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BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

IN THE MATTER OF:)
PANHANDLE EASTERN PIPELINE)
TUSCOLA EAST PROJECT)

DOCKET NO. CP06-428

NOBLESVILLE VFW
654 SOUTH 9TH STREET
NOBLESVILLE, IN 46060

TUESDAY, OCTOBER 24, 2006

The above-entitled matter came on for a
scoping meeting, pursuant to notice at 7:13 p.m.

BEFORE: Magdalene Manco

1 PROCEEDINGS

2 MS. MANCO: Okay. Good evening. I'd like to
3 welcome you all here tonight. My name's Maggie Manco,
4 and I'm an environmental manager with the Federal
5 Energy Regulatory Commission, or FERC for short.
6 Please let the record show that the meeting officially
7 began at 7:13 p.m. on Tuesday, October 24, 2006 at the
8 VFW in Noblesville, Indiana.

9 As stated in the public notice for this
10 meeting, the Commission is preparing an environmental
11 assessment, or EA, for the Panhandle Eastern Tuscola
12 East Project. Up at the table with me is Doug Sipe,
13 also with FERC. Several representatives from
14 Panhandle are here this evening as well. We are all
15 here to take your questions and concerns during and
16 after the meeting today.

17 FERC headquarters is located in Washington,
18 D.C. We have, roughly, 1,300 employees. We regulate
19 natural gas and hydra facilities. We have a chairman
20 of four commissioners appointed by congress and,
21 basically, our job is to provide an environmental
22 document and make recommendations to the Commission
23 when it comes time to vote to approve or deny the
24 project.

25 I'm going to give a brief summary of the FERC

1 environmental review process, then I'm going to ask
2 Panhandle Eastern Pipeline Company, the company
3 proposing the project, to come up and give a brief
4 overview of the project, then we'll hear from anyone
5 who signed up on the speaker's list to provide formal
6 comments into the public record tonight.

7 The purpose of tonight's meeting is to
8 provide each of you with an opportunity to give us
9 your comments on the Panhandle project. If you wish
10 to speak tonight, please be sure you sign the
11 speaker's list at the sign-in table at the back.
12 After we have gone through all of the speakers who
13 have signed up, if you still wish to make a comment, I
14 will open the meeting for additional comments. You
15 will still need to come up to the front so the court
16 reporter can get your comments as part of the record.

17 We are here tonight to learn from you. If you
18 have comments or concerns, we ask that you be as
19 specific as possible to aide us in analyzing the
20 issues. If you do not wish to speak, I urge you to
21 write the comments into the Commission. Your comments
22 help us determine the issues we need to cover in our
23 EA.

24 You may have noticed that we have a court
25 reporter who is transcribing this meeting. This is so

1 we have an accurate record of tonight's comments. The
2 transcript will be available as part of the record.
3 If you would like to obtain a copy directly, you can
4 speak to the court reporter after the meeting.

5 On October 11, 2006 we issued a Notice of
6 Intent to prepare an EA, or an NOI. Looks something
7 like this, and you probably got it in the mail. The
8 NOI requested written comments be sent to FERC by
9 November 13, 2006. That is not to say we will not
10 accept comments after that date, because we will.
11 However, we ask that you provide the comments as soon
12 as possible in order to give us time to analyze and
13 research the issues that you bring up. We have extra
14 copies of this NOI at the table in the back if you did
15 not receive one.

16 We also have some helpful information about
17 FERC with our address and web site and instructions on
18 how to send us in written comments.

19 I would like to mention that the Commission
20 encourages electronic filing of written comments.
21 Instructions are in the NOI or can be located on our
22 web site which is www.ferc.gov under the e-filing
23 link.

24 In addition, we offer a free service called
25 e-subscription which allows you to keep track of all

1 formal issuances and submittals for specific projects,
2 which is organized into dockets.

3 If you register with e-subscription, you will
4 automatically be notified via e-mail of these filings,
5 and you will be provided links to access the
6 documents. You can register for this service also at
7 our web site under the e-subscription link. There are
8 some forms at the sign-in table that provide the web
9 address and instructions as well.

10 As the lead federal agency, we will review
11 the project to satisfy the requirements of the
12 National Environmental Policy Act. We will assemble
13 information from a variety of sources, including the
14 applicant, you, the public, other state, local and
15 federal agencies and our own fieldwork.

16 I went on a site visit earlier today and
17 looked at the entire proposed Zionsville segment. We
18 will take the input that we receive at this public
19 scoping meeting as well as the issues that are raised
20 in written comments, and we will use those to focus on
21 our analysis of the EA.

22 The EA may be mailed out based on
23 environmental concerns and public interest. Should
24 the EA be mailed, it will be sent to those who have
25 requested to stay on the mailing list. The mailing

1 list for this project is large and under constant
2 revision. If you wish to stay on the mailing list for
3 this project, you can either fill out the back page of
4 the NOI and send that in to us or hand it in today at
5 the end of the day. Also, if you sign in at the back
6 table, we'll make sure you stay on the mailing list.

7 If you did not receive the NOI, make sure that
8 you do sign in so that we can make sure that you get
9 added to the mailing list.

