

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

FEDERAL ENERGY REGULATORY COMMISSION
PUBLIC SCOPING MEETING FOR THE
ALASKA LNG PROJECT

PF14-21-000

Held at:
Barrow Iñupiat Heritage Center
5421 North Star Street, Multipurpose Room
Barrow, Alaska 99723

October 28, 2015
6:15 p.m.

1

PROCEEDINGS

2

MR. MARTIN: Good evening, we're

3

going to go ahead and get started now. Let the

4

record show that the meeting was initiated at

5

6:15.

6

My name is Jim Martin, I'm with the

7

Federal Energy Regulatory Commission. And on

8

behalf of the Commission, I'd like to invite you

9

to tonight's environmental scoping meeting for the

10

Alaska LNG project.

11

Here with me at the table is

12

Jennifer Lee; Jennifer is our contractor from

13

Natural Resources Group. And at the table in the

14

back is Mike Boyle and Patti Trocki, who are also

15

contractors supporting our production of the

16

environmental impact statement.

17

The main reason we're here tonight

18

is to listen to you; however, I am going to take a

19

little bit of time to read through a statement on

20

our process and how you can be involved in it.

21

And I'm also going to ask Alaska LNG to present

22

some information on their project.

23

Alaska LNG will stick around after

24

the meeting is adjourned, and they have

25

information where you can come and talk to them

1 and get additional information on specifics of the
2 project.

3 For the Alaska LNG project, the
4 FERC is the lead federal agency with
5 responsibility under the National Environmental
6 Policy Act to consider the potential environmental
7 impacts and prepare an environmental impact
8 statement associated with the liquefied natural
9 gas, or LNG terminal, and any associated natural
10 gas pipeline and facilities.

11 The primary purpose of this
12 meeting, as I mentioned earlier, is to give you an
13 opportunity to comment on the project or on the
14 environmental issues that you would like to see
15 covered in our EIS.

16 It will help us the most if your
17 comments are as specific as possible regarding the
18 potential environmental impacts and reasonable
19 alternatives for the proposed Alaska LNG project.

20 These issues generally focus on
21 potential for environmental effects; but may also
22 address construction issues, mitigation, and an
23 environmental review process.

24 In addition, this meeting is
25 designed to provide you with an opportunity to

1 meet with the applicants, to ask them questions,
2 and to get more detailed information about their
3 proposed facility location and construction plans.

4 Before we go any further, I'd like
5 to ask, is there anyone that requires translation
6 services? Because we do have a couple of
7 translators here that could provide that. If you
8 could just raise your hand if you would like that.
9 All right. Thank you.

10 MR. PALMER: It's going to be fine.

11 MR. MARTIN: All right. Thank you
12 very much. At this time I'd like to introduce
13 Mike Nelson. Mike is from Alaska LNG, and he'll
14 give you an overview of the project.

15 MR. NELSON: Hello. Good evening,
16 and thank you for joining us for FERC's scoping
17 meeting about the Alaska LNG project.

18 My name is Michael Nelson, and I'm
19 going to provide an overview of our project as
20 requested by FERC.

21 We have copies of the presentation;
22 anyone who doesn't have a copy, we can get you
23 one; and I'll step through this, and please follow
24 along. And if you have any -- and I'll -- and
25 then we'll turn this back over to Jim.

1 The Alaska LNG project is made up
2 of five participants; the State of Alaska, BP,
3 ConocoPhillips, ExxonMobil, and TransCanada. We
4 have a core group of about 130 people who make up
5 the project team.

6 The proposed project will take
7 natural gas from Point Thomson and Prudhoe Bay,
8 process it through a new gas treatment plan in
9 Prudhoe, run it through a new 800-mile pipeline to
10 a new liquefaction facility in Nikiski where it
11 will be liquefied and exported to markets around
12 the world.

13 Along the way there will be several
14 off-take points for access to gas for Alaskans.
15 The State is currently figuring out where those
16 might be located.

17 I'm moving to page 2 on the
18 presentation. This is a simplified look at the
19 schedule we're working with, but it gives you a
20 sense of just how long a project of this magnitude
21 takes.

22 Right now during our preliminary
23 engineering phase, or investigation phase, we're
24 doing a lot of work to better define what our
25 facilities will look like; where they should be

1 located, and how much all of this will cost.

2 Right now our estimate runs between 45- and
3 \$65 billion, and we're working to fine-tune that
4 cost over the next year.

5 After the investigation phase, all
6 the owners, including the State, will evaluate all
7 the work done to this point and make a decision to
8 move forward with our design or detailed
9 engineering phase.

