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UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

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Texas Eastern Transmission, LP

Docket No. PF10-17-000

Algonquin Gas Transmission, LP

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NEW JERSEY - NEW YORK EXPANSION PROJECT

Public Scoping Meeting

Westbeth Artists Housing

55 Bethune Street

Manhattan, NY 10014

Thursday, August 5, 2010

The public hearing, pursuant to notice, convened at 7:10 p.m, before a Staff Panel:

KARA J. HARRIS, Office of Energy Projects, FERC

ALEX DANKANICH, U.S. Department of Transportation

LARRY BROWN, Natural Resource Group

With:

EDWARD GONZALEZ, Texas Eastern Transmission, Inc.

1	LIST OF PUBLIC SPEAKERS	
2	Steven Corsen for Scott M. Stringer,	21
3	Manhattan Borough Prez	21
4	Denise Katzman	24
5	Howard Gotbetter	25
6	Pete Davies	27
7	Denise Katzman	31
8	Howard Gotbetter	31
9		
10		
11		
12		
13		
14		
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P R O C E E D I N G S

1
2 MS. HARRIS: Good evening. On behalf of the
3 Federal Energy Regulatory Commission, also known as the F E
4 R C or FERC, I would like to welcome everyone here tonight.
5 This is an environmental scoping meeting for the New Jersey
6 - New York Gas Pipeline Expansion Project proposed by
7 Spectra Energy Corporation affiliates Texas Eastern
8 Transmission, LP, and Algonquin Gas Transmission, LLC.

9 My name is Kara Harris, and I'm an Environmental
10 Project Manager with the FERC's Office of Energy Projects.
11 My supervisor, Lonnie Lister, is also here.

12 The FERC is the lead federal agency responsible
13 for the National Environmental Policy Act, also known as
14 NEPA review of the proposed project and the lead agency for
15 the preparation of the environmental impact statement or
16 EIS.

17 NEPA requires FERC to analyze the environmental
18 impacts, consider alternatives, and provide appropriate
19 mitigation measures on proposed projects. So far, the U.S.
20 Environmental Protection Agency and the City of New York's
21 Mayor's Office have agreed to be cooperating agencies with
22 the FERC in preparation of our environmental impact
23 statement. Additional federal, state, local and other
24 government agencies with jurisdiction by law or special
25 expertise are welcome to cooperate as well.

1 Sitting to my left is Alex Dankanich, who is a
2 regional Community Assistance Technical Service, also known
3 as CATS manager, with the Pipeline and Hazardous Materials
4 Safety Administration, also known as PHMSA. Alex will
5 present a brief overview of his agency's involvement in a
6 few moments.

7 Larry Brown, to my right, is the project manager
8 with the Natural Resource Group, also known as NRG. NRG is
9 an environmental consulting firm, assisting us in producing
10 the environmental impact statement that will be prepared for
11 the project. It is important for everyone to understand
12 that the proposed project was not conceived by and is not
13 promoted by the FERC, the EPA, or the City of New York's
14 Mayor's office.

15 The FERC staff reviews applications for the
16 authority to build and operate interstate natural gas
17 pipelines, and Texas Eastern and Algonquin are in the
18 process of preparing an application to submit to FERC. Once
19 the application is submitted, our obligation is to review
20 that application and prepare an analysis of the
21 environmental impacts.

22 Tonight's meeting is not a public hearing; we are
23 not here to debate the proposal or to make any
24 determinations on its fate. We are here to listen to your
25 concerns so that we can consider them in our analysis of the

1 potential environmental impacts of the project, and how
2 those impacts might be reduced or avoided.

3 If there are any general objections to the
4 project or other non-environmental issues concerning the
5 proposal, those issues will be considered by the Commission
6 in its determination of the project's public convenience and
7 necessity, but are generally considered outside the scope of
8 our environmental analysis. In other words, the Commission
9 wants to hear your concerns in that regard; however, those
10 issues will not be addressed in detail in the EIS.

11 Now let me briefly explain the FERC's prefiling
12 process, because that is the stage at which we are in with
13 respect to this project. Texas Eastern and Algonquin
14 entered into the prefiling process on April 23rd, 2010.
15 That began our review of the facilities that are referred to
16 as the New Jersey - New York Expansion Project.

17 The FERC docket number for the project is PF10-
18 17. The 'PF' means prefiling. No formal application has
19 been filed at FERC for the project. Once Texas Eastern and
20 Algonquin file a formal application, a new docket number
21 will be assigned with a CP Docket No. designation.

22 During prefiling, the goal is to get information
23 from the public as well as agencies and other groups so that
24 we can incorporate all substantive issues of concern into
25 our review. The scoping period started when we issued our

1 Notice of Intent to prepare an environmental impact
2 statement, or NOI on July 16, 2010. The Notice of Intent
3 was mailed to all affected landowners as described by FERC
4 regulations, federal, state and local agencies and
5 representatives and other stakeholders.

6 In the NOI we describe the environmental review
7 process, some already-identified environmental issues, and
8 the steps the FERC and the cooperating agencies will take to
9 prepare the environmental impact statement. We have set an
10 ending date of August 20th, 2010 for the scoping period.
11 However, the end of the scoping period is not the end of
12 public involvement.