10 It is very important that any comments you
11 send include our internal docket number for the
12 project. That docket number was on the NOI that we
13 mailed out and is on the forms in the back. I'm going
14 to give it to you again just so you can write it down
15 and have it you with you. It's CP06-428. It's on the
16 forms in the back. And using that number will ensure
17 that I receive your comments.

18 Should the EA go out for public comments,
19 there will be a 30-day comment period on the EA. At
20 the end of that 30-day comment period, we will use
21 your comments and any new information that we've been
22 able to gather to complete our analysis.

23 I would like to point out that the EA does
24 not make the final decision on the project. The EA is
25 being prepared to advise the Commission and to

1 disclose to the public the environmental concerns of
2 constructing and operating the proposed project. When
3 the EA is finished, the Commission will consider the
4 environmental information from the EA along with
5 nonenvironmental issues, such as engineering, markets,
6 tariffs and rates in making its decision to approve or
7 deny the project. If the Commission does vote to
8 approve the project, FERC environmental staff will
9 monitor the project through construction and
10 restoration performing on-site inspections to ensure
11 environmental compliance with the FERC's plans and
12 procedures and the conditions of certificate.

13 So that briefly explains the FERC review
14 process. We've asked Panhandle Eastern to provide a
15 brief overview of the project for you.

16 MR. VEATCH: Good evening. I'd like to thank
17 you all for coming out this evening and expressing
18 your interest in the project itself. My name is
19 Stephen Veatch. I'm senior director of certificates
20 and tariffs for Panhandle Eastern Pipeline Company,
21 and what I'd like to do this evening is give you a
22 brief overview of the project and, basically, explain
23 why we're here tonight and what the project consists
24 of and more specifically give you an overview of the
25 portion coming out of our Zionsville compressor

1 station that we're looking to construct in this area.

2 The Panhandle Eastern Pipeline main line system
3 consists of four interconnected main lines that were
4 constructed over a period of approximately 40 years.
5 The 100 line was the first to be constructed, and each
6 subsequent line was then constructed as a part of the
7 system that was expanded to its current configuration
8 and was named sequentially the 200 line, 300 line and
9 400 line.

10 Panhandle is proposing to replace certain
11 segments of its existing Tuscola 100 line in Douglas
12 County, Illinois, the Montezuma 100 line in Parke
13 County, Indiana, and the Zionsville 200 line in
14 Marion, Boone and Hamilton Counties, Indiana.

15 The Tuscola 100 line, Montezuma 100 line are
16 predominantly 20-inch diameter pipelines. The
17 Zionsville 200 line is predominantly a 24-inch
18 diameter pipeline.

19 This project involves the replacement of 31.3
20 miles of pipeline sections, replacing sections of the
21 existing pipelines with new section of 36 and 30-inch
22 diameter pipelines to be referred to as the 500 line
23 within the Panhandle system.

24 The existing 100 line and 200 line are 1930
25 vintage pipelines. Replacing these pipeline segments

1 will allow Panhandle to restore transportation
2 capacity lost as a result of pressure reduction
3 required by the US Department of Transportation to
4 ensure continued reliability, reliable delivery to
5 customers and maintain safety standards.

6 This project is referred to as the Tuscola
7 East Replacement Project. Basically, what we're
8 looking to do in the Zionsville area is the Zionsville
9 200 line consists of approximately 80 miles of 24-inch
10 line, 29 miles of 26-inch diameter natural gas
11 pipeline. Of the 109 miles, approximately 18 miles of
12 24-inch pipeline will be replaced with a new 30-inch
13 diameter pipeline.

14 The installation of the new 500 line will
15 have a 25 foot offset of the existing main lines
16 commencing at our Zionsville compressor station and
17 terminating at the existing three gate at mile post
18 18. The construction and operation of the proposed
19 500 line will be completely contained within the
20 existing Panhandle Pipeline corridor. And depending
21 on location, it contains between one and four
22 pipelines.

23 Another component of the proposed project
24 along the Zionsville line is the abandonment by
25 removal of the 24-inch diameter 200 line from mile

1 post 00, mile post 18. In all streams, wetland,
2 pipeline crossovers and uncased road crossings, the
3 200 line will be abandoned in place. Also, the 200
4 line will be abandoned in place through Cool Creek
5 Park in Hamilton County.

6 With me tonight are representatives of our
7 right-of-way group, engineering, construction and
8 various other areas involving the project that,
9 hopefully, can answer any questions you might have.
10 Also we have copies of our alignment sheets in the
11 back. We can identify where your property's located
12 and can show you where you are along the pipeline
13 system. Thank you.

14 MS. MANCO: So with that, we're going to
15 start with any of the speakers who have signed up to
16 speak, and then after that I'll open it up to anyone
17 else. When you come up, if you can make sure to say
18 your name and spell it, if necessary, for the court
19 reporter to get into the record. And the first
20 speaker who signed up is Hemi Sagi. Sorry if I
21 pronounce anything wrong.

