

1 MS. TURNER: My name is Laura Turner. I'm
2 with the Federal Energy Regulatory Commission. I am the
3 environmental project manager who is going to be looking
4 at Sempra's proposed Port Arthur pipeline and terminal
5 projects.

6 With me up here tonight is Chae Laird who
7 is with ENSR. He is our environmental contractor who is
8 going to help us prepare our environmental document for
9 this project.

10 As many of you may know, FERC is a federal
11 agency who is charged with the review and the permitting
12 of onshore energy terminals and interstate natural gas
13 pipelines, among other things. And our commission will
14 use this environmental document that we're going to
15 prepare as part of their analysis of the project as a
16 whole.

17 So we're one part. And my job is to
18 report what the impacts would be if the project was
19 built. And my job is also to look to see if mitigation
20 can be come up with that would solve any environmental
21 issue.

22 And we need your help in this because our
23 feeling is since you live down in this area, you know
24 more about the project area than we do. And so that is
25 one of the reasons we come out to ask you about the

1 environmental impacts of this project.

2 I would point out that FERC is not the
3 only federal agency that is involved in the overall
4 permitting process. Among others there's the Army Corps
5 of Engineers, there's the U.S. Coast Guard, and there's
6 also several state agencies and local agencies. And we
7 are at this time trying to work with these agencies to
8 make sure that everyone's issues are addressed. We may
9 not solve all of the problems, but we're trying to
10 address everyone's issues.

11 As I said, our purpose is to collect
12 information from you: Information and suggestions; what
13 you think should be done with the project; if you have
14 concerns about the project, what those concerns are. As
15 I said, we are looking for environmental concerns.

16 The way the FERC process works is, in this
17 particular case, the applicant has come to us before
18 they have actually filed an application. This way it
19 gives our agency and the other agencies and the public
20 more time to work on identifying issues, resolving
21 problems, before an application is filed. And it's much
22 easier to change things, revise things, before the
23 process has gone on too far. So we really want people
24 to get involved up front.

25 After Sempra is satisfied that they have

1 all the information they need, they will file an
2 application with us. After that application is filed,
3 we will produce a draft environmental impact statement.
4 That statement will be sent to all the agencies and also
5 to any member of the public who has signed up on the
6 mailing list. And we had mailing list sign-ups out in
7 the back. We also sent out notices, and there was a
8 form you could send back to us. You can also send us
9 comments. Anyone who sends us comments, we will
10 automatically put them on the mailing list.

11 Once we get all of your comments in, we'll
12 then determine what information we need to gather, what
13 further analysis we need to do. And after we have done
14 that, we will issue a final document. And anyone who
15 received the draft will also receive the final.

16 We encourage you to send in comments. We
17 also encourage you to stay abreast of what's going on in
18 the project. And one of the best ways to do that -- and
19 we have these little cards in the back, right outside
20 the door that tell you how you can sign up on our
21 website. And you sign up under this docket number. And
22 the docket number is PF4-11. That's very important.
23 Any comment you send in, any time you want to look it
24 up, you look up that document number.

25 And I would point out at this point the

1 "PF" means pre-filing. When they file their
2 application, they will get a new docket number. We'll
3 send out a notice of what that new docket number is; but
4 if for some reason you don't have it, you can still file
5 things under this PF number and we will look at them.

6 Now, this sign-up on our website will
7 allow you to receive an e-mail anytime the company files
8 something. And so you can then go and look and see what
9 they filed.

10 So at this point I would ask Sempra,
11 Mr. Marvin Ivey, to give a brief description of what
12 their project is.

13 MR. IVEY: Thank you, Laura.

14 My name is Marvin Ivey. I'm the project
15 development manager for Sempra for this project, the
16 Port Arthur LNG and pipeline project. Sempra Energy, if
17 you're not familiar with them, is a California-based
18 company. We have run the major utilities in the
19 southern part of California, both gas and electric. And
20 we have the largest number customer base in the country.
21 So we're a big concern.

22 But we're not new to Texas. We've been in
23 Texas for some time. And we now have a number of power
24 plants, merchant power plants, that we operate in the
25 state of Texas.

1 But this project is a new one. And we're
2 happy to be in Port Arthur to talk about this project.
3 This project is about delivering LNG to the country, and
4 that is a method of bringing national gas to fulfill the
5 supply needs in the country and for this region. And we
6 think LNG is the way of the future. And if you've seen
7 the number of LNG facilities that are being proposed
8 right now, I think you will see that others are in
9 agreement with that process.

10 So Sempra is also not entirely new in the
11 LNG business either. We've already got two other plants
12 that are proposed, and their engineering and
13 construction contracts have been let -- one in Mexico
14 and one over on the Calcasieu River in Louisiana. So
15 this is our third LNG project that we're working on here
16 for Port Arthur.

17 If you had a chance to look at the maps
18 and the discussion here; and if you didn't, please do so
19 at the end of the meeting. If you have questions, feel
20 free to stop anybody that you see with one of these tags
21 on who will be glad to talk to you about the project.

22 The Port Arthur LNG is a
23 600 million-dollar investment to the region to build an
24 LNG receiving terminal. That LNG receiving terminal
25 will be located on the Port Arthur canal between the

1 intracoastal waterway along Highway 87, south of the
2 intercoastal waterway, and above the Keith Lake Cut, if
3 you know that area. If you're looking on your map, it's
4 down here along the Port Arthur canal, south of the city
5 of Port Arthur.

6 Sempra in that area owns approximately
7 3,000 acres of land. We've just let 110 acres of that
8 go to Jefferson County for the construction of the park
9 down at the south end of the property, so we have still
10 a large acreage position here that will allow to us
11 build this and have a nice buffer around our facility
12 and away from the public.

13 The project will be built; and if you can
14 see in this picture over here, it will have two bursts
15 that will allow the ships to call at the port and
16 off-load the LNG. LNG is liquefied natural gas. It's
17 liquid that's at standard pressure. It's not
18 pressurized in the tanks or anything like that. And we
19 transfer that liquid out of the ships and into these
20 large tanks that you see here.

21 Initially we plan to build three of those
22 tanks. But we are asking in our permit process with
23 FERC to build up to six tanks at that location and that
24 will allow us in the first phase of the project to send
25 out one and a half BCF -- billion cubic feet -- of gas a

1 day and under the total project up to 3 billion cubic
2 feet of gas a day.

3 The gas from that or the LNG from the
4 tanks will move out and go through a vaporizing system
5 that takes the super-chilled LNG, which is at minus
6 260 degrees, and warms it up to 40 degrees to put into a
7 pipeline. And then in that process, it goes from being
8 a liquid and into a gas; and then it goes out in your
9 pipelines in the same fashion that natural gas moves
10 through the pipelines today.

11 The process that we're going to use for
12 vaporizing the gas is a closed loop system. We don't
13 take any water out of the ecosystem, and we don't put
14 any water back into the ecosystem. It's a closed loop
15 heated by some boilers that will heat up the water. And
16 it's sort of a reverse process of your radiator system
17 in your car. It's going to deliver warmth to the LNG to
18 warm it up and turn it back into a vapor.

19 The gas will then be shipped out of the
20 plant. And it'll go -- we're planning right now two
21 36-inch pipelines. One of those goes just to the south
22 of the project round here, just south down to Keith
23 Lake, where we can connect into the existing NGPL
24 interstate pipeline system. And the other one, we plan
25 to take underneath the Sabine-Neches Waterway, the Port

1 Arthur canal, to Sabine Lake. Then it will cross the
2 Sabine Lake and go off into Louisiana to connect to a
3 number of interstate and intrastate pipelines that exist
4 across this region and Louisiana.

5 One of the things that this entails in the
6 project is we have an issue with the road. As the
7 project exists today, Highway 87 runs along the edge of
8 the channel here. And those of you familiar with this
9 and travel up and down that road will know that there's
10 a lot of problems with this section of the road with
11 erosion and other issues and flooding.

12 Sempra's proposal that we've gone to
13 TEXDOT with is to build you a new road, and it would
14 start just south of the intracoastal bridge and swing
15 out and run behind on the backside of the Sempra
16 property and come back in at approximately the location
17 of the new county park.

