden asked you all to do some national work as
16 far as rating the different sites and that it's
17 been stated that -- I think by a FERC
18 commissioner, that about only seven LNG
19 facilities would be required in the whole
20 09:54:32 nation, and that you could do a rating and
21 check off the ones that would have the worst
22 impacts would be the lesser desired locations.
23 And I'd like to know what has happened with
24 that request.

25 09:54:48 MR. FRIEDMAN: Ron Wyden -- Senator

1 09:55:52 MR. FRIEDMAN: Thank you for your
2 comments.

3 You can stand up, state your name for the
4 record, and provide us your comments.

5 09:55:59 MS. BRANDY HUMPHREYS: Brandy Humphreys,
6 H-U-M-P-H-R-E-Y-S. I'm with the Confederated
7 Tribes of Grand Ronde, and I just have a
8 question about analysis, talking about multiple
9 pipelines. Is there a cumulative analysis?

10 09:56:16 MR. FRIEDMAN: Yes, there is a section in
11 the DEIS on cumulative impacts.

12 MS. BRANDY HUMPHREYS: Okay.

13 MR. FRIEDMAN: Are there any more comments
14 or questions from the floor?

15 09:56:26 Yes, Duncan. Please, you have to state
16 your name again.

17 MR. DUNCAN MacKENZIE: Duncan MacKenzie.

18 There is a water usage table presented in
19 the DEIS on page 4-53 as table 4.3.1-1.

20 09:56:39 Submerged combustion vaporizers use a water
21 bath surrounding stainless steel LNG vaporizer
22 tubes as a transfer medium. Noted in this
23 table and as found in the applicant's resource
24 report two, table 2-1, it will take

25 09:56:52 approximately 200,000 gallons of water to

1 09:56:54 charge the submerged combustion vaporizing
2 water valves.

3 However, not found in the DEIS or any of
4 the available information for public review is
5 09:57:03 any accounting of the water required to refill
6 the vaporizer unit, approximately 29,000
7 gallons after it has been serviced, nor is the
8 draining of the vaporizer tank taken into
9 account in the noted DEIS table.

10 09:57:14 Reference is made to the following
11 operational narrative text found in the
12 applicant's resource report 13 at Section
13 13.7.3.4 on page 13-32. The vaporizers are
14 arranged in parallel. Under normal operation,
15 09:57:27 only six units are in operation. The remaining
16 unit acts as a spare to enable ongoing
17 maintenance, changeout of water baths, and to
18 cover single unit down time without impacting
19 on the terminal sendout capacity.

20 09:57:40 No schedule or other information as to the
21 frequency of this maintenance procedure and the
22 changeout of water baths was found in the
23 applicant's materials for public review.

24 Furthermore, it is not known if the applicant
25 09:57:53 intends to sequester the water drained from the

1 09:57:55 vaporizer tank and then restore it to the tank
2 after maintenance. Therefore, an accurate
3 assessment of the water resource impact this
4 procedure may have over the course of the year
5 09:58:02 or the expected lifetime of the facility cannot
6 be made.

7 The National Marine Fisheries Service has
8 also noted this operational aspect, as found in
9 their request for additional information for
10 09:58:12 Bradwood Landing LNG terminal on page 10, lines
11 22 through 25. The applicant has not responded
12 to this question in any of its four responses
13 to the National Marine Fisheries Service
14 request. It is not known if this response is
15 09:58:24 contained in the nonpublic document for
16 exception number 20071016-0235.

17 It is also noted that the applicant and
18 the National Marine Fisheries Service have a
19 continuing and ongoing dialogue. However, it
20 09:58:39 is recommended that prior to the preparation of
21 the FEIS, the applicant fully identify and
22 quantify all water usage, intake and discharge,
23 to the Commission.

24 MR. FRIEDMAN: Thank you very much for
25 09:58:48 your comments.

1 09:58:48 Are there any more comments from people
2 who have not yet spoken?