22 MR. SAGI: My name is Hemi, H-E-M-I, last
23 name, S-A-G-I. Thank you, Maggie, for having me here.
24 What we'd like to mention is some of our concerns.
25 First of all, we encourage the safety concern with the

1 aging of the pipeline. We're encouraging replacing
2 pipelines that deems unreliable. I'm talking about a
3 pipeline that's going through our neighborhood. I'm
4 living in Clayridge Farms in Hamilton County, and we
5 have four pipelines going through our neighborhood.
6 So we have a couple concerns, and some other notes.
7 First concern is noise. The pipeline generates noise
8 due to, I guess, pressurization. That's our
9 assumption. We'd like to -- and this noise can be
10 clearly heard for any of the residents in our
11 neighborhood through the evening. What we'd like to
12 condition is that any license given to any changes
13 would be conditioned about removal of that noise. In
14 other words, no audible noise come from that. This
15 can be solved with simple technical solution.

16 We have submitted some and will submit some
17 more after this meeting. For example, making the
18 thickness of the pipe a little heavier if it's coming
19 from pressurization of the compressor or what have
20 you. We don't care how you're going to solve it, but
21 this noise has got to go away.

22 The second concern we have is I reviewed some
23 of the way you guys are testing those lines for
24 quality, reliability, safety and environmental
25 concerns. And I'm walking that field, too. You're,

1 basically, using technologies that have been used 30,
2 40 years ago when these pipelines were built using
3 hydrostatic pressure.

4 And I assume those lines will have a lot of
5 welding joints. Is that correct? Just to give you an
6 idea, if you have 1,000 of one-inch pinhole in this
7 pipeline, it's going to -- 1,000 PSI, which is the
8 normal operating pressure of the line, 1,000 pounds
9 per square inch, it's going to leak about 28 cubic
10 feet a day. 1,000 one inch is smaller than my hair,
11 and I don't have that much. And you will not see it
12 in any visual inspection. So what we're requesting is
13 that events or existing techniques for leak testing
14 undestructive leak testing will be utilized before you
15 put a pipeline in the ground.

16 Your current process calls for putting the
17 line in the trench, from what I see from this
18 document, "What Do I Need to Know," and then
19 pressurizing it and monitoring pressure loss or what
20 have you with water, this is an obsolete technique
21 that will not work. Obsolete on the 49C, Part 192,
22 and it's, basically, up to you guys how you want to
23 ensure -- how Panhandle Company wants to ensure. They
24 have some very basic guidelines, but very nonspecific
25 to how much gas we allow to leak.

1 In our neighborhoods, there's kids playing
2 there. Some of the -- they light fires. And 28 cubic
3 feet a day, it's about 10,000 cubic feet a year of
4 natural gas that probably will leak out. It's a lot.

5 So we wanted to make sure that at least this is
6 done properly and the joints are designed and audited
7 periodically by people that are accredited to audit
8 those type of nondestructive or leak testing to make
9 sure that, basically, at least, populated area we
10 don't have leaks and so forth.

11 The last comment is that we need
12 clarification, comment. In our neighborhood you're
13 going to replace -- I called your office -- you're
14 going to replace one of the four lines. I was under
15 the impression, one of four lines, which is Line 200
16 and you're going to be 500. That's what I understand.

17 If you're replacing the lines because of age, why
18 are you only replacing one? Why don't replace the
19 first Line 100? Does that mean Line 100 is going to
20 be abandoned, removed, which is going to be there?
21 The question we have are we going to expect in the
22 next four or five, seven years this project on-going
23 until you replace all four lines, or its a one-time
24 shot it will last for many years.

25 And, obviously, the last question the

1 homeowners in our association have, obviously, there's
2 pretty expensive homes, and they got in their yards
3 irrigation systems, electrical fence, other devices
4 and so forth, what is the plan to restore those areas
5 or how can you ensure that the lots will go back to
6 the way they are currently now? We request to
7 understand that. Okay. Thank you.

8 MR. SIPE: Hi, I'm Doug Sipe. I'm helping
9 Maggie out tonight. I can address some of your
10 concerns for you. A lot of these lines everywhere,
11 especially here and throughout the country, under the
12 Pipeline Safety Act of 2002, there was a lot of
13 testing that was required from these interstate guys,
14 and not any natural gas, but oil also, any liquids
15 going through lines. They had to test all their
16 lines, and the testing procedures did get increased by
17 the number of years. There used to be a duration of
18 years that they were to test your lines. Say it was,
19 I think before it was like greater than 10 years, and
20 now, depending on the high consequence area that you
21 live in, like I know this line is built up on a lot.
22 A lot more residents have come up on the line, which
23 changes when the frequency of when they have to test
24 the lines. The reason why they're replacing this is
25 because under that Pipeline Safety Improvement Act,

1 they noticed that the line is old and it's failing.

2 The pressure, they already had to decrease the
3 pressure a lot on the line. And replacing these types
4 of pipes is a good thing. That's what the Pipeline
5 Safety Improvement Act of 2002 did.

6 There's a lot of integrity management testing
7 that goes into these lines now. A lot of these
8 projects throughout the country are happening due to
9 that.

10 So concerns you have of leaking gas is a good
11 one, and that's why a lot of these lines are being
12 replaced.

13 MR. SAGI: They're replacing one out of four.

14 MR. SIPE: That's something operational you
15 have to discuss with the company. They put an
16 application in front of us right now to replace this
17 line.