18 What we think that does for you is it
19 gives you a better storm evacuation route and, of
20 course, allows us to get our project in where we need
21 it. The entire highway route will be on Sempra
22 property, so there's no other property owners that are
23 affected by that. And, of course, there are some
24 businesses that exist along the channel. They'll still
25 have access to their places of business from the old

1 road.

2 You know, we're talking about a project
3 that we hope will be permitted by the end of the year.
4 And that process is ongoing with FERC. We hope to have
5 our application in within the next month or so. And we
6 would very much like to get through to that so that we
7 can get to the construction point of the project which
8 construction on this project will take about three years
9 and will employ a number of people as we go through that
10 process.

11 So we look forward to your comments
12 tonight. And if there's any questions we can answer
13 independent of that, we'll be glad to do so.

14 Thank you very much.

15 MS. TURNER: Thank you.

16 And now we're going to start what we
17 consider the main reason we're here, and that's to get
18 the comments from you. And in order that we get your
19 comments down accurately, we have a court reporter who's
20 going to take down what you say. And we would
21 request -- we will call your names, and we would request
22 that you come up to the microphone and state your name.

23 We've noticed looking over the list,
24 there's going to be several names we're undoubtedly
25 going to get wrong, and we may ask you to spell them for

1 us just so we make sure we have them right.

2 And I would also request that people turn
3 their cell phones off. I think at this point -- and
4 that includes people working for Sempra. I think at
5 this point, we'll get started.

6 MR. LAIRD: Thank you, Laura. Our first
7 speaker is Mr. Mayor Oscar Ortiz.

8 MR. MAYOR OSCAR ORTIZ: Good evening.
9 Thank you very much for allowing me to come up here.
10 Okay. I think everybody can hear me now, I think.
11 Okay. Good.

12 I have a resolution here, No. 04-158, a
13 resolution in support of the location of the liquefied
14 natural gas (LNG) terminals and LNG pipelines in the
15 city of Port Arthur requested by me, Mayor Ortiz:

16 "WHEREAS, the government of the state of
17 the Texas has indicated how important liquefied natural
18 gas is for the nation, national security, economic
19 development, the state of Texas, and for southeast
20 Texas, as delineated in Exhibit "A"; and

21 WHEREAS, it is important to locate industry
22 who needs a reliable and cost efficient source of
23 energy, is denoted in Exhibit 'B'.

24 Now, therefore, be it resolved by the city
25 counsel of the city of Port Arthur, Texas:

1 Section 1. That the facts and opinions in
2 the preamble are true and correct.

3 Section 2. That the City hereby supports
4 the location of Liquefied Natural Gas Terminals and
5 ancillary pipelines within the City of Port Arthur and
6 fully expects that Federal Energy Regulatory Commission
7 (FERC) will take all reasonable precautions so that the
8 health and safety of the residents will be preserved,
9 while protecting and expanding the local, state and
10 national economy.

11 Section 3. That a copy of the caption of
12 this Resolution will be spread upon the minutes of the
13 City Council.

14 READ, ADOPTED AND APPROVED on this 25th
15 day of May, A.D., 2004, at a Regular Meeting of the City
16 Counsel of the City of Port Arthur, Texas, by the
17 following vote:"

18 AYES Mayor Ortiz, Mayor Pro Term Beard,
19 Councilman Hannah, Councilman Barker, Councilman
20 Henderson, Councilman Thompson, Councilwoman Prince, and
21 Councilman Sinegal.

22 There were no noes.

23 Mayor Oscar Ortiz, attested to by the City
24 Secretary, Ms. Evangeline Green, by our city attorney,
25 Mr. Mark Sokolon, and approved for administration by our

1 city manager, Mr. Steve Fitzgibbons.

2 I will present this to you.

3 I would like to just make a couple of
4 comments.

5 In the city of Port Arthur, we have
6 something like 60 percent minorities: 44 percent
7 African-Americans, in the neighborhood of 12, 13 percent
8 Hispanics, 32 percent Anglos. The rest are the
9 Vietnamese, the Pakistanis and Indians, and so forth.

10 The reason I'm telling you this is because
11 Port Arthur has most probably one of the highest
12 unemployment rates in the state of Texas. And it's not
13 due to the fact that we don't have people who want to
14 work. We do have people who want to work. But it's
15 projects like this that come into the city of Port
16 Arthur that will give our people the opportunity to get
17 jobs, decent paying jobs, and, therefore, be able to
18 become an integral part of the community, because
19 they'll be taxpayers, they'll be home buyers, they'll be
20 car buyers.

21 And so a project like this could mean the
22 difference between our people having a decent income and
23 maybe a decent livelihood whereby they can become and
24 feel like good citizens in the city of Port Arthur.

25 And so I'm asking FERC to please consider

1 that we have a community that is willing to work. It
2 just hasn't had the opportunities. And this LNG project
3 coming to the city of Port Arthur is going to give them
4 that opportunity.

5 As you can see, we have the mayor and
6 eight councilmembers and it was a unanimous vote by the
7 counsel to support this project. I myself will be going
8 to Washington Saturday, and I will be talking to the
9 FERC people again just to encourage them to please look
10 favorably at the city of Port Arthur. I know the
11 governor came down here, and he made his statements. He
12 is very much in support of this.

13 And so I realize, you know, that we may
14 have some people that are opposed to it; but we also
15 have to understand that the city of Port Arthur has a
16 very old infrastructure and it takes these kinds of tax
17 dollars coming in to allow us to do the expenses that
18 are done. Right now, we're spending \$27 million to
19 upgrade our sewer water lines -- our sewer lines because
20 we were told we had to or be fined \$20,000 a day.

21 So we have tremendous expenses here at the
22 city of Port Arthur, but we can offset those kind of
23 expenses and also find jobs for our people by allowing a
24 project like this to come in. And it's going to be a
25 project that's beneficial not only to Port Arthur, not

1 only to the state of Texas, but I believe to all the
2 people of the United States, because, as you know, gas
3 is becoming a commodity that is getting very expensive.

4 And if they can come in here with these
5 kinds of projects, lower the cost of gas, give our
6 people jobs, I really believe in my heart it's a win-win
7 situation for everyone.

8 Thank you very much.

9 MS. TURNER: Thank you.

10 MR. LAIRD: Thank you.

11 Next speaker is John Whittle.

12 MR. WHITTLE: Good evening. My name is
13 John Whittle. I'm a member of the board of Golden
14 Triangle Audobon Society, member of the board of Audobon
15 Texas, member of the board of National Audobon Society.
16 At this point however none of these bodies have
17 completed review of the LNG project proposals. No
18 formal positions have been established.

19 However, I wish to present to you the
20 concerns that have already been identified.

21 The proposal would destroy a substantial
22 area of wetlands for the proposed planned site and the
23 associated dock facilities.

24 The rerouting of Highway 87 would destroy
25 more wetland and threaten disturbance of the Lost Lake

1 area of Murphree wildlife management area. Lost Lake is
2 used by a large number of Canvasback, among other duck
3 species; and is one of the few locations in the area
4 where Canvasback are found. Canvasback is a species of
5 special concern because of continuing low populations.

6 The additional ship traffic along the
7 Sabine-Neches Waterway would exacerbate problems with
8 erosion along its banks and salt water intrusion into
9 the marshes through the Keith Lake Cut, through Texas
10 Bayou, and other artificial openings, adversely
11 affecting Texas Point National Wildlife Refuge and
12 Murphree Wildlife Management Area.

13 The site is not remote and presents
14 unacceptable risks to public safety. In the event of a
15 catastrophic breach of a tank at the plant or in a ship
16 in the vicinity of a plant, a disastrous fire would
17 inevitably spread over a wide area, including much of
18 the ship channel and surely even the relocated Highway
19 87.

20 Normal recreational and commercial access
21 to the ship channel and public access to and use of
22 Highway 87 between the intracoastal and Sabine Pass
23 would make it virtually impossible to provide foolproof
24 protection against terrorist actions without draconian
25 restrictions that would virtually isolate Sabine Pass.