13 I will repeat that, because I've seen some
14 misinformation presented in that regard: The end of the
15 scoping period is not the end of public involvement or your
16 only opportunity to comment. We will accept comments
17 throughout our review of the project, but for us to
18 adequately address your comments, analyze them and research
19 the issues, we ask that you try to get those to us as soon
20 as possible. There will be another comment period once the
21 draft EIS is published.

22 Extra copies of the NOI are located in the back
23 of the room at the sign-in table. A speakers list is also
24 located at the back table. We will use that list to call
25 speakers to the podium tonight. If you wish to speak and

1 have not signed up, please add your name on the list.

2 In addition to verbal comments provided tonight,
3 we will also accept your written comments. If you have
4 comments but do not wish to speak tonight, you may provide
5 written comments on the comment forms provided at the back
6 table. You may drop those comments off with us or mail them
7 in at a later date. Be sure to include the project Docket
8 No. PF10-17 and your personal information if you want us to
9 be able to contact you, or if you wish to be placed on the
10 mailing list.

11 Your comments tonight, together with any written
12 comments you have already filed or intend to file will be
13 added to the official record of the proceeding. We then
14 take all the comments that address environmental issues, and
15 utilizing all available information and expertise, factor
16 them into our independent analysis of the project's
17 potential impacts. We will publish those findings in a
18 draft EIS, which will then be distributed for a minimum 45
19 day public comment period.

20 Additional public comment meetings will be
21 announced at that time, where we will invite the public to
22 provide additional comments on our draft EIS, analysis and
23 conclusions. At the end of the draft EIS comment period,
24 FERC staff will prepare a final EIS that specifically
25 addresses each comment received on the draft EIS, and

1 includes all necessary changes, additions and modifications
2 to conclusions reached in the draft EIS. The final EIS will
3 be considered by the Commission in its determination of
4 whether to authorize the project and if so, under what
5 conditions.

6 Currently, our mailing list for the project is
7 over 800 stakeholders. If you received a copy of the NOI in
8 the mail, you are already on the mailing list to receive the
9 EIS. There is a return mailer attached to the back of the
10 NOI by which you can indicate if you want to correct your
11 mailing address or remove your name from the mailing list.
12 Also please note, because of the size of the mailing list,
13 the mail version of EIS will be on a CD-ROM. That means
14 unless you tell us otherwise, the EIS you will receive will
15 be a computer-readable CD-ROM. If you prefer to have a hard
16 copy mailed to you, please indicate that choice on the
17 return mailer or let us know tonight by indicating so when
18 you add your information to the mailing list.

19 One final point I want to clarify is the role of
20 the Commission versus the Commission's Environmental Staff.
21 The five member Commission, which is appointed by the
22 President and confirmed by the Senate, is responsible for
23 making a determination on whether to issue a certificate of
24 public convenience and necessity to Texas Eastern and
25 Algonquin. The EIS is prepared by the FERC Environment

1 Staff; it does not make that decision. The EIS is used to
2 advise the Commission and disclose to the public the
3 environmental impact of constructing and operating the
4 proposed project.

5 The Commission will consider the findings,
6 conclusions and recommendations in the EIS as well as public
7 comments on non-environmental issues including engineering,
8 market need, rates, finances, tariffs and cost in making an
9 informed decision on whether or not to approve the project.
10 Only after taking the environmental and non-environmental
11 factors into consideration will the Commission make its
12 final decision on whether or not to approve the project.

13 Now that I've finished the FERC process, I would
14 now like to hand it over to Alex Dankanich so that he can
15 give a quick explanation of the DOT's role.

16 MR. DANKANICH: Good evening. My name is Alex
17 Dankanich. I'm an engineer with the Eastern Region Office
18 of Pipeline Safety, which is a branch of the United States
19 Department of Transportation, Pipeline and Hazardous
20 Material Safety Administration. I'll be providing an
21 overview of the Office of Pipeline Safety Pipeline Safety
22 Program.

23 If Texas Eastern Transmission and Algonquin Gas
24 Transmission receive permission from the FERC for this
25 natural gas pipeline expansion project, the Office of

1 Pipeline Safety will maintain regulatory oversight over the
2 safety of this pipeline. Note that the New York Public
3 Service Commission is an authorized agent for us for
4 interstate gas transmission inspections, and may assist us
5 in performing some of the inspections in the State of New
6 York.

7 This oversight includes inspections to ensure the
8 pipeline is constructed of suitable materials, that the
9 pipeline is welded in accordance with industry standards by
10 qualified welders, that it is installed to the proper depth,
11 protected from external corrosion, and properly pressure-
12 tested before use to ensure its integrity.

13 Beyond the construction process, we also conduct
14 periodic inspections of operations and maintenance
15 requirements that are listed in Title 49 Code of Federal
16 Regulations Part 192. The operator must establish
17 comprehensive written procedures describing the types and
18 frequencies of monitoring to ensure the continued safe
19 operation of the pipeline. The monitoring that an operator
20 must perform includes such things as the adequacy of
21 external corrosion prevention systems, the operability of
22 pipeline valves and pressure control equipment, patrolling
23 of the pipeline and the right-of-way and leak detection
24 surveys.

25 In addition to this routine monitoring, PHMSA

1 regulations now require transmission pipeline operators to
2 implement integrity management programs. These programs
3 require periodic integrity assessments of transmission
4 pipelines in highly populated areas. These assessments
5 provide a comprehensive understanding of the pipeline's
6 condition and associated risks.