18 MR. SAGI: I don't understand. Next year are
19 they going to replace the other two or --

20 MR. SIPE: Sir, one thing, we can't have the
21 cross talk because this is being done by the court
22 reporter. If anybody wants to talk, I'm sorry, you
23 have to come up to the mike so we can get it on the
24 record. That's just part of it. I can't bring the
25 mike back and forth. That's just what I wanted to hit

1 on. That was your first speaker, and that's a big
2 concern and, believe me, I hear that all over the
3 place.

4 But that's where a lot of these replacement
5 jobs -- and sometimes you may have a line -- like you
6 said there's four lines, I'm just saying in reference,
7 you may have four lines in your community, under this
8 testing that they're doing, they may re-design their
9 pipeline where they may take a certain portion of this
10 line out and loop it with another line.

11 So the company's doing a lot of different things,
12 but the reason why they're doing this is from their
13 testing that has been done, and you mentioned the
14 hydra testing, that's a very common way to test a
15 pipe. They pressure it up. They fill it with water.
16 That's the way they use to figure out if the line is
17 failing or if it's not failing. It's a good
18 procedure. It's been done forever.

19 There's pigs, there's called pigs that they send
20 through the line. There's multiple ways on how these
21 guys are testing it. Not one company does it the same
22 way. They have to meet certain requirements, and
23 however they meet the requirements is up to the
24 company. It's under DOT regulations. That is one of
25 the reasons why they're replacing this. It's a good

1 thing.

2 I mean, this line, I know, is in the 30s and 40s
3 it was built, and now they're putting in a new line.
4 It may be bigger, but it's a good thing it's being
5 replaced. Next speaker on the list is Ray McGrath.

6 MR. MCGRATH: I'm Ray McGrath. I live at 120
7 Parkview Road. That's in, what had been, in the Mt.
8 Carmel subdivision out next to Carmel. My concern is,
9 number one, one of the questions I have has there ever
10 been any liquid petroleum products gone through this,
11 or has it always been natural gas? If it's always
12 been natural gas, what kind of environmental impact do
13 we have if we just leave the pipes there? That
14 impacts my area tremendously. I live on Parkview.
15 And where Harmony Ts into Parkview to where Parkview
16 Ts into Village, this area is really impacted by this
17 particular project.

18 And my concern is that Panhandle Eastern Pipeline
19 did not enforce the guidelines for yard improvements.
20 I mean, yes, they told us we weren't supposed to build
21 on it, but they said if you put a shed on it and the
22 shed can be moved, it's okay to put it there. But, I
23 mean, this was years and years and years ago. We
24 moved here in 1972. What would we have to build a
25 shed out of, stainless? The thing at this point would

1 deteriorate, at least the four-by-fours that you built
2 it on, would deteriorate to the point where, I mean,
3 it can't be moved. Then they said well, you know, you
4 can't plant on it. Why, because we don't -- because
5 we dig so far that we hit the pipeline? It was never
6 explained to us. Sure we planted on it because we
7 knew we weren't going to dig deep enough to hit the
8 pipeline.

9 Now we've got -- I've got 40-foot spruce, blue
10 spruce trees, and this darn pipeline's going to come
11 right through and take them all out. I can't see why
12 the pipeline, if you didn't have liquid going through
13 it, let's move the pipeline a few feet into the yard
14 that butts up to mine, which you had already tore up
15 in 1987 and its been enforced since then that these
16 people haven't built anything or haven't planted trees
17 on the pipeline because it's been enforced. All you
18 had to do is divert it slightly onto their property.
19 Again, in 1987 where they had -- where they had gone
20 through.

21 And not only that, I don't know where your heavy
22 equipment's going to come. Is it going to come on my
23 neighbor's behind me? Is it going to come on his
24 property that doesn't have these structures like I
25 have because, again, pipeline had already gone through

1 there in '87. If they do, it would be easy enough
2 just to divert, I would think, a few feet into their
3 property because you're going to destroy the property
4 with your traction vehicles anyway.

5 Again, there was a suggestion that because
6 Panhandle Eastern did not enforce the guidelines for
7 our yard improvements, that maybe there would be some
8 remuneration on the part of Panhandle Eastern. I'd
9 say, well, you could save some money just diverting it
10 a couple of feet. I think that's really the main
11 concerns that I have.

12 Another thing is its evident to me -- I mean, I
13 didn't go through like this gentleman's area, I didn't
14 walk the pipeline, but anything that is visual from
15 our neighborhood to the other neighborhoods that have
16 been built since then is evidenced by the fact that
17 newer subdivisions have open swats of land.
18 Evidently, Panhandle Eastern has enforced the yard
19 improvements in adjacent areas, but they haven't done
20 it in our area. These are my concerns.

21 MR. SIPE: That's the number one concern on a
22 lot of replacement projects, sir. This is another
23 thing that happens all over the country where it's
24 something worth -- we're trying to handle in D.C. is
25 encroachment on pipelines. It's both ways. Pipelines

1 encroaching on people, people encroaching on
2 pipelines. And not every pipeline company will deal
3 with you the same as any other pipeline company. Some
4 will allow handshake deals and allow people to put
5 sheds, fences, swimming pools, tennis courts. I've
6 seen trees growing up everywhere on the pipeline
7 right-of-way. That's a problem when they come back in
8 and they have to do some work. And it may happen
9 where -- I see some younger people in the crowd --
10 where you may have purchased a house and that big
11 stack of papers you signed off on, your real estate
12 agent never did tell you that there's a pipeline
13 easement right beside your house, and they didn't tell
14 you what that easement meant. They didn't tell you,
15 oh, by the way, some day a pipeline company may come
16 in and take down all those trees and they may come in
17 and make you remove your sheds and make you remove
18 whatever.