1 Beard. I'm the chairman of the board of the Jefferson
2 County Waterway and Navigation District. We've been in
3 contact with Sempra or they with us since the inception
4 of this project and we've studied it and we favor it.

5 We think that they've satisfied all of our
6 concerns concerning navigation issues as well as
7 disposal of dredge material, that they will have to
8 remove a lot of dirt to build this facility and they've
9 got adequate property on which to properly place this
10 material. And we particularly like the rerouting of the
11 Highway 87, that segment which we think will actually
12 benefit the residents of Sabine Pass and ease the
13 problem of the highway falling into the ship channel.

14 We've talked with Captain Warner and the
15 pilots and Coast Guard concerning safety issues
16 regarding their vessels, and we think that that's --
17 they're all acceptable. And so we would like to be on
18 record as favoring this project.

19 Thank you.

20 MS. TURNER: Thank you.

21 MR. LAIRD: Thank you.

22 Dale Wortham.

23 MR. WORTHAM: Good evening. My name is
24 Dale Wortham. I'm with the International Brotherhood of
25 Electrical Workers. And I have been a part of going to

1 a number of FERC hearings in viewing a lot of the
2 projects and supporting them, supporting them for a
3 number of reasons; but tonight I'm here to talk about
4 the impact on the environment.

5 And when we talk about the environment, I
6 think I look at it from the ecological aspect of the
7 environment as well as the economic impact of the
8 environment. And one of the advantages that you have
9 with this project -- and I don't know if everybody
10 caught it -- but the closed loop system that they have
11 here significantly lessens any damage to the environment
12 because there's not going to be chilled water discharged
13 out into the bay. So the fish damage will be lessened
14 to some degree. So that's not something that a lot of
15 other projects have. There's a number of other projects
16 that are going to actually use the sea water, and that's
17 a large concern.

18 So I think you're lucky in that respect
19 that this project and that this company has offered to
20 do that in taking great pains, because it's a little
21 more expensive, as I understand, to do this type of
22 re-gasification. But it shows that Sempra is at least
23 in tune to what the folks are asking for.

24 Not everybody gets a new highway. That's
25 something that is another advantage. And the acreage as

1 explained that will be left intact to help rebuild any
2 damage to the environment due to the project being built
3 here.

4 You're an industrial area for the most
5 part. And as far as the ship traffic coming in and out,
6 there's certainly some concerns there. But if the
7 pilots are satisfied -- those are the people that will
8 actually be in charge of the traffic -- if they're
9 comfortable, then we should be comfortable, because
10 they're highly trained individuals and highly skilled
11 individuals.

12 As far as the economic environment,
13 there's no question that jobs are needed in the area.
14 We've heard that. Every elected official that I have
15 spoken with in the area or have heard comment explains
16 the great need for jobs. While the offshore may be an
17 option for some other folks, you can't build a Stop and
18 Go or a hotel next to an offshore LNG. You can't grow
19 when they're offshore. The impact will severely help
20 small businesses grow as well. And you're also doing
21 this on land that's already owned -- it's already
22 private land. It's not like there's any public land
23 being destroyed.

24 I urge that FERC expedite the process as
25 fast as they possibly can. And I also urge that

1 everybody realize that Sempra appears to be one of the
2 best neighbors in the neighborhood.

3 Thank you.

4 MS. TURNER: Thank you.

5 MR. LAIRD: Thank you.

6 Shirley McGuire.

7 MS. MCGUIRE: I wish I could say I'm as
8 much for the Sempra terminal as everyone else but I
9 represent some of the homeowners along the south end of
10 Pleasure Island and we are far from for this project.

11 First, a history lesson.

12 New London, Texas, 1937, a natural gas
13 explosion killed 237 people and eliminated nearly an
14 entire generation of a small East Texas town. It was
15 only one day after that tragedy that Texas officials
16 proposed the first comprehensive law regulating national
17 gas odorization.

18 Interestingly, no odorant will be added to
19 the LNG while it is in its most vulnerable state aboard
20 the LNG tankers. That does not make us feel very safe.

21 A liquefied natural gas explosion in
22 Cleveland, Ohio, October 20th, 1944, killed 130 people,
23 injured more than 225, destroyed 79 homes and two
24 factories. Guess what? It was a state of the art
25 facility for its day.

1 November, 2002, double-hulled French
2 Tanker Limberg was attacked and exploded near a Yemen
3 port, Al-Teriz (phonetic), showing that double-hulled
4 vessels, which LNG tankers are, are penetrable.

5 They are vulnerable, and they are not
6 impervious to attacks or accidents.

7 Skip to Algeria, explosion January of
8 2004, 27 persons killed, 74 others injured, at an LNG
9 loading plant.

10 At Belgium, July 3rd, 2004, 17 people
11 killed, 124 injured, when a gas pipeline ruptured. The
12 pipeline carried natural gas from an LNG facility from a
13 Belgium port to Northern France. A national day of
14 mourning was announced by Belgium officials.

15 August 18th, 2004, an explosion in
16 Firerock Duke Energy's Moss Bluff Gas Storage Facility
17 (phonetic) in Texas. The reported failure of a single
18 emergency shut-off valve severely damaged one of three
19 salt cabins needed for the purpose of storing natural
20 gas. Families and homes up to three miles away were
21 forced to evacuate.

22 Let's go to December, 2004. A report from
23 the government's own Sandia National Laboratory provides
24 detailed analysis of the potential safety impact of a
25 terrorist attack on an LNG transport tanker. The

1 yearlong study by scientists there provides the most
2 detailed analysis to date of a potential public safety
3 impact of a disaster.

4 Under many circumstances cascading damage
5 would occur that would result in damage of up to three
6 of the tanker's five cargo tanks, which would increase
7 the fire's intensity and duration.

8 Not to mention the fact that so far LNG
9 tanker storage tank installation is made of foam, which
10 is likely to decompose under intense heat from a fire.

11 It was shown that severe destruction of
12 homes and people occurs within a 550-yard radius of a
13 ship fire, and heat that can burn skin can occur nearly
14 a mile away.

15 Keep in mind this is a government's own
16 laboratory.

17 Highway 87 and Highway 82 are certainly
18 within that radius. Homes are located along the channel
19 through which boats enter and leave the terminal site.

20 My family as well as many others live
21 about 900 feet from the center of the waterway.

22 It's funny. I just don't feel very safe.

23 Important is the fact that even localities
24 that in the past had none or few risks from natural
25 disaster agents now are vulnerable if they have roads,

1 railways, or navigable waterways in the vicinity of
2 toxic chemical spills, explosions, or fires.

3 In a sense, the creation of major
4 transportation infrastructures reduces the geographic
5 selectivity of possible disaster impacts. We must think
6 remote. Is this a remote location? I really don't
7 think so.

8 That's all.

9 MS. TURNER: Thank you.

10 MR. LAIRD: Now, I apologize for this next
11 name. It's James Duhon? Durham?

12 MR. DUHON: You got it right. It's Duhon.

13 MR. LAIRD: Duhon? Could you spell that,
14 please?

15 MR. DUHON: D-U-H-O-N. My name is James
16 Duhon, and I'm with the IBW. And I'm here in support of
17 the project. And since it's only environmental impact,
18 the reason why I'm come here, we've had one in Lake
19 Charles, Louisiana, for a little over 25 years and when
20 they first come in the Lake Charles area 25, 26 years
21 ago, everybody was running around that Lake Charles was
22 going to be blown off the map. Well, we're still there,
23 the LNG plant has never had an accident, and I ain't
24 seen a flare, a chemical leak, or anything that comes
25 from LNG. But we do have warning systems out for

1 chemical leaks with refineries. But LNG, we couldn't
2 ask for a better neighbor.

3 And that's all I have to say.

4 MS. TURNER: Thank you.

5 AUDIENCE MEMBER: I have a question for
6 him.

7 MS. TURNER: Not now. Wait until the end.

8 And, actually, if you have a question for
9 the speaker, you should ask the speaker probably
10 outside, because that's not -- you can file your
11 comments. But the purpose of this meeting is not to
12 cross-examine other speakers.

