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BEFORE THE

FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Project No.

ALASKA LNG PROJECT : PF14-21-000

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Trapper Creek Elementary School

6742 Petersville Rd

Trapper Creek, Alaska 99683

Thursday, October 29, 2015

The above-entitled matter came on for Scoping Meeting, pursuant to notice, at 6:00 p.m., Maggie Suter, the moderator.

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

2 (6:06 p.m.)

3 MR. LAFFOON: Good evening. On behalf of the  
4 Federal Energy Regulatory Commission or FERC I would like to  
5 thank all of you for coming out tonight. This is an  
6 environmental scoping meeting for the Alaska LNG Project  
7 proposed by the Alaska Gas Line Development Corporation, BP  
8 Alaska LNG, Conoco Phillips Alaska LNG Company, Exxon Mobile  
9 Alaska LNG and TransCanada Alaska Midstream.

10 Let the record show that the public scoping  
11 meeting in Trapper Creek, Alaska started at 6:06 p.m. on  
12 October 29, 2015. My name is Daniel Laffoon and I am an  
13 Environmental Project Manager with the Federal Energy  
14 Regulatory Commission's Office of Energy Projects.

15 With me tonight I have Maggie Suter also a  
16 Project Manager with FERC. At the front table just outside  
17 the room I have Elizabeth Dolezal and Jason Vaillancourt  
18 both are with NRG. They are a third party contractor for  
19 helping us prepare the Environmental Impact Statement for  
20 this project.

21 We also have present from the Alaska DNR Don  
22 Perrin who is in the back of the room, Earle Williams with  
23 BLM, Sandy Gibson with the U.S. Army Corp of Engineers and  
24 Mark Jen with the U.S. EPA. For the AK LNG Project the FERC  
25 is the lead federal agency with responsibility under the

1 National Environmental Policy Act to consider the potential  
2 environmental impact and prepare and Environmental Impact  
3 Statement or EIS associated with the liquefied natural gas  
4 or LNG terminal and any associated natural gas pipelines and  
5 facilities.

6           The primary purpose of the meeting tonight is to  
7 give you an opportunity to comment on the project or any  
8 environmental issues that you would like to see covered in  
9 the EIS. It will help us the most if your comments are as  
10 specific as possible regarding the potential environmental  
11 impacts and any reasonable alternatives of the proposed  
12 Alaska LNG Project.

13           These issues generally focus on the potential for  
14 environmental effects but may also address construction  
15 issues, mitigation and the environmental review process. In  
16 addition this meeting is designed to provide you with an  
17 opportunity to meet with the applicants, to ask them  
18 questions and get more detailed information about the  
19 proposed facility locations and construction plans.

20           I have asked AK LNG to provide a brief overview  
21 of their project. Along the overview I will describe the  
22 FERC review process and then begin taking your comments.  
23 Lisa Gray from the AK LNG is going to present their project,  
24 thanks.

25           MS. GRAY: Hi. If I shout at you please let me

1 know because I don't normally need one of these things and  
2 just so that I am going to make an excuse for Danny and I we  
3 don't generally like to talk from read stuff but we do that  
4 so that all of the communities we go to get the exact same  
5 information so good evening and thank you for joining us  
6 tonight.

7           It is great to see a lot of the same faces that  
8 we have seen in the past so we appreciate you guys stopping  
9 by. My name is Lisa Gray and I will provide the project  
10 overview as requested by FERC. Also here tonight for the  
11 project we have Luke Marodi who is gone -- Steve McDaniel,  
12 Elena Antonakos in the back, David Sinclair standing and  
13 Oscar Evant standing as well thank you.

14           So let's go to page 2. The Alaska LNG Project is  
15 made of five participants, AG DC through the state of  
16 Alaska, BP Conoco Phillips, Exxon Mobile and TransCanada and  
17 we have a core group of people about 130 who make up our  
18 project team. We have been working on this project for  
19 about two years now. The proposed project will take natural  
20 gas from Point Thompson and Prudhoe Bay, process it through  
21 a new gas treatment plant, run it down a new 800 mile  
22 pipeline to a new liquefaction facility in Nikiski where it  
23 will be located and exported to markets around the world.

24           Along the way there will be several off-take  
25 points for access to gas for Alaskans. The state is

1 currently figuring out where those might be located. Next  
2 page please.