19 It is a problem. We try to have the
20 companies police their right-of-way, keep stuff off of
21 their right-of-way to a point. Then there's another
22 point where the pipeline wants to be a good neighbor
23 and allow people to encroach on their easement, you
24 know, go ahead and put a shed, we can move it. Go
25 ahead and put a fence out. Go ahead and put something

1 that's not "super expensive" to replace or move or fix
2 when they come through with some of their work.

3 I just did a job in Seattle, Washington where
4 there were 300 homes on a pipeline. And every one of
5 them encroached up it and had a lot of money in
6 landscaping, a lot of money in fences, a lot of money
7 in retaining walls and whatever have you, hot tubs,
8 and they had to come in there and replace that line
9 and they needed to move that. So that's something you
10 need to work out with your right-of-way agent. Work
11 that out. Say, hey, you know, whatever you were told
12 in the past, you know, you were allowed to do this,
13 you were allowed to do that. Maybe the right-of-way
14 agent that told you in the past that you were allowed
15 to do this isn't even with the company anymore.
16 That's something the current right-of-way agent has to
17 deal with.

18 So it is somewhat your problem because you
19 are on their easement, but it's somewhat their problem
20 because they allowed you to be on their easement.
21 That's kind of a deal that needs to be worked out. I
22 understand it's a problem, and we're sorry for it, and
23 I'm sure the Pipeline's sorry for it. They have to
24 deal with it now.

25 Trees are a big concern. Some companies

1 should police their right-of-way. Operations should
2 keep the trees back to a certain point, and sometimes
3 they do, sometimes they don't. I'm not saying this
4 company -- I haven't seen a right-of-way personally.
5 These guys have today with the alignment sheets and
6 such. Sometimes trees do need to be kept back off the
7 pipeline. Sometimes they are. Sometimes they aren't.
8 That's certain things we have to deal with when we
9 come through with the replacement on a project.

10 So that's the last speaker on the list. If
11 you'd like to stand up and just come up here and
12 speak, ask questions -- we're all here afterwards,
13 too. If you want to close the formal part of the
14 meeting, we can stand back here and talk back and
15 forth all you want, but I can't do that, and Maggie
16 can't do that when we have a court reporter trying to
17 type it all down. We'll leave it up to you guys.

18 MR. MILLER: My name is Ben Miller. I live
19 in the Mill Grove subdivision. I guess as a follow up
20 to that conversation, my only question really is at
21 what point will we know what the impact is going to be
22 on what trees? What's going to be removed? I know
23 this is going through the approval process. Is there
24 some point we'll see a plan of what trees are going to
25 be removed, how far they're going to be cut back,

1 what's going to be left?

2 MR. SIPE: That is what we are doing with the
3 environmental assessment. We are analyzing all these
4 impacts. We are taking information proposed from the
5 company at this point. They are providing us with
6 alignment sheets. They are showing us where they
7 would like to stick their line. We are looking into
8 that.

9 There are adjustments made. This is not a done
10 deal. Like where you see the pipeline right now, it
11 may be flipped to the other side of the line. I mean,
12 it can cross over those lines. Now, if there's a
13 number of them in there, it does pose a problem
14 crossing underneath a bunch of lines. They can do it.
15 They can make small adjustments. They can miss trees.
16 They can do a lot of things. That's something you
17 need to work out with your right-of-way agent.

18 If there's anybody in here that has denied survey
19 access on their property, which it doesn't happen a
20 lot with a replacement line, I urge you to allow
21 survey access because we need that information in
22 order to make our decision. If we don't have the
23 information in front of us, if we don't really know
24 there's a problem -- because I don't know if you're
25 denying survey access until the company comes up and

1 says, hey, you know, this stretch of land we're not
2 getting survey access -- we need that information from
3 surveys in order to do our job and so does the
4 company. Make sure you ask them what they're going to
5 survey when they come in. There's a lot of questions.

6 I didn't answer his question. Your question is
7 when. They have a proposal sitting in front of us
8 right now. That's what they proposed to do. So we're
9 going to take your concerns. We have your name. And
10 if you would like to send us comments -- when you send
11 comments to FERC, we need to know exactly what you
12 want to save, what you want to do, how you want to
13 move the line, how this is affecting you, if it's
14 affecting the environment one way or another or it's
15 affecting the trees, birds, your dogs, whatever, we
16 need to know specifics of how it's affecting you. If
17 we can look at that piece of property and work with
18 the company by looking at the alignment sheets and
19 talking with the company on how we can achieve, like,
20 helping you guys out if we can.