13 Thank you.

14 MR. LAIRD: Waymon Hallmark.

15 Could you spell your name, please.

16 MR. WAYMON: W-A-Y-M-O-N, and Hallmark.

17 Thank you for the opportunity to speak
18 here tonight at this hearing. We are so happy that
19 we're getting this terminal located in the area in which
20 it is being proposed.

21 Being that we are all a
22 petrochemical-related area, particularly Jefferson
23 County, it is very important that the plants have
24 (unintelligible) that they can stay here.

25 We have seen one plant in the Port Acres

1 area -- it was Equistar -- that laid everyone off, took
2 the plant down to the ground; and we lost the facility
3 completely. We would not want to see this happen at
4 others. And by them converting to natural gas where
5 they can do a better job of our air quality issues in
6 this area, well, it's very important that they keep a
7 good supply of natural gas available. And this project
8 will assure that.

9 And we know that the TEXDOT people have
10 worked with the Sempra people on relocating the highway
11 and the Parks and Wildlife Department has worked with
12 them on relocating of the road, so it looks like
13 everyone is on board to make this project go.

14 And we're just -- as a county commissioner
15 of Jefferson County, we're awful excited to see the jobs
16 that it's going to create and also be a deciding factor
17 on these industries that are here because they are our
18 (unintelligible), have been for many, many years and we
19 want to see them grow and prosper.

20 Thank you.

21 MS. TURNER: Thank you.

22 MR. LAIRD: Thank you.

23 Bill Tetley.

24 AUDIENCE MEMBER: I'm sorry. I do not
25 have any statement. I just thought we were supposed to

1 sign in.

2 MR. LAIRD: Loran Bosarge.

3 Would you spell your name, please, for me.

4 MR. BOSARGE: B-O-S-A-R-G-E. My name is
5 Loran Bosarge, and I reside on Pleasure Island. And I
6 represent a part of the Sabine Lake Area Protective
7 Partnership.

8 As homeowners on Pleasure Island, my wife
9 and I are opposed to the location of the Sempra LNG
10 terminal in Port Arthur.

11 Our primary concern is safety. And the
12 safety issues have more to do with the ships than they
13 do with the terminals.

14 Now, all of us know that there's no such a
15 thing as a hundred percent for sure safe energy
16 conversion of any kind. And we also know that there's
17 some risk associated with LNG -- its transport, its
18 processing, and its distribution.

19 Now, over the last year, in hearings like
20 this, our Sabine Lake Area Partnership has asked FERC,
21 ExxonMobile, Cheniere, and Sempra basically the same
22 question: How can they reassure or assure us that these
23 terminals and ships are safe if there is no consensus of
24 opinion even within the industry in estimating or
25 projecting the impact of any kind of an accident,

1 potential or otherwise?

2 And, to my knowledge, there's been at
3 least five studies over the last couple of years in an
4 attempt to come up with a reasonable estimate of what
5 might happen during such an incident and what exposure
6 to life and property would follow.

7 And it seems like each subsequent study
8 suggests that the previous one was either incomplete or
9 inaccurate. And I refer to the Sandia report which was
10 released last month which more or less negates some of
11 what's been said in earlier studies -- or at least
12 expands on that.

13 Six months ago people were talking about
14 1700-foot exclusion zones. The real Sandia report
15 suggests a much wider exclusion zone, perhaps up to a
16 mile.

17 Now, these safety uncertainties are
18 magnified greatly when we're talking about populated
19 areas nearby. Now, these same uncertainties are all the
20 more reason I think why these LNG terminals ought to be
21 in remote locations -- truly remote locations.

22 Thank you.

23 MS. TURNER: Thank you.

24 MR. LAIRD: Barbara Mulroy.

25 MS. MULROY: My name is Barbara Mulroy. I

1 am director of Associated General Contractors of
2 Jefferson County. We represent over 250 local general
3 contractors, architects, engineers, subcontractors, and
4 suppliers. We wanted to go on record with our support
5 of this outstanding project that will be competitively
6 bid here locally.

7 Sempra's positive effect on our economic
8 environment will be felt in numerous ways for much
9 needed erosion control measures and energy conservation
10 programming to support for our museums, civic events,
11 and Port Arthur Business Park. We at the AGC and our
12 industry affiliates, the AIA wish you God's speed in
13 your approval permitting of the Port Arthur Sempra LNG
14 facility, which will mean quality of life and betterment
15 for all of us here in southeast Texas.

16 Thank you.

17 MS. TURNER: Thank you.

18 MR. LAIRD: Murphy Vaught.

19 THE COURT REPORTER: Sir, could you spell
20 your name for the record, please?

21 MR. VAUGHT: V-A-U-G-H-T.

22 We welcome you FERC people to investigate
23 this situation with the proposed plan by Sempra. I
24 represent the architectural firm of Moore, Stansbury,
25 and Vaught in Port Arthur. And we are very much in

1 favor of this project moving ahead. I watched the news
2 and visited in some of the meetings that have related to
3 Sempra, and my understanding is that Sempra has done
4 everything that's reasonably possible to protect the
5 environment and protect the people that are somewhat
6 near to their plant.

7 I understand that their plant is
8 relatively isolated by distance because of the large
9 piece of land that they own down south of Sabine Pass.
10 In any case, my whole object here is to show my support
11 as president of Moore, Stansbury, and Vaught for this
12 project coming to our area.

13 Thank you.

14 MS. TURNER: Thank you.

15 MR. LAIRD: Phillip Long.

16 MR. LONG: Good evening, my name is
17 Phillip Long, L-O-N-G. I own Long Architects in
18 Beaumont, Texas; and I also come tonight as the
19 president of the Southeast Texas Chapter of The American
20 Institute of Architects to speak in favor of the LNG
21 plant being built in Port Arthur, Texas.

22 Eleven years ago when I started my
23 business in Beaumont, Texas, I started it in Beaumont,
24 Texas, because that's where I lived. I did work in
25 Groves and Port Neches and Nederland and Port Arthur. I

1 have quite a bit of work going on in Port Arthur right
2 now.

3 Living in this area, it doesn't matter
4 which one of those cities we live in, we're all tied
5 together economically, physically, and geographically.
6 And we're all tied together by a common need for
7 economic growth. And anything that happens in Port
8 Arthur or Beaumont or Nederland or Port Neches or other
9 areas definitely is a benefit to each of those.

10 So I come to support -- to throw the
11 support behind this project and the local architects.

12 And I personally have met with Marvin and
13 Mark and Paul and Anya and some others from Sempra,
14 along with city counsel members, et cetera. And we have
15 talked about some of the safety concerns, et cetera,
16 about this particular project. And I personally feel
17 very comfortable with the way they presented it to us,
18 the way they handle the offloading of the LNG, et
19 cetera, and the way they're constructing the facility
20 and the safety measures that they have in place.

21 We asked them a number of questions and
22 felt very assured after having received their answers.

23 As an architect, I'm very aware of the
24 importance of retail development, commercial
25 development, doctors' offices, hospitals, all kind of

1 things being built, new schools, entertainment
2 complexes, things that are good for our area. And one
3 thing that's good for our area is to diversify our
4 industrial base.

5 And this LNG plant, I believe, will
6 service us very well in the future in the role of
7 diversifying our economy and providing good solid jobs
8 during construction and after the plant is built.

9 So I just want to make sure you know this
10 is a positive support of gesture.

11 Thank you.

12 MS. TURNER: Thank you.

13 MR. LAIRD: Steve Buser. Help me with the
14 name. Could you spell it?

15 MR. BUSER: B-U-S-E-R.

16 I'm with the partnership of southeast
17 Texas. We're a nine-county regional economic
18 development organization that basically covers the area
19 to the east of Houston, and we stand in support of this
20 project. It's a very vital project for our area and for
21 the quality of life of our citizens, because without
22 this, our industry could suffer highly.

23 We've seen natural gas prices that just
24 can't -- our industry can't support. So we need the
25 staple supply of natural gas. We need the jobs that the

1 project brings.

2 I've had the opportunity of working with
3 Sempra for a little more than four years on another
4 project than this one. And we've been very impressed
5 with the company, with the management of the company,
6 with the quality of the people that work for the
7 company, with the decisions they make, but more than
8 that, with the way they care not just the for the
9 project but for the community in which they do the work.