7 In-line inspection tools, frequently referred to
8 as 'smart pigs' provide detailed information about pipeline
9 conditions. During an integrity inspection, sensors and
10 computers are sent through the pipeline. These devices can
11 indicate pipe deformations and changes in wall thickness of
12 the pipeline. By analyzing this data that's collected
13 during the in-line inspections operators can locate and
14 repair areas of the pipeline that may have become damaged or
15 deteriorated.

16 Integrity management programs require operators
17 to detect and correct any possible damage to their pipelines
18 before a damage can result in a pipeline failure. A well-
19 constructed and maintained pipeline must be properly
20 operated. Operators must ensure that personnel performing
21 operations, maintenance or emergency response activities are
22 qualified to perform these functions.

23 The aim of this initiative is to eliminate
24 operator error during operation and maintenance of the
25 pipeline. Operators must also implement training and

1 testing programs for employees and contractors, whose
2 performance is crucial to the maintenance and the safety of
3 the pipeline. Pipeline operators must also implement public
4 awareness programs to improve awareness of the pipeline
5 within communities. Operators communicate pipeline safety
6 information to the public along the pipeline right-of-way,
7 to the emergency responders, to local public officials and
8 to excavators.

9 Public awareness programs emphasize the
10 importance of notifying one-call systems prior to
11 excavating. These notifications allow all participating
12 utility owners, including pipeline operators, to mark the
13 location of their facilities and monitor any excavation to
14 help ensure their facilities are not damaged.

15 Another key message for these stakeholder
16 audiences includes how to recognize a pipeline emergency,
17 how to respond appropriately, and how to report the
18 potential emergency to aid in the rapid response by both the
19 pipeline operator and community emergency responders. If
20 safety inspections find inadequate procedures or that an
21 operator is not following their procedures, the Office of
22 Pipeline Safety is authorized to require a pipeline operator
23 to take immediate remedial actions. The Office of Pipeline
24 Safety can also assess civil penalties.

25 Safety is the primary mission of the Office of

1 Pipeline Safety, and we understand how important this
2 mission is to your community. Thank you for this
3 opportunity to provide this overview of our safety program,
4 and I'll be available after the meeting to answer any
5 questions, one-on-one.

6 AUDIENCE: Do you have copies of that you could
7 give out to all of us?

8 MR. DANKANICH: I have one copy I can give you,
9 sir.

10 AUDIENCE: Fine. Thank you.

11 MS. HARRIS: Thank you, Alex.

12 We've asked the Applicants, Texas Eastern and
13 Algonquin, to provide a short presentation on the proposed
14 project. Here representing Texas Eastern and Algonquin is
15 Ed Gonzalez.

16 MR. GONZALEZ: Thank you, Kara.

17 Again, thank you for coming tonight. As Spectra
18 Energy, we are very interested in everyone's comments and
19 look forward to the scoping meeting tonight.

20 As indicated, my name is Ed Gonzalez. I am the
21 Project Director on the New Jersey - New York Expansion
22 Project for Spectra Energy. And as Kara noted, it is an
23 ongoing process related to our application and the pre-
24 filing process with FERC. Tonight is not the end of your
25 ability to provide comments related to what we are proposing

1 to do, and I think that's the important part. It is a
2 proposed project, it is a proposed pipeline alignment that
3 we have reflected on maps that are on the back of the room
4 and also the USGS quad -- [Map displayed on screen] -- that
5 I'll briefly review as well.

6 Spectra Energy's New Jersey - New York Expansion
7 Project is an expansion of the existing Texas Eastern and
8 Algonquin Transmission pipeline system to deliver new
9 critical natural gas supply to the New Jersey and New York
10 area.

11 What we have as an overhead here is a USGS quad
12 that I'll review some of the facilities with you. What's
13 reflected on the map, the yellow line is where we have
14 existing pipeline infrastructure in Linden, New Jersey
15 crossing the Arthur Kill and going into Staten Island. The
16 company has operated and maintained those facilities for
17 well over 60 years.

18 What we'll be doing between that area -- [laser
19 pointer indicating area on overhead.]

20 That's the Linden Compressor Station. From that
21 point, the yellow line goes somewhat in an easterly
22 direction. What we're going to do is take up some smaller
23 diameter pipelines; 12 inch and 20 inch, and replace them
24 with a 42-inch diameter pipeline. That would terminate at
25 our existing M&R 058. Again, that's an existing facility;

1 it's been on Staten Island for approximately 60 years.

2 At that point we would start a new 30-inch
3 diameter pipeline that goes in a northeasterly direction.
4 That overall length is approximately 15.5 miles. What it
5 does is traverses through Staten Island, crosses the Kill
6 Van Kull [indicating], then from there into Bayonne, New
7 Jersey [indicating], and then continuing up into Jersey
8 City.

9 Associated with the project, we're going to be
10 installing two meter stations. One of them will be in
11 Bayonne, New Jersey [indicating]. What we're going to be
12 doing is installing a meter and regulating station to
13 deliver natural gas to Public Service & Electric; they are
14 the local distribution company for that area.

15 In addition, as you move up into Jersey City, we
16 have two locations. If you can point to those approximate
17 locations. In that location will be a new meter and
18 regulating station as well. That is where we will meter and
19 regulate the gas before it continues in an easterly
20 direction, across the Hudson River into the City. We will
21 install at that location a future tap for the ability to
22 install a second meter station, to be able to make
23 deliveries in the future should it be needed, to Public
24 Service.