10 During this phase, we fine-tune our
11 design; sort through what land access we need;
12 work through a comprehensive regulatory process,
13 and better define and begin rolling out our
14 workforce development and contracting strategies.

15 Then all the participants need to
16 make a decision to build the project. If the
17 final investment decision is made, construction
18 begins, involving the efforts of tens of thousands
19 of people and tens of billions of dollars.

20 Page 4. This is one of the
21 largest, most complex projects in the world today.
22 The Alaska LNG project will bring natural gas from
23 the North Slope down to Nikiski for export to
24 buyers in Asia.

25 The natural gas molecules are

1 produced at Point Thomson and Prudhoe Bay.
2 Natural gas is cold when it comes out of the
3 ground and requires pressure to be moved. Before
4 the natural gas can go anywhere, it has to be
5 treated.

6 The project calls for a gas
7 treatment plant located near West Dock to strip
8 out impurities like carbon dioxide.

9 This would be the largest gas
10 treatment facility in the Arctic. The facility
11 site is about 200 acres in size, and construction
12 will require about 250,000 tons of steel.

13 The GTP, gas treatment plant, will
14 move about 3.3 billion cubic feet per day of
15 natural gas.

16 Page 5. From the gas treatment
17 facility, the gas would go into a pipeline
18 rivaling TAPS in length. But there are several
19 key differences.

20 The existing TAPS pipeline carries
21 crude oil, which comes up the ground warm. That
22 is why TAPS, for the -- most of the route, is
23 aboveground. You don't want to build a hot
24 pipeline in permafrost.

25 Natural gas is very cold when it

1 comes out of the ground, so we can bury most of
2 the pipeline through most of the state.

3 Project plans call for the pipeline
4 to run alongside TAPS until about Livengood; from
5 there it will head south towards Cook Inlet.

6 Along the way the pipeline would
7 need eight compressor stations to provide pressure
8 and maintain temperature to keep the gas moving.
9 The off right-of-way facilities will include
10 temporary work camps, pipeline laydown yards,
11 among other facilities that are currently being
12 designed.

13 And there are plans for five
14 off-take points, the location of which will be
15 decided by the State of Alaska.

16 The idea is to make natural gas
17 available along the route with the hope that it
18 would lower local energy cost.

19 The pipeline would cross under Cook
20 Inlet near the Tyonek/Beluga area, and end at a
21 brand-new liquefaction facility in Nikiski.

22 Page 6. In order to export the
23 gas, it has to be liquefied so it can be placed on
24 ships.

25 The point of liquefaction is to

1 shrink the gas to a manageable size. When the gas
2 is chilled and becomes a liquid, it becomes 600
3 times smaller in volume.

4 Liquefying natural gas requires
5 cooling it to minus 260-degrees Fahrenheit; and
6 that takes specialized, complex processes to
7 accomplish.

8 This is not a new technology. The
9 industry area of Nikiski has played host to the
10 ConocoPhillips LNG facility for more than 40
11 years.

12 20 sites in Alaska were previously
13 studied; and the Nikiski site was chosen after
14 looking at numerous issues like geotechnical risk,
15 access to infrastructure, access to industrial
16 services, a location with 800 relatively flat
17 acres, weather, water depth, and ice buildup.

18 We've been purchasing land and have
19 acquired about 600 acres at the proposed LNG
20 facility site.

21 Project plans currently call for
22 about 15 to 20 LNG carriers per month to transport
23 LNG from the proposed Alaska LNG plant.

24 Page 7. Again, thank you for your
25 time and comments during tonight's scoping meeting

1 and for your previous participation at the Alaska
2 LNG project meetings. We look forward to
3 continued dialogue with your community.

4 MR. MARTIN: Thanks, Mike. Now, I
5 want to briefly describe our environmental review
6 process for you. To illustrate how this process
7 works, we've prepared a flowchart. And you
8 probably can't read from your seats, but there are
9 copies of it at the back table; Mike has those,
10 and you can pick those up if you'd like to see it.
11 The point I like to stress about that is, we are
12 very early in the process.

13 The applicants entered into the
14 FERC pre-filing process on September 12th, 2014,
15 which began our review. The purpose of the
16 pre-filing process is to encourage involvement by
17 all interested stakeholders in a manner that
18 allows for the early identification and resolution
19 of environmental issues.

20 As of today, no formal application
21 has been filed with the FERC. However, the FERC,
22 along with other federal, State, and local
23 agencies, have begun review of the project.

24 On March 4th, 2015, FERC issued a
25 notice of intent to prepare an environmental

1 impact statement for the project and initiated a
2 scoping period.

3 This scoping period, or comment
4 period, will end on December 4th, 2015. Once
5 scoping is finished, our next step will be to
6 begin analyzing the issues that have been
7 identified during the scoping period.