10 I think this project will be a real boon
11 for southeast Texas, and we urge you to permit it.

12 Thank you.

13 MR. LAIRD: Thank you.

14 Chris Kibbe.

15 MR. KIBBE: Can you hear me? Chris Kibbe
16 is my name. I'm a resident of Groves, Texas, now.
17 However, I was born and raised in the 2900 block of 17th
18 Street in Port Arthur, Texas. I lived in Port Arthur,
19 Texas, all my life.

20 I was the first child in my family that
21 was able to go to the hospital for my mother to give
22 birth because my dad and my mom had just come from
23 Mandeville, Louisiana, off of a rice farm and they
24 couldn't afford to bring the children to the hospital.
25 The children were born at home. My brother and my

1 sister were born at home.

2 I was raised in a two-bedroom house with
3 two brothers and one sister. And we all slept in the
4 same bed until we came to Port Arthur, Texas, and my
5 daddy got a job here in Port Arthur, Texas, and had a
6 decent living. And I was able to go to St. Mary's
7 hospital. Because this once was called the Golden
8 Triangle.

9 It was called the Golden Triangle because
10 we had the ability to work. We had the ability, we had
11 the craftsman here, that built these refineries. Most
12 of them -- most of us have -- our heritage comes from
13 Louisiana. Most of us come from the rice fields. We
14 here in Port Arthur, Texas, we've been around these
15 refineries all of our lives.

16 I can remember going with my mother and
17 bringing my dad and dropping him off at the Gulf
18 Refinery and we would have to hold our noses when we got
19 close to them because of the emissions that was in the
20 air.

21 And God bless the environmentalists,
22 because they came a long way. You can drive by the
23 refineries now and you don't hardly smell anything.
24 Either that or I've gotten used to it over the years.

25 But to be quite honest with you, what we

1 need here in Port Arthur, Texas -- and especially the
2 community of Sabine Pass, God bless those people, the
3 hardy souls that they are -- they need a shot in the
4 arm.

5 You don't see no 200,000-dollar homes in
6 Sabine Pass, Texas. Those people need jobs. Those
7 people need to go to work. The medium average for a
8 home in Port Arthur, Texas, is around 40 to \$45,000.

9 And God bless the people on Pleasure
10 Island. I wish I could afford a \$300,000 or
11 200,000-dollar home. But if I could afford one, I
12 wouldn't do it where I was looking across the canals at
13 these refineries belting out carcinogenics on a daily
14 basis. I would do it somewhere where I wouldn't have to
15 look at that. I would much rather look at a LNG
16 facility that looks like a pristine facility off the
17 Alaskan coast in comparison to a chemical plant.

18 And if you want to talk about the
19 terroristic activities of 9/11, I'm an American. I'm
20 not afraid of nothing. And I'm from Port Arthur, Texas,
21 and I'm a hardy soul and I'm a cajun. And I want Sempra
22 Energy here, because we want to work, we want to show
23 them our skills, we want to welcome them to Port Arthur,
24 Texas, and we want to go on and we want to help our
25 economy and our communities.

1 Thank you.

2 MS. TURNER: Thank you.

3 MR. LAIRD: Anthony Valentine.

4 MR. VALENTINE: Well, that's going to be a
5 hard lead to follow. Thank you, Chris Kibbe. I'll try.

6 I'm Anthony Valentine. I'm the business
7 manager for the pipe that is Local 195 in the Beaumont,
8 Port Arthur, Orange, and surrounding areas.

9 I currently represent approximately 1300
10 members and their families that reside mainly in this
11 area and the surrounding areas as well. I stand before
12 you tonight in support of this project. I believe it
13 will be a strong boost to the community and economy of
14 our area in which I live. I live very near, born and
15 raised -- I went to my high school here.

16 It's my understanding that Sempra owns the
17 land in which they intend to build this project.
18 Therefore, they will not need to rent, lease, or buy any
19 property. I know that with organized labors presence on
20 this project that it will be built with a most highly
21 skilled, highly qualified workforce available.

22 Therefore, eliminating any possible
23 question or concern that may be raised in regard to the
24 construction of this project, it is my understanding
25 Sempra has made a commitment to hire locally during the

1 construction phase.

2 Our members live here. They pay taxes
3 here. They attend church here. And their children
4 attend school here. Therefore, they will count as far
5 as hiring locally on the numbers.

6 Last but not least, this will be a
7 tremendous boost to our apprenticeship training schools
8 to continue our advanced training and ongoing education
9 to our members and apprentices.

10 Again, I stand in support of this project.

11 Thank you.

12 MS. TURNER: Thank you.

13 MR. LAIRD: A. Morris Albright.

14 Did I get your last name correct, sir?

15 MR. ALBRIGHT: Yes. A-L-B-R-I-G-H-T. I
16 live at 812 Southwind on Pleasure Island in the city of
17 Port Arthur. I'm here representing the Port Arthur
18 Chamber of Commerce Transportation Division.

19 We are very strongly in favor of this
20 project. This new industry to our area will keep our
21 local refineries and chemical companies economically
22 competitive and help to retain and add to our present
23 workforce.

24 This whole city was founded and prospered
25 on the petrochemical industry. We have an

1 infrastructure in place that will cause the least amount
2 of interruption to the environment. The LNG facilities
3 and ships will be safe because of the industry
4 standards, the codes, the training, inspections, and
5 operating procedures as well as government regulations
6 that are in place for the safe design, construction, and
7 operation of LNG onshore terminals and ships.

8 Each facility will cost approximately
9 \$600 million to construct. This will add to our local
10 tax base and help to reduce future tax increases to
11 local, residential, commercial, and industrial
12 taxpayers.

13 Each facility will be required to have
14 dedicated tugs and their crews to dock the LNG tankers.
15 Each tug will be equipped with firefighting equipment
16 that can be used to fight fires aboard vessels and
17 onshore dock facilities. Right now, our entire area has
18 no waterborne firefighting equipment, so if we had a
19 disaster that happened in the loading facility at a
20 refinery or something like that, we would be hard
21 pressed to try to control something like that.

22 The erosion from wave wash from the south
23 reach of the island should be reduced. The LNG ships
24 will come in with assistance from their tugs at a very
25 slow speed in order to turn around in the channel to be

1 docked. While an LNG tanker is in berth offloading, all
2 passing ships will be required to reduce their speeds by
3 US Coast Guard regulations. So this should cut down
4 substantially on erosion problems that we have now.

5 There's a fear of the unknown expressed by
6 some property owners on the south end of Pleasure
7 Island. This fear of the unknown is real for some
8 people, just as the fear of flying a commercial airliner
9 after 9/11.

10 We can not allow the fear of terrorist
11 attack on these facilities and other facilities to stop
12 our economic development. If the terrorists can do
13 this, they do not have to blow up anything. They'll
14 stop us where we are.

15 And on a personal note, my son, wife, and
16 three children are presently building their home on
17 south Pleasure Island with full knowledge of the
18 proposed LNG terminals.

19 Thank you.

20 MS. TURNER: Thank you.

21 MR. LAIRD: Steve Fitzgibbons.

22 MR. FITZGIBBONS: My name is Steve
23 Fitzgibbons. I'm the city manager in Port Arthur. And
24 like the mayor, I'm going to talk a little bit about
25 what I think this means to our community, and our

1 community has lots of needs.

2 Based on the 2000 Census, the city of Port
3 Arthur had a population of 57,750 with about 68 percent
4 of the population comprised of African-Americans,
5 Hispanics of any race, and Vietnamese. Based on the
6 Census, median family income was 32,143 or about
7 76 percent of the county mean family income of 42,290.

8 A full 25 percent of the city's population
9 lives at or below poverty levels. The August, 2004,
10 unemployment rate for the city of Port Arthur was
11 13.7 percent, which is more than double the state and
12 national averages of 5.8 and 5.4 respectively.

13 The current average appraised value of a
14 home in the city of Port Arthur is \$42,105, which is
15 extremely low when compared to cities around us, even
16 more so when compared to other parts of the state.