25 In addition, we have existing compressor stations

1 along our system. There are two located in Hanover, New
2 Jersey. One on the Algonquin natural gas system, the other
3 being the Texas Eastern system. What we will be doing is
4 some piping mods at those facilities. The third compressor
5 station is in Cromwell, Connecticut, again another existing
6 facility where we will also do piping modifications.

7 In addition, along our system we have various
8 meter and regulating stations that are at various
9 interconnects right now. What we're going to be doing is
10 expanding those facilities. One of those is in Ramapo, New
11 York. The next is in Mahwah, New Jersey, and the final one
12 is in Hanover, New Jersey.

13 On the 42-inch pipeline that I reviewed earlier
14 that goes from Linden, New Jersey to Staten Island, there
15 are various meter stations along that route that we would
16 need to do some various modifications.

17 One key point for us as Spectra Energy is safety
18 is a core value, it is something that we do in everything
19 related to projects, from the early stages, to the
20 materials, to the design, to the selection of contractors,
21 to the execution of the work, to the operation-maintenance.

22 Again, as I pointed out earlier, the maps are
23 proposed. What you see here and the maps in the back of the
24 room have gone through a variety of different iterations,
25 where the route has continued to evolve and been tweaked.

1 That will continue throughout this process. There are
2 various other alternatives that we continue to review.
3 Those will be reflected in an upcoming submittal of resource
4 reports that we will be submitting to FERC the month of
5 September.

6 Those resource reports will depict our proposed
7 route, it will also depict all the variations that we are
8 continuing to review and study as well as the other
9 requirements that get incorporated into those resource
10 reports. We will also be supplying additional mapping.

11 Back in May we made a submittal to FERC when we
12 started the prefiling process of a Resource Report 1 in 10,
13 as well as mapping. This is a supplement with that, with
14 updated information, additional detail.

15 We are anticipating that we would move forward
16 and file our formal application with FERC December of 2010.
17 We would also anticipate that we would file the remaining
18 federal, state and local permits December of 2010 or first
19 quarter of 2011. We would then anticipate that FERC would
20 issue the draft environmental impact statement second
21 quarter of 2011. Anticipate the final EIS being issued
22 third quarter of 2011.

23 Assuming the project would move forward and FERC
24 would certificate it, we would anticipate that that
25 certificate would be received in the fourth quarter of 2011.

1 The remaining federal, state permits that we would need
2 would also be acquired fourth quarter of 2011 or first
3 quarter of 2012.

4 You can see the scope of the facilities I
5 described earlier, what our plans are is we would have a
6 two-year construction period; that doesn't mean that we're
7 going to be in one location for two years, our construction
8 time frame is 2012 and 2013. We would work in discrete
9 areas. Discrete areas would take, depending upon the
10 activity, a few weeks to maybe a month or so, or in some
11 instances slightly longer; depends upon the activities. Our
12 in-service date is the winter of 2013.

13 What I'd like to do is talk about benefits that
14 the project brings. The first one is jobs. There will be
15 direct and indirect jobs associated with the project. We
16 started working on the project in 2009. Assuming things
17 continue, the project would get certificated. We construct,
18 we would continue to have personnel and contractors working
19 through 2014.

20 AUDIENCE: How many?

21 MR. GONZALEZ: Can I finish my presentation,
22 please?

23 AUDIENCE: No, you mentioned jobs. Tell us how
24 many.

25 MR. GONZALEZ: The job will be reflected in our

1 Resource Reports that we'll be submitting in September of
2 this year.

3 AUDIENCE: Will they be local jobs or outsourced?

4 MS. HARRIS: We'll have time for you to ask
5 questions.

6 AUDIENCE: No. The man is making statements, so
7 he should back them up.

8 MS. HARRIS: Well, we're going to get to the
9 public comments as soon as he finishes.

10 AUDIENCE: No, its not public comment, it's
11 question of a man who is making statements without backup.

12 MS. HARRIS: He needs to finish. Let him finish
13 his statements first.

14 AUDIENCE: Fine. Let's hear backup.

15 MR. GONZALEZ: The next is utilization of local
16 services. We have used approximately 30 establishments in
17 the State of New York to support the project to date.

18 The other is taxes. We are estimating that
19 almost \$10 million in annual property taxes would be paid
20 out for the project. The other is natural gas pricing
21 impacts. There would be significant energy savings for
22 natural gas and electric consumers in New Jersey and New
23 York associated with this project. Reliability and
24 diversity of natural gas supply, again available to New
25 Jersey and New York consumers.

1 The other is infrastructure enhancements. It
2 creates stability and greater flexibility for those local
3 distribution companies along the proposed route.

4 And the final point is it supports state and
5 local government energy goals; New Jersey, New York State
6 and New York City energy plans.

7 In closing, as we were prior to this, we were
8 here at 6 o'clock to review mapping, address questions that
9 folks may have. We will be here at the close of the meeting
10 to do the same thing, to review the mapping and address any
11 questions or comments.

12 Again, we appreciate your participation in the
13 FERC scoping process.

14 MS. HARRIS: Thank you, Ed.

15 As he said, after the formal meeting is
16 adjourned, Texas Eastern and Algonquin representatives will
17 be available with the maps to answer any questions.