21 There's not always a solution where definitely we
22 can do that. When do you guys want to --

23 MR. SAGI: When's the EA going to go out on
24 this?

25 MR. SIPE: Two or three months the EA's going

1 to go out. Even after that, after the EA goes out, if
2 the EA goes out, which, with the crowd here, it looks
3 like it's going to go out for comment. Once the EA
4 goes out, it's still not done because you can still
5 comment on what we put in the EA. Not until they
6 receive a certificate is it really a done deal, per
7 se. But even after that we can make adjustments with
8 variances and such after they receive the commission
9 order. So you're going to see a bunch of timelines,
10 like the NOI -- Notice of Intent, this thing -- will
11 have a lot of stuff in it, and will have a lot of
12 timelines in it. And you look at the timelines and
13 you're like, well, I've got to have my comments in by
14 such and such a date. You have time to comment,
15 basically, until they start digging. So you have a
16 lot of time, and it be will soon that, you know, that
17 you will get the final from the right-of-way agent.
18 Did a right-of-way agent contact you about signing
19 off, trying to get an easement agreement with you?

20 MR. MCGRATH: Yes.

21 MR. SIPE: It will be soon.

22 MR. ZUBEK: Thank you. I'll be brief and try
23 not to repeat what was asked before. My name is Gregg
24 Zubeck, and I'm attorney with offices at 151 North
25 Delaware Street, Indianapolis, Indiana. I reside in

1 Clayridge Farm. A couple of my neighbors have spoken.
2 I'm on this easement -- have this in my backyard. And
3 I want to refer quickly to Page 3 of the document that
4 was sent out today and ask for some comment either
5 from FERC or from Panhandle to give us a little more
6 explanation about this, particularly in the Clayridge
7 Farm area up in Hamilton County. Where it says
8 Panhandle proposes to use a 125 foot right-of-way, I
9 assume that's an existing right-of-way which would
10 overlap its existing permanent right-of-way. Maybe
11 that's not. I guess I'd like an explanation of that.

12 Then it says, however, a temporary construction
13 right-of-way may be required. I guess I'd like to
14 know where that is. If it's going to be in our area,
15 we'd like to know that now from either the folks of
16 Panhandle or from FERC. And if it's not, then that's
17 not an issue for us anymore. Maybe we can talk to
18 right-of-way agents afterwards. But if we can get
19 that out on the table now and the full group -- I
20 think it will enlighten everyone to know where this
21 additional right-of-way might be required, whether it
22 be temporary or permanent.

23 Further down in that paragraph it says
24 construction of the proposed facilities would require
25 about 546.6 acres of land, and then there's a

1 reference to -- then it says following construction
2 about 204.8 will be maintained as permanent easement
3 or above-ground facility sites as part of the existing
4 permanent rights-of-way.

5 In reading that I'm trying to understand is
6 Panhandle proposing that it's going to acquire or
7 needs to acquire another 204.8 acres of permanent
8 right-of-way or permanent easement? That's the way I
9 read it. I guess I'd like an explanation on that.

10 Then is Panhandle proposing to take an additional
11 341.8 acres of temporary right-of-way which then gives
12 us a total of 546.6 acres of land which is described
13 in this paragraph.

14 So if somebody can tell us as a group where
15 this additional right of way is needed, what areas of
16 this track you'll be taking right-of-way, whether it
17 will be permanent, whether it will be temporary, and
18 then a little bit of a description about the temporary
19 right-of-way. If you're going to take it, how long do
20 you have it, what's the general construction term? Is
21 it over one season? Is it over three months, 90 days?
22 If somebody could speak to that, I think that would be
23 appreciated. Thank you.

24 MR. SIPE: It is very confusing. That is a
25 very good question. I mean, half the time when I get

1 a proposal in front of me, I look at it and I say,
2 okay, they want how much temporary construction way
3 and how much permanent. It is confusing. They are --
4 I'm going off the NOI -- they are using their entire
5 right-of-way for this. No additional permanent
6 right-of-way would be required because of the proposed
7 project will be operated within existing Panhandle
8 rights-of-way. They're going to request no additional
9 permanent right-of-way. So what you have now is what
10 they're going to have in the future.

11 Now, the temporary construction right-of-way
12 needed for construction, that will only be in certain
13 areas where they need to go off of their existing
14 permanent right-of-way. Without having alignment
15 sheets in front of me and knowing your community,
16 that's something we can do afterwards back at the
17 back, go through that. I can show you where they
18 proposed temporary construction right-of-way. That
19 temporary construction right-of-way will revert back
20 to its former use.

21 Now, they usually don't try -- that's
22 something we look at. If a company proposes for
23 temporary right-of-way mow down a bunch of trees or
24 move something that you really don't want moved, they
25 don't want to do that, for one, it costs them extra

1 money, and, two, they want to be a good neighbor to
2 you guys. The temporary right-of-ways they're going
3 to use, they're going to try to make it user friendly
4 for them and you.

5 Like I said, without looking at the alignment
6 sheets -- I can talk to you in general, but after the
7 meeting we can look at how it affects your property.

8 That's a good thing. They're using their
9 existing -- that's the number one reason that pipeline
10 companies don't usually like to work over their plot
11 lines. You'll see that all over the place, but in
12 this instance they are going to pad up the
13 right-of-way and work over their hot lines and not use
14 a bunch of temporary right-of-ways. That's a good
15 thing.