3           Thank you Elena, it's hard to flip the page when  
4 you don't have a handout. So we are on page 3 and it is our  
5 project milestone schedule. This is a simplified look at  
6 the schedule we are working with but it gives you a sense of  
7 just how long it takes to get a project of this magnitude  
8 off the ground. Right now we are doing our preliminary  
9 engineering phase or investigation phase, we are doing a lot  
10 of field work to better define what our facilities will look  
11 like, where they should be located and how much they will  
12 cost.

13           Currently our estimates run between 45 and 65  
14 billion and we are working to fine-tune that cost over the  
15 next year. After the investigation phase wraps up all of  
16 the owners including the state of Alaska will evaluate the  
17 work done to that point and make a decision to move forward  
18 with our design and engineering phase.

19           The details -- during the design phase we  
20 fine-tune our engineering, sort through what land access we  
21 need, work through a comprehensive regulatory process and  
22 better define and begin rolling out our work force  
23 development and business strategies.

24           When design and cost estimates are complete, then  
25 it is time for another decision. All of the participants

1 need to make the decision to build the project. If final  
2 investment decision is made, construction begins involving  
3 tens of thousands of people and tens of billions of dollars.  
4 Page four please.

5           The gas treatment plant -- we are going to  
6 transport you to the North Slope now. The natural gas or  
7 methane molecules start on the North Slope and are found in  
8 the ground in the fields at Point Thompson and Prudhoe Bay.  
9 The molecules are cold and require pressure to be moved.  
10 Before the natural gas molecules can be moved through the  
11 pipeline they have to be treated. The project calls for the  
12 gas treatment plant to be located near West Dock and the  
13 plant will strip out impurities like carbon dioxide. This  
14 would be the largest gas treatment facility in the Arctic.

15           The facility is about 200 acres in size and  
16 facility construction would require about 250,000 tons of  
17 steel. The GTP will treat about 3.3 billion cubic feet per  
18 day of natural gas. Gas transmission lines will be  
19 constructed to transport the gas from Prudhoe Bay and Point  
20 Thompson to the new GTP, those are smaller lines.

21           From that huge piece of project the GTP we move  
22 to the next, page 5 please. From the gas treatment plant  
23 the treated gas would go into a 42 inch diameter pipeline  
24 rivaling TAPS in length but there are several key  
25 differences. The existing TAPS line as you know carries

1 crude oil which comes out of the ground warm. That by the  
2 way is why much of TAPS is above ground you don't want to  
3 build a hot pipeline in permafrost.

4 Now think about natural gas, it is cold it comes  
5 out of the ground naturally very cold so we can bury most of  
6 the pipeline through most of the state. Project plans call  
7 for the pipeline to run basically along five TAPS until  
8 Livengood which there it turns south and heads toward Cook  
9 Inlet.

10 Along the way the pipeline would require 8  
11 compressor stations to provide pressure and maintain  
12 temperature to keep the gas moving. There are off  
13 right-of-ways facilities to be considered, temporary work  
14 camps and pipeline lay-down yards among other facilities  
15 that are currently being designed and decided.

16 Because of the on-going field work and  
17 discussions with local communities, with regulators and  
18 because of the field work information that we have received,  
19 we are continuing to refine the pipeline route as well as  
20 the on and off right-of-way locations. There are also plans  
21 for at least 5 off-take points, the location of which will  
22 be decided by the state of Alaska.

23 The idea is to make natural gas available along  
24 the route with the hope that it would decrease local energy  
25 costs. Once the pipeline reaches Cook Inlet it would be

1 laid across Cook Inlet near the Tyonek, Beluga area and in  
2 the new liquefaction facility and marine terminal in  
3 Nikiski.

4           Page 6 -- in order to load the gas onto the LNG  
5 carriers that will carry it to markets around the world it  
6 has to be liquefied. The point of liquefaction is to shrink  
7 the gas to a manageable size. When the gas is chilled it  
8 becomes liquid, it becomes 600 times smaller in volume. If  
9 you tried to load ships with natural gas you would need 600  
10 more ships or a ship 600 times as big.

11           But loaded with liquefied natural gas those ships  
12 then become essentially floating thermos bottles, carrying  
13 the gas to markets around the world. We liquefy the gas to  
14 make it safer and easier to move.

15           Project plans currently call for about 15 to 20  
16 LNG carriers to transport LNG from the proposed LNG plant  
17 every month. Here's the challenge -- liquefied natural gas  
18 requires cooling it to minus 260 degrees Fahrenheit and that  
19 takes very specialized, highly complex processes to  
20 accomplish but it is being done safely now in Alaska.