18 We're now going to move into the part of the
19 meeting where we will hear comments from our audience
20 members. As I mentioned before, if you'd rather not speak,
21 you may hand in written comments tonight or send them to the
22 Secretary of the Commission by following the procedures
23 outlined in the NOI. Whether you verbally provide your
24 comments or mail them in, they will be equally considered by
25 FERC.

1 This meeting is being recorded by a transcription
2 service, so all of your comments will be transcribed and
3 placed into the public record. For the benefit of all in
4 attendance and for accuracy of the transcript, when we call
5 your name please step up to the podium and clearly state
6 your name and affiliation, if any. You might spell your
7 name to the court reporter to ensure accuracy if misspelling
8 is likely. Also, please speak directly into the microphone
9 so that you can be clearly heard by the reporter, the panel,
10 and the audience.

11 Also, please, when people are speaking, please do
12 not interrupt them and let them finish their comments.
13 Lastly, before we start, as a courtesy to the speakers and
14 the rest of the audience, please turn off or silence your
15 cell phones and pagers. Thank you.

16 We're now ready to call our first speaker.

17 Steven Corsen.

18 MR. CORSEN: My name is Steven Corsen, I'm here
19 to read a brief statement on behalf of Manhattan Borough
20 President Scott M. Stringer, copies of which I will leave at
21 the table for anyone that's interested, and we'll also be
22 posting it on our website. [not available]

23 Thank you, distinguished representatives from the
24 Federal Energy Regulatory Commission, Office of
25 Energy Projects, for the opportunity to testify

1 at tonight's hearing.

2 I'm here tonight to offer brief comments on the
3 scope of the prospective environmental impact
4 statement that will address the impacts of the
5 New Jersey - New York Expansion Project involving
6 the construction and operation of a natural gas
7 pipeline in the Borough of Manhattan and
8 elsewhere.

9 According to FERC documents, the New Jersey - New
10 York Expansion Project will require the quote,
11 "installation of a block valve and flange in an
12 underground vault in the Borough of Manhattan to
13 accommodate a receiver" end quote. The vast
14 majority of residents in the West Side
15 neighborhood where this installation is expected
16 and in New York City for that matter, will have
17 absolutely no idea what this means.

18 It's apparent that at a minimum, any installation
19 of this kind will have impacts on the cultural
20 resources, air quality and noise, socioeconomics,
21 and public safety of the residents in this
22 neighborhood. I strongly urge FERC to make a
23 focused effort to offer plain English
24 explanations on these and other impacts to the
25 residents of the West Side neighborhood where

1 this installation could take place. Most
2 residents will not have the time, resources or
3 expertise to accurately parse what for many of
4 them will be impenetrable technical jargon
5 contained in the forthcoming EIS.

6 Thus I, as Borough President, am recommending
7 that the EIS that FERC will eventually release be
8 accompanied by summaries that can be understood
9 and synthesized by experts and lay people alike.
10 As the New Jersey - New York Expansion Project
11 matures and draws new public scrutiny, it will
12 behoove all parties, private industry and public
13 regulators alike, to provide an abundance of
14 clearly understood information on this project
15 for the public. In this regard, I offer to FERC
16 the resources of my office to mobilize community
17 members, disseminate information, and act as a
18 trusted conduit between regulators and
19 constituents.

20 The forthcoming EIS will undoubtedly provoke
21 passionate reactions from affected community
22 members as they learn more about this project;
23 and it's essential that FERC carefully weigh
24 these opinions, proactively working to ensure
25 that these are informed opinions will greatly

1 benefit the dialogue here in Manhattan and
2 elsewhere.

3 Thank you for this opportunity to testify on this
4 important matter.

5 MS. HARRIS: Thank you.

6 (Applause)

7 Denise Katzman.

8 MS. KATZMAN: Denise Katzman, Jersey City
9 resident, former New Yorker. I want to speak to FERC about
10 the Spectra property owners agreement.

11 It is of the utmost importance that this project
12 has transparency as its number one value, and I was informed
13 by Kara Harris that FERC has no obligation to give out the
14 property owners agreement. I also contacted Mary Lee Hanley
15 at Spectra regarding it. All I'm interested in is the
16 boiler plate property owners agreement, which must be given
17 to the public since we do not live in split estate land, nor
18 do we have forced pooling where we live. And it's a simple
19 boiler plate document and there is absolutely no logical or
20 legal reason why it should not be part of this project.
21 Thank you.

22 MS. HARRIS: Thank you.

23 AUDIENCE: I've got a few things to say.

24 MS. HARRIS: Would you please state your name and
25 spell it if needed, for the court reporter.

1 MR. GOTBETTER: My name is Howard Gotbetter
2 [spelling]. Currently I'm residing in Jersey City.

3 Mr. Gonzalez did a very nice job, but to me he
4 said nothing. He spoke in generalities. What I am
5 concerned about is what are the benefits to Jersey City,
6 Bayonne, Staten Island for what Spectra wants to do.

7 Now Mr. Gonzalez made it clear that we're talking
8 about Texas Eastern and Algonquin. What is the relationship
9 with Spectra and those two entities? Who owns whom? Who
10 owns what?

11 In addition, the so-called future possible
12 benefits to those affected. Who is going to do the
13 construction? Does Mr. Gonzalez and his people have any
14 construction companies in mind? Will they be outsourced to
15 construction companies in states remote from this area?
16 Will there be local jobs? How many local jobs? Four,
17 forty?

18 All of this to me is not only transparency lack -
19 - I'll put it the other way, lack of transparency, and
20 generalities that say nothing to me.