17 We currently have 468 vacant residential
18 red-tagged dangerous structures within the city. We are
19 demolishing about 110 red-tag structures each year. But
20 the list grows. It doesn't get smaller.

21 Based on the information I've presented,
22 it's probably not surprising that the city of Port
23 Arthur receives less than half the sales tax per capita
24 and much less in property tax per capita than any
25 comparable city our size in the state. And I have some

1 attachments to that.

2 To be able to meet basic city services,
3 the city received, in lieu of tax payments, from
4 refineries, chemical companies, and other industries in
5 our extraterritorial jurisdiction that exceeds what the
6 city received in property taxes. Industry, particularly
7 the energy industry, is the lifeblood of our community.

8 Proposed LNG plants within our city or
9 within our extraterritorial jurisdiction, in my opinion,
10 are probably the most important economic development
11 opportunity the city of Port Arthur will have for the
12 next generation.

13 LNG facilities will help make our existing
14 industries more competitive through more and more stable
15 gas prices thereby making more secure thousands of
16 stable and well-paying jobs.

17 LNG facilities will provide thousands of
18 construction jobs and millions of dollars in purchases
19 from local businesses. LNG facilities will also provide
20 millions of dollars and revenue to the city school
21 districts and other taxing entities.

22 This revenue will help fund key services
23 as well as provide the city with the ability to make
24 substantial investment in helping to revitalize our
25 community.

1 Thank you very much for the opportunity to
2 be here tonight.

3 MS. TURNER: Thank you.

4 MR. LAIRD: David Gonzales.

5 SPEAKER 1: My name is David Gonzales,
6 G-O-N-Z-A-L-E-S.

7 I was born and raised in Port Arthur,
8 Texas, and a lifelong resident of Jefferson County.
9 First off, I want to thank Sempra and welcome them to
10 Jefferson County, Texas. We're glad to have you.

11 I'm talking in support of the proposed
12 LNG. And I'm also a representative of the International
13 Brotherhood of Electrical Workers located in Beaumont,
14 Texas.

15 It was good to hear tonight that Sempra is
16 doing everything it can to preserve our wetlands and I'd
17 like to thank them for the land for the park because the
18 local fishermen have needed access to Keith Lake Cut for
19 many years.

20 I think by locating in Port Arthur, Sempra
21 is very fortunate in tapping what I think is our
22 greatest resource and commodity, and that's our skilled
23 labor force.

24 And I believe that along with the
25 International Brotherhood of Electrical Workers and with

1 the building and trades crafts that we can have both a
2 successful economically and environmental project for
3 this LNG.

4 Thank you very much.

5 MS. TURNER: Thank you.

6 MR. LAIRD: Dall Landry. Did I pronounce
7 that correctly? Is it Dale Landry?

8 (no response)

9 MS. TURNER: Let's move along.

10 MR. LAIRD: Okay. Ellen Warner.

11 MS. WARNER: Good evening. My name is
12 Captain Ellen Warner, and I'm the chairman of the Sabine
13 Pilots. We service the waterway, the Sabine-Neches
14 waterway, and we serve the ports of Beaumont to Port
15 Arthur, Orange, and Sabine Pass.

16 And I'd like to talk to you about safety
17 and security concerns with the Sempra facility.

18 Two of our pilots have just finished the
19 successful simulation of the Sempra facilitate in San
20 Diego with the Marine Safety Institute. We've worked
21 very closely with Sempra in the design of the proposed
22 LNG facility.

23 In 2004, we had 2,113 vessels in
24 Sabine-Neches Waterway. And many of these were the
25 Suezmax crew tankers, the large ones -- 950 by 165 and

1 they're over 150,000 tons. These are similar to the
2 size of vessels that will be calling at the Sempra
3 facilitate. This waterway has handled this size of
4 vessel before with no problem.

5 I was going to say that this facility was
6 state of the art, and it is going to be state of the
7 art. But more exciting to the Sabine pilots is the fact
8 that these ships are going to have tractor tugs, and we
9 do not currently have any tractor tugs in this waterway.
10 We have your normal style of harbor tug.

11 The tractor tugs are going to be 70-ton
12 tugs. This is twice the power of the current tugs that
13 we use now in this waterway.

14 We've worked very closely with Sempra to
15 provide extra -- extra horsepower, extra technology.
16 We've worked very closely with these people. We found
17 them very good to work with because we want more than
18 adequate. We want larger safety margins.

19 Their facility is located below the Texas
20 Island intersection. And you're not from this area, so
21 I'll tell you between the intersections between Texas
22 Island and between the Neches River intersection runs
23 the intercoastal waterway.

24 The location of the Sempra facility is
25 very important because it is below the intercoastal

1 waterway, so we have less interference with the waterway
2 users for the tow traffic. Also they have a quick
3 transit. The Sempra facility is only 14 miles from
4 Buoys 29 and 30, the inner bar, up to their facility.
5 In time that's one and a half to two hours of transit.

6 We've worked with them very closely to
7 have a quick transit to provide less interference with
8 the rest of the waterway users. As I said, we moved
9 over 2100 vessels on this waterway last year. That was
10 a four percent increase over 2003.

11 And also according to the Sabine Pilot
12 Guidelines, we also do nighttime transits below the
13 intersection. This location provides the least
14 interference with the rest of the waterway traffic.

15 I'd like to talk about the erosion problem
16 that we have. That's what 2,113 vessels does. But I
17 can tell you what the Sempra vessels are going to be
18 doing that those 2,113 vessels didn't do. They're going
19 to be stopping, hopefully, because they are going to be
20 having to stop and they're going to have to dock. So as
21 they approach the lower end of Pleasure Island on the
22 south end, they're going to be using these tractor tugs,
23 they're going to be slowing down from, say, seven to
24 eight knots to when they get to their facility about two
25 miles inland, they're going to be down to less than one

1 knot. The slower you go, the less erosion you have.

2 And as Mr. Albright also mentioned, if we
3 have both facilities there or even if we just have the
4 Sempra facility there, all the traffic going by it will
5 also be going in a slower pace also reducing erosion on
6 the sides of that channel on the Highways 73 and 87.

7 Also we had -- I mentioned about security.
8 The Sabine-Neches waterway is currently fixing to get a
9 vessel traffic system set up in the new Coast Guard
10 building. This is a new IAS space system. AIS is an
11 automatic identification signal. Okay. All ships will
12 be required to have an AIS. When our coverage is up, it
13 will extend 100 to 150 miles out of the Gulf of Mexico.

14 This is going to be enhanced security. We
15 are going to be see who is moving out there depending
16 on -- and it gets kind of complicated, the type of
17 equipment that you have, the AIS system sends out the
18 crew list. It sends out any information that you need
19 to access about the vessel.

20 We've worked very closely with Sempra on
21 the safety and security concerns. We feel that this is
22 a project that will be beneficial to the waterway and we
23 urge you to grant their permit.

24 Thank you very much.

25 MS. TURNER: Thank you.

1 MR. LAIRD: I believe it's Elena
2 Rutherford.

3 MS. RUTHERFORD: Verna.

4 MR. LAIRD: I'm sorry.

5 MS. RUTHERFORD: That's all right.

6 Good evening. And thank you for being
7 here. My name is Verna Rutherford. I'm president of
8 the greater Port Arthur Chamber of Commerce. We
9 represent over 900 businesses and organizations in the
10 community.

11 We work diligently every day to try to
12 attract businesses, companies, and individuals to our
13 community. And I can assure you, we don't get
14 opportunities to have businesses like these walk through
15 the door every day.

16 We are definitely in support of this
17 project, and we urge you to support that.

18 In addition to the project creating jobs,
19 providing support through the business that will be
20 generated to our local companies, the employment of our
21 contractors and other individuals in the community, it
22 will also help to increase the tax base and it will
23 assist with a lot of the other types of infrastructure
24 needs that we have.

25 The highway project that will benefit from

1 this is a tremendous boost to our community. Not only
2 will it help with the erosion control and the overall
3 traffic congestion that we need the assistance with
4 widening and the rerouting of that, but it will also
5 provide an improved evacuation route for the residents
6 of Sabine Pass who have that one way in and out
7 currently and this approved highway will be of great
8 benefit.