8 We will assess the project's
9 effects on water bodies and wetlands, vegetation
10 and wildlife, endangered species, cultural
11 resources, soil, land use, air quality, safety,
12 health, and subsistence, as well as alternatives
13 and cumulative impacts.

14 During our review we will assemble
15 information from a variety of sources, including
16 the applicants, the public, other federal, State,
17 and local agencies, and our own energy fieldwork.

18 We will independently analyze this
19 information and prepare a draft environmental
20 impact statement. This draft will be distributed
21 for public comment.

22 During the comment period on the
23 draft EIS, we will hold more public meetings to
24 get a feedback on our analysis and findings.

25 After making any necessary changes

1 or additions, a final EIS will, again, be
2 distributed to the public.

3 Please note that because of the
4 size of the mailing list and the size of the
5 document, the mailed version of the EIS will be on
6 a CD. If you prefer to have a hard copy mailed to
7 you, you must indicate that choice on the return
8 mailer attached to the NOI. You can also identify
9 this preference at the back table.

10 If you received the NOI in the
11 mail, you are already on our mailing list and will
12 remain there. If you would -- if you were not on
13 the environmental mailing list, then you can add
14 your name and address to that mailing list at the
15 back table with Mike.

16 We mailed the NOI to our
17 environmental mailing list; however, the mailing
18 list for the project is large and undergoing
19 constant revision. If you did not get a copy and
20 would like one, again, we have a few copies at the
21 back table.

22 There are many ways that you can
23 participate in our process. Tonight's meeting is
24 just one of those. Tonight you may sign up to
25 speak and present verbal comments that will be

1 transcribed and placed into the public record.

2 In addition, you may submit
3 comments by mail, electronically; or you can fill
4 in a comment form at the back table tonight and
5 leave it with us, and we'll take it back and put
6 it into the record.

7 Instructions for submitting
8 comments electronically, via the Internet, or by
9 mail can be found in the notice of intent.

10 It is very important that any
11 comments you send include our internal docket
12 number for the project. The docket number for
13 this project is PF14-21. Including this number
14 will ensure that the staff evaluating the project
15 will get your comments as soon as possible.

16 The EIS is being prepared to
17 disclose to the public and to our Commissioners
18 the environmental impact of constructing and
19 operating the planned project. The EIS is not a
20 decision document and does not constitute
21 approval.

22 After the final EIS is issued,
23 there are up to five Commissioners at FERC who are
24 responsible for making a determination on whether
25 to issue an authorization for the AK LNG project.

1 The Commissioners will consider the
2 environmental information from the EIS, among
3 other non-environmental issues in making this
4 decision to approve or deny the project.

5 Following the meeting tonight,
6 Alaska LNG representatives will be available with
7 project maps and answers for questions regarding
8 their project.

9 We'll now begin the important part
10 of the meeting where we hear your comments. If
11 you prefer not to speak, you may hand us written
12 comments tonight or mail them in later. But if
13 you provide comments verbally or by mail, they
14 will be considered equally at the Commission.

15 I'm sure you've noted that this
16 meeting is being recorded by a transcription
17 service. This is being done so that all of your
18 comments and questions will be transcribed and put
19 into the public record.

20 To help the court reporter produce
21 an accurate record of the meeting, I ask that you
22 follow a few simple ground rules.

23 First, we ask that you turn off or
24 silence your cell phones. We will call speakers
25 in the order that they signed up on the speakers'

1 list. When your name is called, please step up to
2 the microphone and state your name and spell it
3 for the record; please identify any agency or
4 group you're representing and define any acronyms
5 that you may use.

6 It is important that you face us
7 when giving your comments to ensure that our court
8 reporter can capture your comments.

9 We are now ready to call our first
10 speaker. So we have no one signed up to speak,
11 but we still would like to hear from anyone that
12 would like to give us their comments.

13 So I'll just ask anyone who would
14 like to come up to the podium and just, you know,
15 give us whatever your thoughts are on the project.

16 It'd be a shame if we came all this
17 way and no one said anything. So if anyone has
18 any comments, please humor us and come on up.

19 All right. Well, if you would like
20 to talk to me one on one, I'll adjourn the
21 meeting; and you can come up. And we'll --
22 Jennifer and I will stay up here for a while so
23 that you can talk to us.

24 If you'd like to ask the Alaska LNG
25 any questions, they will remain after the meeting

1 so that you can talk to them.

2 So at this point I will adjourn the
3 formal part of the meeting, and thank you all for
4 coming.

5 (Meeting adjourned at 6:35 p.m.)

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25