21 Another example: Where is this pipe originating?
22 Will the pipe be bought from United States companies or will
23 the pipe be bought from foreign companies like Nippon Steel?
24 I raised that question a few weeks ago at a different
25 meeting, never got an answer.

1 Who is supplying the pipe, and when? And
2 basically, what tax benefits will Bayonne and Jersey City
3 receive? What the hell, you know, as far as I'm concerned,
4 I would recommend Mayor Healy tax them to death, because
5 they are benefiting nobody except greedy, greedy
6 corporations.

7 I will continue another time.

8 (Applause)

9 MS. HARRIS: Thank you.

10 Would anyone else like to speak?

11 MR. GOTBETTER: I just thought of something else
12 to add. With this prefiling process and the timetable that
13 Mr. Gonzalez outlined, with the EIS maybe in September, with
14 the permit process maybe in December, what I would suggest
15 is FERC take a deep breath; don't be in a hurry, don't be in
16 a rush.

17 The other comment about FERC is how will your
18 staff evaluate all the documentation? From what I
19 understand, FERC is getting help outside from other
20 corporations and other entities who will supply people to
21 advise FERC. Now is there a lack of people to work? Is
22 there a lack of expertise where FERC has to go outsource?

23 One company in Rhode Island has been hired, the
24 gentleman, Ms. Harris, on your right is with that company.
25 Seems to be a very knowledgeable person. But to what extent

1 will FERC outsource what it has to do? To what extent will
2 it roll over and play dead and let some people in Rhode
3 Island or elsewhere make decisions? Just don't be in a big
4 hurry. And be very careful, because if you're not careful,
5 we're going to wind up in federal court to oversee what
6 everybody's doing.

7 (Applause)

8 MS. HARRIS: Thank you.

9 Does anyone else wish to speak?

10 If no one else would like to speak --

11 AUDIENCE: Let me ask a question.

12 MS. HARRIS: Please state your name.

13 MR. DAVIES: My name is Pete Davies [spelling].

14 I don't have a comment, I have questions. Will they be
15 answered here, or if they're not going to be answered here,
16 I'll submit them at a future date.

17 MS. HARRIS: You can always ask them, and they
18 will be addressed.

19 MR. DAVIES: Are you guys here to answer
20 questions?

21 MS. HARRIS: We can answer questions.

22 MR. DAVIES: Okay. I understand that the
23 construction would begin around 2012, and I missed when the
24 planned date is that this would be on line and producing.

25 MS. HARRIS: Well, with the FERC and the

1 prefiling process, right now we're in the early stages. The
2 Applicants, Texas Eastern and Algonquin, do have a proposed
3 schedule for their project. But that falls in line with the
4 required details that we need to provide a detailed
5 environmental impact statement.

6 They do have schedules.

7 MR. DAVIES: Do you know what the schedule date
8 for when it would be, Gansevoort Peninsula would be having
9 as delivered, onto Gansevoort Peninsula?

10 MS. HARRIS: Ed?

11 MR. GONZALEZ: Yes. That date is the winter of
12 2013.

13 MR. DAVIES: Okay.

14 MS. HARRIS: And that's all based on them getting
15 approval from the Commission.

16 MR. DAVIES: Once this, I believe it's a 30-inch
17 gas pipeline that arrives underwater to the Gansevoort
18 Peninsula, once that pipeline comes, is there a storage
19 facility planned on the Gansevoort Peninsula? Or does it
20 just --

21 MS. HARRIS: They have not proposed storage for
22 this project.

23 MR. DAVIES: So once the gas arrives on Manhattan
24 at Gansevoort Peninsula, what does that 30-inch pipe do?

25 MS. HARRIS: They are proposed to connect with

1 their customer, Con Edison.

2 MR. DAVIES: On Gansevoort Peninsula, which is
3 part of the Hudson River Park, Con Ed wants to make a
4 connection at--

5 MS. HARRIS: Well, they're crossing West Side
6 Highway.

7 MR. DAVIES: Oh. Is the crossing of West Side
8 Highway a part of the EIS?

9 MS. HARRIS: It will be. It's a part of their
10 proposed project.

11 MR. DAVIES: It's not on the maps, though.

12 MS. HARRIS: It should be.

13 MR. DAVIES: It stops at Gansevoort Peninsula.

14 MS. HARRIS: Last I checked for the maps, the
15 alignment crossed the Hudson River, connected right there at
16 the sanitation department, and crossed the highway, and
17 connected with Con Edison.

18 MR. DAVIES: And are you aware that the
19 sanitation -- that that's all public park, that's --

20 MS. HARRIS: They've been talking with the Hudson
21 River Park Trust. We've also had a meeting with them, as
22 well.

23 MR. DAVIES: Oh. And where does the Hudson River
24 Park Trust stand on this?

25 MS. HARRIS: Well, they have their own

1 requirements, and they're working with the company.

2 MR. DAVIES: Which company.

3 MS. HARRIS: With Texas Eastern and Algonquin,
4 sorry; with the Applicants.

5 MR. DAVIES: With Spectra and --?

6 MS. HARRIS: To gain an easement for this
7 project, they would have to work with the landowner. So
8 they've been working with the sanitation and they've also
9 been working with the Hudson River Park Trust.

10 MR. DAVIES: So we're not clear at this point if
11 there's going to be a storage facility of natural gas
12 planned for Gansevoort Peninsula.