9 Most important, we believe, is the fact
10 that this will help to sustain our existing
11 petrochemical facility that employs thousands of
12 people in jobs here. It will also help to provide for
13 the needs of our nation's energy supply that is in great
14 need of improvement.

15 We've had the privilege of working with
16 Sempra and several other of the LNG companies over the
17 last several years. We have found that they have tried
18 very diligently to address the needs that were brought
19 to their attention. If there were any, they've taken
20 great steps to try to identify areas of concern or areas
21 of need in our community where they can invest and where
22 they can support and where they can and already very
23 become community players. And that is a tremendous help
24 to us.

25 You've heard the city manager and the

1 mayor speak about some of the areas of need in our
2 community, and this would be a tremendous help to those.

3 The chamber recognizes that there are some
4 serious concerns that have been addressed by others, and
5 we greatly respect those individuals. We've taken some
6 of those concerns when we were in Washington last year
7 with a group of other officials and we met with the
8 FERC. We shared some of those concerns and we asked
9 them to talk to us about them. They addressed those
10 concerns in ways that confirm the information that had
11 been provided to us by the companies, so we weren't just
12 taking their information as hearsay from the companies
13 that were proposing to build here.

14 We feel very strongly that this will be a
15 benefit to our entire community. From the business
16 perspective, we have been called upon as early as last
17 summer to provide referrals for services, supplies, and
18 other types of company needs that Sempra would need to
19 employ should they locate here.

20 And so we ask you to consider support of
21 this project. We need it. And it will benefit all of
22 southeast Texas.

23 Thank you very much.

24 MS. TURNER: Thank you.

25 MR. LAIRD: Don Pumphrey.

1 MR. PUMPHREY: I'm Don Pumphrey. And I'm
2 chairman of the board of the greater Port Arthur Chamber
3 of Commerce. And I too, like our president, want to
4 express our support for this project.

5 We've talked to the pilot's group.
6 They've addressed many of the critical issues regarding
7 safety with the movement of these vessels up and down
8 the ship channel, how that's going to also enhance or
9 reduce the amount of erosion that's currently being
10 experienced along the ship channel. And that's been a
11 tremendous problem for the community, for the residents
12 of Pleasure Island.

13 We understand, as Verna has indicated,
14 that many don't support -- or some people don't support
15 this project. But this project will enhance economic
16 development of our community.

17 There are petrochemical plants in this
18 area that have shut down for lack of natural gas at
19 prices that made it profitable for them to produce their
20 products. By adding this infusion of natural gas from
21 these sources to our national transmission lines, I
22 think our whole community, the state, and the nation
23 will be better served because of this project being
24 located here.

25 Employment opportunities for the many

1 youth that our mayor, our city manager, have talked
2 about who come from households with very low incomes.
3 Giving these students the potential for employment in
4 the future is an essential part of the planning for our
5 community.

6 We applaud Sempra's efforts to help us in
7 achieving those goals, and we thank you for the
8 opportunity to speak to you this evening.

9 MS. TURNER: Thank you.

10 MR. LAIRD: Carl Griffith.

11 MR. GRIFFITH: My name is Carl Griffith,
12 G-R-I-F-F-I-T-H.

13 I was the elected sheriff here. I'm now
14 currently the county judge. I'm not sure if you know
15 what the county judge does in Texas, but kind of sits on
16 the chairman of the board administrators for county
17 government.

18 In that role in Texas, I am the emergency
19 manager for the county. Okay? The governor is the head
20 of emergency management. And in each county, the county
21 judge in Texas -- in 254 counties, I'm the emergency
22 manager.

23 Quite frankly, the former law enforcement
24 officer for over 20 years said it is much easier to
25 protect a land-based operation than it is an offshore

1 operation. Okay?

2 That's one issue. I'm talking about
3 terrorism. We can't shut this country down by the lack
4 of jobs because we can't provide natural gas to our
5 industry -- heavy industry. And in this county, and
6 this and Orange and Hardin, about 53,000 people are
7 employed in the petrochemical industry. There is not a
8 soul sitting in this room that lives in the three-county
9 area that is not impacted in a positive way by heavy
10 industry.

11 Now, have they changed the way they do
12 business as far as environmentally, because I read some
13 comments about the environment? Absolutely. I'm one of
14 seven county judges in Texas that sit on a board that
15 give out \$6 billion every two years for air research,
16 trying to make air better in Texas.

17 We have had a huge positive impact and
18 seen industry come to the table with hundreds of
19 millions of dollars of investment in these counties to
20 clean up the air and reduce emissions.

21 Where am I go with this? Well, the fact
22 is that we are losing thousands of our young people to
23 other communities because heavy industry has been
24 devastated by the high cost of natural gas. Not only in
25 this area but along the coastal counties that are heavy

1 industry impacted.

2 We have to have for the future, not just
3 of southeast Texas but of Texas and the U.S., a low cost
4 supply of natural gas. If it's sitting offshore and
5 somebody does hit it, how can we protect it and how can
6 we deal with it offshore?

7 So it is vital for us to see that here and
8 give us the opportunity to better protect America by
9 protecting the supply of gas that provides jobs for the
10 people that live here.

11 Half of our electric utility costs today,
12 roughly, are fuel adjustment costs because of the high
13 cost of natural gas. And so it's imperative for this
14 community.

15 Now, environmentally, how have we been as
16 a community? Are you hearing a bunch of people that all
17 they believe in is industry? Well, let me tell you a
18 little bit about us and Texas and where we fit.

19 Take a look at the national parks and the
20 parklands that have been created in Texas over the last
21 30 years and see where the majority of those acres are.
22 In the three-county area from Galveston, Chambers,
23 Jefferson, there's about 135,000 acres of wetlands that
24 we've set aside and parks. Okay?

25 There currently is an EIS study that

1 potentially could bring in over the next few decades
2 another hundred thousand acres of wetlands and uplands
3 and parks in that three-county area. That doesn't
4 include us looking up to Hardin County and what we've
5 done with the Big Thicket National Preserve.

6 So we all, as a community, believe in
7 national parks and protecting wetlands and protecting
8 our forests. But at the same time, we believe in
9 protecting our people. And when we have seen a
10 community that in the last 40 years because of the
11 increased cost of gas and the loss of jobs to overseas,
12 we've seen our union and our non-union people lose their
13 jobs, we can't afford to see natural gas shut off from
14 this community and not a stable supply brought in here.

15 We have to have that for the future of
16 those 53,000 people and the other 380,000 in the
17 three-county area that every one of their businesses is
18 impacted to see that those 53,000 people have a job and
19 can buy in their stores and provide clothing for their
20 children. They don't have to go somewhere else to try
21 to find some retail job that pays nothing.

22 And so I would encourage you as the
23 chairman of the commissioner's corps, as the county
24 judge, as the emergency manager, to please do all you
25 can to see that this happens not just for southeast

1 Texas but for all of America.

2 Thank you.

3 MS. TURNER: Thank you.

4 MR. LAIRD: Is Mr. Landry here?

5 MS. TURNER: Okay. Is there anyone who
6 didn't sign up to speak who would like to say something?

7 Okay. Come up and give your name.

8 MR. HENDERSON: My name is Tom Henderson.

9 I'm a Port Arthur city councilman.

10 We think about the impact on the
11 environment. In considering the nature of this
12 proposal, of this project, it probably has the least
13 impact on the environment of any project that we brought
14 into this area in quite some time. It is a closed
15 process whereas nothing will be released into the
16 atmosphere or into the water that will damage the
17 environment.

18 So far as safety is concerned, we grew up
19 here in the shadow of refineries, where we have
20 operating units that operate at very high temperatures
21 and very high pressures. So we're accustomed to -- it's
22 kind of a trade off, you know. Everything has a price.
23 And here we were willing to pay that price of living, if
24 you want to say, in a little bit of danger in order to
25 have these jobs available here, as so many others have

1 said here, that these local industries here have raised
2 many, many families in this area.

3 And we encourage even more expansion in
4 those, and we have been fortunate enough to have
5 additional expansion in those refineries, both the
6 Primcore (phonetic) and Motiva (phonetic) as well as the
7 local BASF facility here.