16 If you have another pipeline coming through
17 there ever in the future, the number one reason why
18 they may use a lot of temporary right-of-ways is
19 because they don't want to work over another company's
20 hot lines. You hear that complaint a lot. Since
21 these are their own lines, they're able to work over
22 top of them. I hope that answered your question. If
23 it didn't --

24 MR. ZUBEK: Thank you.

25 MR. SIPE: Would anybody else like to speak?

1 MR. STECK: Hi, I'm Robert Steck. I'm also
2 from the Clayridge Farm development, and my biggest
3 concern is that of safety. This is occurring right in
4 my backyard. I have several small children, and there
5 are literally dozens in my neighborhood. I want to be
6 ensured that these huge ditches that are going to be
7 right in my backyard are going to be somehow walled
8 off so that my children, other children, aren't just
9 falling into these ravines. And we're just very
10 concerned about the children's safety. That's all.

11 MR. SIPE: That's a very good comment you put
12 out. A lot of this pipe there are a lot of
13 residential areas. I asked these guys on the way up.
14 There's 200 some residential areas within 50 feet,
15 which is like 250, I heard, on this line. That is a
16 major concern. When they do residential construction,
17 they do it in a certain way where its slower because a
18 lot of the areas they'll go through, they'll use slow
19 pipe construction so they won't have a nitch that's
20 open for miles and miles. They'll open up the ditch,
21 they'll put the pipe in it, and they'll move on. It's
22 like a pipe system. They just keep chucking along.
23 They may not use that through the whole portion of
24 your residential areas, but they're probably going to
25 use it in some areas.

1 They will have it fenced off. The right of
2 right-of-way will be fenced off the whole way
3 throughout construction. That's something the
4 environmental inspectors check all the time to make
5 sure that people aren't falling into their ditch.
6 They usually don't want that to happen. This is a
7 30-inch line, so it should be a little -- maybe a
8 little kid could get in there and skateboard through
9 it. That's usually something kids like to do,
10 skateboard in there and go down a 40-foot pipeline.
11 You should try to keep them out from doing that also.
12 So just tell your kids to keep off the right-of-way,
13 and we'll do the best we can with the company to try
14 to keep you off also. That's a good comment.
15 Anything else? Anybody else want to speak tonight?
16 All right. I saw three hands go up.

17 MR. KOEHL: My name's Steve Koehl, K-O-E-H-L.
18 My concern -- I like what everybody else has jumped up
19 and talked about because it addressed things that I
20 wanted to bring up myself. But I'd also like to know
21 the hours of digging. I don't want my family in the
22 house while they're digging around gas lines right
23 next to where they're sleeping and playing inside the
24 house. How early are they going to be there? How
25 late in the day are they going to be there? I want my

1 family gone while this digging is going on right next
2 door to my house. I don't want another incident like
3 what happened in Castleton where there was an
4 explosion and one life was lost. Everybody was
5 working, but it leveled a number of homes in the
6 neighborhood. We don't need that along this.

7 MR. SIPE: That's something they will have --
8 since you asked that tonight, that will be in the EA
9 itself. You will see the hours during construction.
10 I mean, typically, they usually try to start as early
11 as 7:30 in the morning and go to around 5:00 or 6:00
12 at night. They try to limit the weekends, but that's
13 something your right-of-way agent should be able to
14 let you guys know. You will be notified when they're
15 going to start in your area and when they're going to
16 finish in your area.

17 That's a main concern, I mean, we hold them
18 to that a lot. We say look, guys, unless there's a
19 problem, you shouldn't be in there on Saturdays and
20 Sundays working, or Sundays, especially. A lot of
21 times Saturdays they will be. That information will
22 be provided to us. I don't know right off the top of
23 my head, but that's the typical construction, sir.

24 MR. REITMEYER: Hi, I'm Steve Reitmeyer,
25 R-E-I-T-M-E-Y-E-R. I live at 15725 Westfield

1 Boulevard, Carmel, 46033. I live in the Town of
2 Westfield. My address is Carmel, or, as you have on
3 your map here, Westville. Looks like you renamed the
4 town for us. My concern is I have two pipelines that
5 run across my property, and I have a barn on the other
6 side of the pipeline. During construction will I have
7 access to that facility throughout the construction
8 period when they replace the pipeline? Before that
9 was a bit of an issue, and they did make it available,
10 but I want to make sure that I will have access to the
11 other side. Thank you.

12 MR. SIPE: Again, a lot of these concerns are
13 definitely something you need to work out with your
14 right-of-way agent, but access is usually granted
15 throughout the whole pipeline construction process.
16 There may be certain days in there that they have to
17 block off certain areas because the pipe is going to
18 go through, but these guys are pretty quick at it.

19 MR. REITMEYER.: Where the ditch is I need to
20 drive back and forth and --

21 MR. SIPE: That's something you need to work
22 out with your right-of-way agent. I saw a hand in the
23 back, sir.

24 MR. JAKONSKI: My name's Bob Jakonski. I
25 live at 6603 Cross Bridge Drive, Noblesville in the

1 Morse Point subdivision. I guess my question is I've
2 heard right-of-way agents talked about a couple times.
3 I haven't seen this person as of yet. I don't know
4 what the timing is. Based on my schedule, you know,
5 if I'm not available when they show up, will they try
6 to make an appointment with me or how is that going to
7 work?