13 MS. HARRIS: For this project they have not
14 proposed storage. It has not been brought up.

15 MR. DAVIES: They're just going to hook something
16 into a 30-inch gas pipeline and pump it into Manhattan?

17 MS. HARRIS: The flow of gas would continue with
18 their project.

19 MR. DAVIES: Okay.

20 I would think somebody else would have some more
21 questions now.

22 (Laughter)

23 MS. HARRIS: Would anyone else wish to speak, for
24 the record?

25 AUDIENCE: I have one question.

1 MS. KATZMAN: Denise Katzman. Speaking about
2 Applicants. This project has been publicized as Spectra
3 Energy and Williams Transco. There has never been a
4 Williams Transco representative present. Why is that?

5 MS. HARRIS: Our applicants, as they've been
6 posed for this project, are Texas Eastern Transmission and
7 Algonquin Gas Transmission. And they are owned by Spectra
8 Energy.

9 MS. KATZMAN: That I know.

10 MS. HARRIS: So Williams is not a part of this
11 project.

12 MS. KATZMAN: Well --

13 MS. HARRIS: It hasn't been posed that way in
14 their draft resource reports or in any letter that they
15 filed with the FERC.

16 MS. KATZMAN: The information that was given to
17 us in Jersey City was given initially through Spectra, and
18 it came out as Spectra Energy, Williams Transco. So
19 Williams Transco is not part of this project?

20 MS. HARRIS: That has not been filed at the FERC,
21 no.

22 MS. KATZMAN: Thank you.

23 MR. GOTBETTER: Howard Gotbetter again.

24 I've got a couple more questions. With regard to
25 an easement through parkland, through the Hudson River

1 Trust, do you, FERC, have any documents?

2 MS. HARRIS: For an easement?

3 MR. GOTBETTER: Yes.

4 MS. HARRIS: The company is still working. That
5 is something between --

6 MR. GOTBETTER: That's not my question.

7 MS. HARRIS: What is your question.

8 MR. GOTBETTER: Do you have any documents between
9 Spectra and the Hudson River Trust?

10 MS. HARRIS: No.

11 MR. GOTBETTER: Do you expect them?

12 MS. HARRIS: They will file details about if they
13 receive an easement prior to.

14 MR. GOTBETTER: That's my question. Do you
15 expect to receive documents looking for an easement through
16 the Hudson River Trust and Spectra.

17 MS. HARRIS: We will receive details, yes.

18 MR. GOTBETTER: And will they be transparently
19 put on the web and made public?

20 MS. HARRIS: They will file them in eLibrary in
21 the Docket No. PF10-17.

22 MR. GOTBETTER: And how long will it take to post
23 after you get them, assuming you get them fast.

24 MS. HARRIS: If they file them electronically,
25 they can come immediately; if it's hard copy filed it may

1 take a while -- not a while; it may take a day, but it will
2 get put on the record.

3 MR. GOTBETTER: It's not going to take seven
4 weeks.

5 MS. HARRIS: No.

6 MR. GOTBETTER: Now another question. I have
7 spoken to three gentleman at NRG, Natural Resource Group,
8 and they're helping you. The gentleman on your right sounds
9 to be a very intelligent person. But why do you need NRG,
10 the Natural Resource Group; why do you need their help?

11 MS. HARRIS: Part of the prefiling process --

12 MR. GOTBETTER: No, no. Don't tell me, you're
13 repeating, you're getting robotic. Why do you need help?

14 MS. HARRIS: No, I'm giving you an answer.

15 Let me give you my answer. As part of the
16 prefiling process, the FERC will get assistance from a third
17 party contractor. Natural Resource Group was chosen as our
18 third party contractor to assist the FERC staff. Their
19 staff mirrors our staff with assisting us in the review and
20 the processing of the environmental impact statement.

21 MR. GOTBETTER: How did you find NRG?

22 MS. HARRIS: They filed -- it was bidded out with
23 multiple companies, and they got the bid, after us looking
24 over their resumes and making sure they're qualified.

25 MR. GOTBETTER: Now when you say they got the

1 bid, they are low bidder -- obviously a low bidder, they're
2 working cheaper than others, correct?

3 MS. HARRIS: We looked at their qualifications.

4 MR. GOTBETTER: How many people approached for
5 the job?

6 MS. HARRIS: We received the companies and we
7 chose what companies we wanted, which is that company.

8 MR. GOTBETTER: Did you put out the Request for
9 Proposal?

10 MS. HARRIS: There was a request sent out.

11 MR. GOTBETTER: When?

12 MS. HARRIS: It was earlier this year.

13 MR. GOTBETTER: For how many people?

14 MS. HARRIS: How many companies?

15 MR. GOTBETTER: yes.

16 MS. HARRIS: I believe it was five.

17 MR. GOTBETTER: Do you have a record of the
18 companies who submitted bids?

19 MS. HARRIS: That is something that we do have.

20 MR. GOTBETTER: Yes or no, do you have a record
21 of those who submitted bids?

22 MS. HARRIS: We do have them.

23 MR. GOTBETTER: Where is the record?

24 MS. HARRIS: It is at the FERC.

25 MR. GOTBETTER: Can you put it on line?

1 MS. HARRIS: Generally that is not put on line,
2 because then that gets into details beyond the fact we chose
3 Natural Resource Group.