8 But, anyway, I want to say that so far as
9 the environment is concerned, this is an ideal
10 application to our environment. So far as safety is
11 concerned, it puts us in no more danger that we have
12 been accustomed to.

13 I've been in Port Arthur since 1946. I
14 spent 37 years at the Texaco refinery here in the main
15 office, but certainly well within the radius of some of
16 the high pressure and high temperature units. And it is
17 amazing to me how they have lessened the dangers in
18 those refineries. There was a time when it was the
19 normal thing to have explosions and fires in those
20 refineries. But due to the new safety regulations
21 that's come out and the company's willingness to spend
22 the funds to make those places safer, they have
23 decreased the dangers in there by a great, great amount.

24 So I want to say that I do support this
25 from every aspect. I think it's one of the great things

1 that we have in store for the city of Port Arthur.

2 Thank you.

3 MS. TURNER: Thank you.

4 Is there anyone else who would like to say
5 something?

6 MR. OUBRE: I'm Father Sinclair Oubre, and
7 the last name is spelt O-U-B-R-E.

8 Some of the many tasks and hats that I
9 wear, I am the diocesan director for the apostleship --
10 A-P-O-S-T-L-E-S-H-I-P -- no one ever gets it -- the
11 Apostleship Of The Sea and the Port Arthur International
12 Seafaring Center.

13 And I rise to address an issue that has
14 come up in private conversations with the different LNG
15 facilities that have come here but is never raised up in
16 the public hearings, and that is the issue of seafare
17 welfare. We spend a great deal of time talking about
18 the local impact that this facility will have whether
19 it's offshore or onshore and the community that's
20 involved there.

21 Our primary work with the Apostleship Of
22 The Sea and the Port Arthur International Seafaring
23 Center is to care for the welfare of the merchant
24 mariners who bring the cargoes, whether it is the crude
25 oil, whether it's the chemicals, whether it's the cargo

1 at the Port of Port Arthur or the Port of Beaumont,
2 wherever they are, to take care of the seafarers, the
3 men and women who bring this stuff here.

4 We are greatly concerned anytime there's a
5 discussion about offshore facilities. The seafarers who
6 are on the ship are contracted as officers for
7 approximately four months straight. If you are a
8 rating, you are on the vessel between 8 to 11 months at
9 a time. If you have an offshore facility, then you
10 load, say, for instance, in Qatar or possibly at an
11 offshore facility and then transit up to 30 days to
12 arrive here at an offshore facility and then will turn
13 right around and go back to an offshore facility so that
14 these men and women are working seven days a week in
15 regards to ratings for eight straight months.

16 This past July there was an important
17 report issued by the Maritime Accident Investigation
18 Bureau of Great Britain because they have been faced
19 with a number of problems of vessels going aground in
20 the British Isles. And what they found was that the
21 human factors of overwork and fatigue was directly tied
22 to these accidents that were taking place. Our own US
23 Coast Guard is beginning to do research on the human
24 factor. We spend a great deal of time talking about
25 building technology of safety into these structures and

1 yet we're going to work men seven days a week, 12 hours
2 a day, for eight straight months, and sometimes even
3 more than that, and then invite them to guarantee that
4 the vessel will be sailed safely.

5 We strongly believe that unless there is a
6 means by which these seafarers have access to shore
7 leave to be able to communicate with their families, to
8 take care of their personal business, in the 24 to 36
9 hours that they could potentially have on a shore-based
10 facility that that will do more than anything in regards
11 to technology of moving those vessels safely in and out
12 of our port facility.

13 And so I want to raise a voice that we
14 have strong concern in regards to anytime FERC approves
15 an offshore facility, because it never takes into
16 consideration the human factors that consistently lead
17 to approximately 70 to 80 percent of maritime accidents.

18 The second thing is, as a US Merchant
19 Mariner myself and an able-bodied seafarer, I have
20 sailed the Port Arthur Ship Channel and the Houston Ship
21 Channel and the fairways out there, there is no way, no
22 way at all, to secure an offshore facility. Unless we
23 are planning to station the United States Navy at the
24 facility 24 hour a days, seven days a week, 365 days,
25 the traffic that is out there goes anywhere it wants to

1 at any given time and that there is no way that one can
2 truly secure those facilities.

3 At least with a land-based facility, three
4 of those sides, three of the four sides can be obscured.

5 So I wanted to raise my voice and to bring
6 FERC's attention to the human factors that are on board
7 the ships, because many of the times that the accident
8 occurs, the contributing factors have to do with the
9 condition and the fatigue of the US seafarers --
10 pardon -- of the seafarers themselves.

11 And, finally, people often draw on upon
12 the image of what took place in the Exxon Valdez. In
13 the research that took place with the Exxon Valdez, it
14 was the third mate's fatigue and the crew's fatigue
15 after the rush loading at Valdez over an extended period
16 combined with a lack of sleep that led to the
17 navigational problems that led to the ship going on the
18 reef.

19 And so I bring that attention to the FERC
20 community, and I hope they will take that into
21 consideration.

22 MS. TURNER: Is there anyone else who
23 would like to speak?

24 MR. ELDRIDGE: My name is R.L. Eldridge,
25 better known Gabby.

1 THE COURT REPORTER: Could you spell your
2 last name, please.

3 MR. ELDRIDGE: E-L-D-R-I-D-G-E, R-L,
4 better known as Gabby. That's all anybody knows me by
5 anyway.

6 I'm here to represent the people of Sabine
7 Pass. I've lived there -- well, if I can make it a few
8 more days, I'll be 74, so I was born there, so I know
9 pretty well what we've got and what we don't have.

10 We are a very old community. In fact,
11 we're 60 years older than Port Arthur. And we're in
12 need of something to bring us up. We have the offshore
13 industry that supports us right now, the shrimping
14 industry, and that's it. We need these plants very
15 badly. And we're totally supportive of it in any way we
16 can.

17 Just the deal so far, we can already see
18 interest in the community -- people wanting to buy.

19 And we're talking about -- I know we're
20 here to talk about your plant, but you have one -- you
21 have two. And those two plants are being built --
22 somebody was talking about the environmental -- on the
23 highest piece of ground in that area -- that whole area.
24 That's property here that was pumped up. It's probably
25 15-foot above sea level. It used to be just a marsh.

1 But it's built up now. And that's a plus.

2 That road that you're going to replace is
3 very bad. Ships throw rocks over the top of it -- and
4 water. And if we get a high storm, it goes underwater
5 in part of that area. We can't get out.

6 So this thing here is going to be one of
7 the greatest things for us that ever happened in my
8 time -- the whole thing -- the plant.

9 And it's not only just for us. This thing
10 is going to help the whole county: Jefferson County is
11 going to get money. We've got our own school district.
12 We've got our own port district. We need taxes just
13 like the rest of them. We just built a 7 million-dollar
14 school. We'll pay for it. But, I mean, this will help.

15 But we need it bad. And we are totally in
16 support of this thing. And we want to -- because we
17 feel like this it's not only going to help us, it's
18 going to help all of us. And I think it's great. And
19 we hope you-all can go with this thing and help us and
20 get it.

21 Thank you.

22 MS. TURNER: Thank you.

23 Anyone else want to speak?

24 Well, I thank you for coming tonight.

25 You've given us a lot to think about. And we're hoping

1 that you'll also send in comments if you think of
2 anything else after you leave this meeting.

3 So I think we'll close the meeting for
4 tonight and thank you all for coming.

5 (Exhibits 1 through 5 marked)

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1 COUNTY OF HARRIS)

2 STATE OF TEXAS)

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REPORTER'S CERTIFICATE

5

6 I, Amanda Tolton, Certified Shorthand Reporter in
7 and for the State of Texas, hereby certify that this
8 transcript is a true record of the proceedings.

9

10 I further certify that I am neither counsel for,
11 related to, nor employed by any of the parties in the
12 action in which this proceeding was taken, and further
13 that I am not financially or otherwise interested in the
14 outcome of this action.

15

16 Certified to by me on this _____ day of
17 _____, _____.

18

19

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AMANDA TOLTON, Texas CSR 8195

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Expiration Date: 12/31/05

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