21           The industrial area of Nikiski has played host to  
22 the Conoco LNG facility for over 40 years. For our proposed  
23 LNG facility site 20 locations in Alaska were previously  
24 studied and the Nikiski site was chosen after looking at  
25 numerous issues like geo-technical risks, access to

1 industrial and infrastructure services, a location with 800  
2 relatively flat acres, weather, water depth, bathymetry and  
3 ice build-up.

4           We have been purchasing land in Nikiski and  
5 currently have about 600 acres at the proposed LNG facility  
6 site. That wraps our overview of the Alaska LNG Project,  
7 thank you for your time and thank you for your comments  
8 during tonight's scoping meeting and for your previous  
9 participation in earlier Alaska LNG meetings. We look  
10 forward to continued conversations with the Trapper Creek  
11 community, thank you.

12           MR. LAFFOON: Thank you Lisa. AK LNG will remain  
13 after the meeting tonight as long as there is time to answer  
14 any additional questions that you may have. They have maps  
15 with them detailing out exactly where the project is going  
16 to be. Now I want to briefly describe our environmental  
17 review process for you. To illustrate how this process  
18 works we have prepared a flow chart -- this flow chart that  
19 was mailed out, it was part of our Notice of Intent it was  
20 mailed out to our environmental mailing list, it is also at  
21 the front sign-in table.

22           Currently we are early in the review phase of the  
23 environmental review process. The applicants entered into  
24 the FERC pre-filing process on September 12, 2014 which  
25 began our review of the Alaska LNG Project. The purpose of

1 the pre-filing process is to encourage involvement by all  
2 interested stakeholders in a manner that allows for the  
3 early identification and resolution of environmental issues.  
4 As of today no formal application has been filed with the  
5 Commission.

6           However the FERC, along with other federal, state  
7 and local agencies have begun review of the project. On  
8 March 5, 2015 FERC issued the Notice of Intent or NOI to  
9 prepare an EIS for this project and initiated the scoping  
10 period. The scoping or comment period will end on December  
11 4, 2015 so a little bit over a month from now.

12           Once scoping is finished our next step will be to  
13 begin analyzing the issues that have been identified during  
14 the scoping period. We will assess the project's effects on  
15 water bodies and wetlands, vegetation and wildlife,  
16 endangered species, cultural resources, soils, land use, air  
17 quality, safety, health and subsistence as well as the  
18 impacts from alternative sites.

19           During our review we will assemble information  
20 from a variety of sources including the applicants, the  
21 public, other federal, state and local agencies and our own  
22 field work. We will independently analyze this information  
23 and prepare a Draft EIS. This Draft EIS will be distributed  
24 to the public for comment. During the comment period on the  
25 Draft EIS we will hold more public comment meetings to

1 gather feedback on our analysis and our findings.

2           After making any necessary changes or additions a  
3 Final EIS will again be distributed to the public. Please  
4 note that the size of the mailing list, the mailed version,  
5 because of the size of the mailing list, the mailed version  
6 of the EIS will be on a CD. If you prefer to have a hard  
7 copy mailed to you, you must indicate that choice on the  
8 return mailer on the back of the NOI or you can tell us here  
9 tonight and we will ensure that we mail out a hard copy to  
10 you instead of that CD.

11           If you received the NOI in the mail then you are  
12 already on our environmental mailing list and the EIS and  
13 any supplemental notices we may issue about this project  
14 will be sent to you unless you wish to be removed from the  
15 mailing list in which case you can check that box on the  
16 back of the NOI. We mailed the NOI to our environmental  
17 mailing list, however the mailing list for our project is  
18 large and undergoing constant revisions.

19           If you did not get a copy and would like one  
20 there are copies of the NOI again at the front table and you  
21 can add your name to our environmental mailing list. There  
22 are many ways you can participate in our process. Tonight's  
23 meeting is just one of these options. Tonight you may sign  
24 up to speak and present verbal comments that will be  
25 transcribed and placed into the public record. In addition

1 you may submit comments by mail, electronically or you can  
2 fill out a comment form at the front table and leave it with  
3 one of us and we will ensure that it ends up in the docket.

4           It is very important that any comments you send  
5 include our internal docket number for the project, in this  
6 case it is PF 14-21. Including this number will ensure that  
7 the staff evaluating the project will get your comments as  
8 soon as possible.