3 If not, Mr. Dragich, you would like to
4 speak again?

5 09:59:01 MR. STEVE DRAGICH: Yes, I would.

6 The question was made to compensation to
7 landowners. The original filing for the
8 certificate in June of 2006, on page 88 in the
9 original filing, the proponent listed, just for
10 09:59:20 the pipeline, total compensation of \$186,000.

11 Using the industry standard found in the
12 Pipeline Risk Management book, edition 1992, by
13 Muhlbaier, what's the price of a human life
14 according to the industry's own estimate? In
15 09:59:42 that edition of 1992, you'll see a listing of
16 \$1.5 million per life.

17 My last comment concerns credibility of
18 the proponent. You've heard about the Palomar
19 pipeline, which the proponent didn't have or
20 10:00:01 was stated as not having any connection to. In
21 August of this year, the people in Washington
22 along the pipeline route were contacted by an
23 independent exploratory company called Maverick
24 Petroleum, associated with Venoco.

25 10:00:24 At the time the proponent said they had

1 10:00:27 nothing to do with this proposal, Bradwood LNG;
2 yet through Securities and Exchange filings we
3 find out that Venoco owned the platform known
4 as the Clearwater project, which NorthernStar
5 10:00:44 was backing in California. Yet we were told
6 that they had no connection to Bradwood LNG
7 through NorthernStar. This goes to
8 credibility.

9 MR. FRIEDMAN: Thank you for your
10 10:00:58 comments.

11 All right. Is there anyone else who has
12 not -- yes, sir. State your name for the
13 record, please.

14 MR. WALT MULTANEN: Walt Multanen,
15 10:01:07 M-U-L-T-A-N-E-N, landowner.

16 If there is to be LNG on this river, I
17 stand to enjoy roughly 2,000 feet of the
18 proposed pipeline. I have but one simple
19 question: If there is a loading site in Alaska
20 10:01:29 at the present time and there is to be LNG on
21 this river, would it be within FERC's authority
22 or somebody's authority to insist that only
23 Alaska natural gas come to Bradwood?

24 MR. FRIEDMAN: I don't know the answer to
25 10:01:47 that question.

1 10:01:48 MR. WALT MULTANEN: Well, end of comment,
2 but if you're going to have natural gas, it
3 would seem -- well, I hate to use the term
4 "common sense," but I have to -- that just
5 10:01:59 common sense would prevail, and you would keep
6 whatever monies you can within your own
7 economy.

8 MR. FRIEDMAN: I understand your comment,
9 and I appreciate it.

10 10:02:09 MR. WALT MULTANEN: There is no such thing
11 as cheap energy on the face of this Earth any
12 longer. That's in days past.

13 MR. FRIEDMAN: When I don't know the
14 answer to a question, that doesn't mean that we
15 10:02:20 won't address it in the EIS; it just means I
16 won't address it now off the top of my head.

17 If there are no more questions from people
18 who have not yet spoken, at this time I'd like
19 to close the meeting. I want to thank you all
20 10:02:32 for being here. And let the record show that
21 this meeting was closed at approximately 10
22 o'clock a.m. Thank you.

23 (MEETING ADJOURNED AT 10:02 A.M.)

24
25

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CERTIFICATE

I, Robin L. Nodl and, a Washington Certified Shorthand Reporter, an Oregon Certified Shorthand Reporter, a Registered Diplomat Reporter, and a Certified Realtime Reporter, do hereby certify that I reported in stenotype the proceedings had upon the hearing of this matter, previously captioned herein; that I transcribed my stenotype notes through computer-aided transcription; and that the foregoing transcript constitutes a full, true and accurate record of all proceedings had during the hearing of said matter, and of the whole thereof.

Witness my hand at Portland, Oregon, this 26th day of November, 2007.

Washington CSR No. 2530

Oregon CSR No. 90-0056