4 MR. GOTBETTER: Do you have a contract with NRG?

5 MS. HARRIS: We do have a contract with them.

6 MR. GOTBETTER: Do you have it with you today?

7 MS. HARRIS: No, I do not.

8 MR. GOTBETTER: Where is it?

9 MS. HARRIS: It's at the FERC.

10 MR. GOTBETTER: Can you put it on line?

11 MS. HARRIS: That is generally not put on line.

12 MR. GOTBETTER: Can you put it on line next week?

13 MS. HARRIS: I cannot put that on line.

14 MR. GOTBETTER: Why not?

15 MS. HARRIS: Because that is not a part of the
16 environmental process.

17 MR. GOTBETTER: Well, it's part of choosing
18 outside assistance, isn't it?

19 MS. HARRIS: And they are qualified, yes, they
20 are.

21 MR. GOTBETTER: How do you know they're
22 qualified?

23 MS. HARRIS: I reviewed their resumes.

24 MR. GOTBETTER: Who else reviewed their resumes?

25 MS. HARRIS: My supervisor also reviewed the

1 documents that were filed, or that were sent in.

2 MR. GOTBETTER: What did NRG submit?

3 What did they submit? How many resumes? How
4 many qualifications? Who has degrees.

5 MS. HARRIS: It's all in there.

6 MR. GOTBETTER: Can you put it on line?

7 MS. HARRIS: We can also talk about this
8 afterwards.

9 MR. GOTBETTER: No. I want everyone in the room
10 to hear. Can you put on line what NRG submitted, including
11 the low bid price to be outsourced to help in an EIS? What
12 are the requirements that you and your supervisor passed
13 upon to hire NRG versus Company A, B, or C?

14 MS. HARRIS: NEPA requires us to list the
15 qualifications in the back of environmental impact
16 statements. Each person's qualifications, their education,
17 including that, will be included in the environmental impact
18 statement.

19 MR. GOTBETTER: But that is not for many months
20 away. Why can't we know the qualifications next week? The
21 EIS statement is months away, correct?

22 MS. HARRIS: Correct.

23 MR. GOTBETTER: And at the back of the EIS
24 statement you will put down the qualifications, et cetera,
25 of NRG, correct?

1 MS. HARRIS: And my qualifications as well.

2 MR. GOTBETTER: And where are those resumes
3 today?

4 MS. HARRIS: They're at the FERC.

5 MR. GOTBETTER: Why can't we see them next week?

6 MR. BROWN: I would suggest that this meeting is
7 to provide comments that we need to cover in the EIS. If
8 you have questions like that, we can talk to you after the
9 meeting, sir.

10 MR. GOTBETTER: No. I want answers now. There
11 are a number of people in this room who may be interested.

12 What I'm concerned about is FERC --

13 MR. BROWN: And people in this room can speak to
14 us as well.

15 MR. GOTBETTER: -- won't be doing its job.

16 MR. BROWN: After the meeting is over.

17 MR. GOTBETTER: I want to know what NRG did, and
18 why they got the job, apart from financially, they're being
19 paid less than one, two or three other companies. How much
20 are they being paid? Is that a public record ?

21 MR. BROWN: The question that would be
22 appropriate would be --

23 MR. GOTBETTER: No, I'm talking to Ms. Harris.

24 MR. BROWN: -- let me speak.

25 MR. GOTBETTER: Not you. Not you.

1 MR. LISTER: Sir. Sir, excuse me. The purpose
2 of this meeting is not the cross-examination of the
3 selection of the staff that's going to be producing the
4 document, okay?

5 MR. GOTBETTER: Who are you?

6 MR. LISTER: My name is Lonnie Lister, I'm Kara
7 Harris's supervisor.

8 MR. GOTBETTER: Fine.

9 MR. LISTER: And I'm not here to be
10 cross-examined, either.

11 MR. GOTBETTER: Why not?

12 MR. LISTER: Because this is a scoping meeting to
13 receive comments that --

14 MR. GOTBETTER: But this gentlemen asked
15 questions. I'm concerned about the ability of FERC not to
16 roll over and play dead --

17 MR. LISTER: FERC does not roll over and play
18 dead. NRG is one of several companies that has worked for
19 us on numerous occasions, producing environmental impact
20 statements, and helping staff produce environmental impact
21 statements. That's the bottom line.

22 MR. GOTBETTER: What's your name again?

23 MR. LISTER: Lonnie Lister.

24 MR. GOTBETTER: You're the supervisor.

25 MR. LISTER: Yes.

1 MR. GOTBETTER: Okay, you have --

2 MR. LISTER: I'll be happy to talk to you --

3 MR. GOTBETTER: You have been helpful, and I
4 think people in this room learned a bit. Thank you.

5 MS. HARRIS: If no one else would like to speak,
6 I will briefly mention the FERC website. Within our website
7 there is a link called eLibrary. If you type in the Docket
8 No. PF10-17, you can use eLibrary to gain access to
9 everything on the record concerning this project, as well as
10 all filings and information submitted by Texas Eastern and
11 Algonquin.

12 A link called eSubscription is also available for
13 you to sign up using an e-mail address, to receive e-mails
14 each time a document is filed in the PF17-10 docket.

15 On behalf of the Federal Energy Regulatory
16 Commission, I want to thank you for coming out tonight.
17 This meeting is adjourned. Thank you.

18 (Whereupon, at 7:48 p.m., the scoping meeting
19 adjourned.)

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