9           The EIS is being prepared to disclose to the  
10 public and to the Commission the environmental impact of  
11 constructing and operating the planned project. The EIS is  
12 not a decision-making document and does not constitute  
13 approval. After the final EIS is issued there are up to  
14 five Commissioners at the FERC who are responsible for  
15 making a determination on whether or not to authorize AK  
16 LNG's project.

17           The Commissioners will consider the environmental  
18 information from the EIS among other non-environmental  
19 issues in making its decision to approve or deny the  
20 project. We will now begin the important part of the  
21 meeting where we hear your comments. If you prefer not to  
22 speak you may hand us the written comments tonight and we  
23 will mail them in.

24           Whether you provide comments verbally or in the  
25 mail, or electronically they will all be considered equally

1 by the Commission. I am sure you have noted that this  
2 meeting is being recorded by a transcription service. This  
3 is being done so that all of your comments and questions  
4 will be transcribed and put into the public record. To help  
5 the court reporter produce an accurate record of this  
6 meeting I ask that you follow a few simple ground rules.

7 First I ask that you turn off or silence all cell  
8 phones. We will call speakers up in the order that they  
9 received a ticket. When your number is called please step  
10 up to the microphone and state and spell your name for the  
11 record. Please identify any agency or group that you are  
12 representing and define any acronyms or terms that you may  
13 use. It is important that you face us when giving your  
14 comments to ensure that the court reporter can capture all  
15 of your comments. Most importantly everybody please show  
16 respect for the person who is speaking. Do not interrupt  
17 the speaker for any reason whether you agree or disagree  
18 with what they are saying please wait until they are done  
19 and now we are ready to call our first speaker. Speaker  
20 number 1 or number 3 rather, number 3?

21 UNIDENTIFIED SPEAKER: I really don't have any  
22 comments, sorry I did pull a number but my questions have  
23 been answered thank you.

24 MR. DEWITT: Hi my name is Neil DeWitt, it's  
25 N-e-i-l D-e-W-i-t-t and I am here speaking on my own behalf.

1 The biggest problem that I have that I can see the Mat  
2 Valley has got a real fish problem and as you guys come down  
3 through the highway and cross all the fish streams and  
4 everything, I'm under the understanding that you are going  
5 to just with the exception of the Big Su River from what  
6 I've heard, you are going to just cut right across our fry,  
7 the eggs and all the fish that live for a couple -- three  
8 years, up in the lakes and the streams and everything are  
9 going to be decimated.

10 That's part of the reason why the law says that  
11 you cannot drive a motorized vehicle through a  
12 salmon-bearing stream. So I am very concerned with how you  
13 are going to get across all of these streams, creeks and  
14 everything without destroying our fish habitat which we have  
15 been working quite hard to get fish back up here in the Mat  
16 Valley.

17 There's been numerous things that the Board of  
18 Fish and that they have come in the last couple of years  
19 here that they have been trying to do to get the fish to  
20 come back up here and we are going to destroy their habitat  
21 now by putting in this line so I am not against the line, I  
22 think it is a real good project we just need to take a good  
23 hard look at how we are going to cross those streams, thank  
24 you.

25 MR. LAFFOON: Thank you, thank you for your

1 comments. I just want to point out that this is not FERC's  
2 project this is AK LNG's project but thank you again for all  
3 of your comments. Those were the only people that we  
4 actually had signed up to speak but we would like to open  
5 the floor for any additional people that would like to  
6 speak, is there anyone else who would like to speak tonight?  
7 Can you please come to the front and state and spell your  
8 name?

9 MR. WETTANEN: Art Wettanen from Talkeetna,  
10 Alaska. That's W-e-t-t-a-n-e-n. I attended one of these  
11 meetings at the Su Valley High School and Harold Heinsky was  
12 there and he was commenting about the wall thickness of the  
13 pipe right by the Su Valley High School. He thought that it  
14 should be increased wall thickness just because we are  
15 within 300 feet of the school for safety and he was  
16 questioning also about the pressure of the pipe so that  
17 would be my concern is how this was addressed.

18 I never heard any response about it, that's all I  
19 have got to say.

20 MR. LAFFOON: Thank you for your comment. The  
21 U.S. Department of Transportation is responsible for safety  
22 associated with these -- well with natural gas pipelines and  
23 they are going to be a cooperating agency in the preparation  
24 of our environmental impact statement.

25 Is there anyone else who would like to comment

1 tonight? Can you please come to the front and state and  
2 spell your name?

3 MR. STRASENBURGH: My name is John Strassenburgh,  
4 S-t-r-a-s-e-n-b-u-r-g-h. I'm going to submit written  
5 comments, in fact it looks to me like the alignment is very  
6 similar to the ASAP alignment and I commented about a year  
7 ago on that and in talking to some of the folks beforehand  
8 it seems like many of my concerns have been addressed. I  
9 just want to just say briefly that one of my concerns is the  
10 view shed at Denali State Park -- when the pipeline would go  
11 through Denali State Park.

12 And I would encourage you guys whenever possible  
13 to route it on the east side of the park's highway and that  
14 way hopefully the trees would shield the right-of-way and  
15 the clearing from Curry Ridge and Kesugi Ridge and also the  
16 way you locate your material sites I think it is important  
17 to keep in mind what Denali State Park trails are in effect  
18 are in place and other uses and respect and minimize the  
19 impact of those other uses.

20 And I did talk to a gentleman earlier about the  
21 crossing of Troublesome Creek and it is a -- as I mentioned  
22 it is a very popular use, human use area, it is used by  
23 bears as well, a fairly high concentration of bears. But  
24 what I was told and this sets many of my concerns to rest is  
25 that the construction would be in the winter time and it

1 would not be apparently it would not be a major disruption  
2 because it is not used as much by people or bears in the  
3 winter time so I would encourage that if it is impossible to  
4 cross upstream at Troublesome Creek then I hope you are  
5 still able to construct in the winter time.

6           So anyway that's all I have. I have got some  
7 comments and I have talked to Lisa and I can get her my  
8 comments in writing as well so thank you.

9           MR. LAFFOON: Thank you. We would encourage you  
10 to file those with the Commission as well, not just provide  
11 them to the applicant, give them to us as well. Is there  
12 anybody else who would like to comment tonight? Yes, can  
13 you please come forward?

14           MR. WOOD: Gentlemen my name is John Wood, last  
15 name is spelled W-o-o-d. I would like to encourage the  
16 project to have an industrial off-take point plant at  
17 Nikiski prior to the gas being liquefied so it is available  
18 for industrial users and that being in addition to the other  
19 five off-take points that are proposed at some undetermined  
20 place up and down the line.

21           So where the pipe goes into the plant I would  
22 like to see an additional off-take point, thank you.

23           MR. LAFFOON: Thank you for your comment is there  
24 anyone else who would like to speak tonight anyone yes?  
25 Come on up.

1           MR. STRASENBURGH: The only other -- John  
2 Strassenburgh again sorry I apologize. The other thing and I  
3 think this is an issue that exists all up and down the route  
4 is that there are people that have remote cabins, especially  
5 north and south of Denali State Park and especially there is  
6 a lot of them between Denali State Park and Trapper Creek.

7           And I would encourage you to be sensitive to that  
8 and route on the west side as much as you can, so that's all  
9 I have thanks again.

10           MR. LAFFOON: Thank you again. Is there anyone  
11 else would like to comment, yes please come forward and  
12 state and spell your name?

13           MR. MENARD: Yes my name is George Menard,  
14 M-e-n-a-r-d and I don't know if this is relevant to the  
15 present discussion but I would like to submit that the tens  
16 of billions of dollars that are going to be spent for  
17 getting another fossil fuel project might be better spent  
18 researching and developing alternative energy in Alaska.

19           We have unlimited resources in the form of solar,  
20 wind, instream hydro, small scale hydro and tidal power.  
21 The key to developing these resources is energy storage and  
22 I would like to see Alaska get involved in new and better  
23 technologies for storing energy that would make these other  
24 alternative forms of energy feasible for use by use within  
25 our state rather than exporting to other countries and

1 re-importing the carbon dioxide that they will be  
2 generating, thank you.

3 MR. LAFFOON: Thank you for your comment. Is  
4 there anyone else that would like to speak tonight? Anyone?  
5 Okay without any more speakers the formal part of this  
6 meeting will conclude. On behalf of the Federal Energy  
7 Regulatory Commission I would like to thank you all for  
8 coming out tonight. Let the record show that the Alaska LNG  
9 Project Scoping Meeting in Trapper Creek concluded at 6:36  
10 p.m. Thank you again for all coming out.

11 (Whereupon, the meeting was adjourned at 6:36  
12 p.m.)

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