8 And I missed the very beginning of the
9 meeting, I apologize, but if everything flows through
10 the way its supposed to, what's the timing of this
11 project really look like? Maybe that was mentioned
12 and I didn't hear it. But those are, basically, my
13 two questions at this point.

14 MR. SIPE: There's right-of-way agents here
15 in the VWF right now. I'm not going to point them
16 out, but if you want --

17 MR. JAKONSKI: Is it our responsibility to
18 speak with them or --

19 MR. SIPE: No, it's their responsibility to
20 speak with you. I do apologize. This is the first
21 meeting I've ever held in a VFW, to be honest with
22 you. I pictured people walking around with beers and
23 chicken wings and such, but it's not happening. Maybe
24 afterwards. But it's a little less noisy right now.

25 I can't stress enough to work with the

1 right-of-way agents. We do not regulate the
2 right-of-way agents. Sometimes I wish we could. You
3 need to develop a relationship with the right-of-way
4 agent. If this person's not working out for you, you
5 can request a different right-of-way agent. They have
6 a number of them. So if you have the company's
7 numbers, you should have the company's numbers in the
8 information that they sent to you, so if you're not
9 happy with your right-of-way agent, contact us at FERC
10 or let the company know and they can have someone else
11 help you out.

12 This company, I'm working with them down in the
13 State of Arizona right now. Overall, I'm happy with
14 the right-of-way agents. I think they're doing a
15 pretty good job. It's just personalities. Sometimes
16 they don't mesh like in the general world. Anybody
17 else like to speak tonight? We can close this and I
18 can stand up here forever and answer questions back
19 and forth, but it won't be on the record.

20 MR. JAKONSKI: Second half of my question was
21 timing.

22 MR. SIPE: Steve, when do you expect the
23 certificate?

24 MR. VEATCH: April.

25 MR. SIPE: April Certificate.

1 MR. VEATCH: Start construction in June.

2 MR. SIPE: They're requesting from FERC an
3 April certificate of 2007, and they want to start
4 construction in June. Maggie let me know, like two,
5 three months from now an environmental assessment
6 should be prepared and sent out for public comment.
7 What happens then is we have a 30-day comment period
8 on an EA. We receive all those comments, and we'll
9 prepare that in the commission order. That's the
10 information we send upstairs to the commissioner on
11 the 11th floor with our recommendations on how the
12 pipeline should go from there. And so three months --
13 October, November, December, January -- so, yes, the
14 April certificate looks pretty good if there's not any
15 problems with that. They usually like to construct
16 these guys in the summer months, nicer weather and
17 such, so an April certificate and June construction
18 date.

19 The duration of how long they're going to be on
20 your property, that's something else you have to work
21 out with your right-of-way agent. If your property
22 consists of a farm field, they're going to go through
23 it a lot quicker than they would if there's houses on
24 both sides of the right-of-way. Right-of-way agents
25 are important. Again, if you have a problem with your

1 right-of-way agent, you're not getting information you
2 need, please contact FERC. Anybody else?

3 MR. SAGI: I'd just like to show on the
4 record I delivered a comment.

5 MR. SIPE: He delivered a comment to us in
6 writing, Hemi Sagi. Sir, I saw your hand.

7 MR. DEASY: Hi, Kevin Deasy, D-E-A-S-Y. I'd
8 like to comment like the gentleman earlier about
9 access to his barn. We live on a long cul-de-sac, and
10 it looks like this pipeline comes across and would cut
11 off access to the outside road systems. So,
12 basically, how does that work? We will be,
13 essentially, cut off from access to the rest of the
14 road and outside, you know. What's the plan for
15 situations like that?

16 MR. SIPE: Actually, you're going to get a
17 letter in the mail that states that if you live on a
18 cul-de-sac that your family has to stay in a tent on
19 the opposite side of the right-of-way. No, that's
20 another concern you need to work out with the
21 right-of-way agent. If it is going to cut access off
22 to your property, like your dwelling where you live
23 and they're not going to be able to provide you
24 access, then they're probably going to ask you if you
25 want to be put up in a hotel or if you want to be put

1 up somewhere. If the company has to deny access to
2 you, to your property or something you need, then
3 they're going to provide you with something else as
4 part of their negotiations. That's something you need
5 to work out with your right-of-way agent.

6 But we require that they provide you access
7 to your property somewhere somehow. Now, there may be
8 times that, you know, again, when they're putting the
9 pipe in, that day, or those two days that you can't
10 have access, but, again, that's something you need to
11 work out with your right-of-way agent. It's different
12 in all situations. I can stand up here and tell you
13 all kinds of stories of what I heard like you have
14 cattle that need to get across the right-of-way or
15 people or what have you, there's a lot of different
16 situations. Again, that's something you need to work
17 out with your right-of-way agent. Anybody else?

18 MR. MCGRATH: I'm Ray McGrath again. 120
19 Parkview Road. One of my questions originally wasn't
20 because the environmentalist are here, again I want to
21 know if there's no oil that went through these pipes,
22 oil went through these pipes, then why not leave them
23 where they are since tearing them up would impact our
24 yard and my neighbor's yard terrifically. And if you
25 could leave them there and operate a few feet over, we

1 wouldn't be impacted so badly. There's a number of
2 houses involved all on Parkview from where Harmony Ts
3 into Parkview all the way to where Parkview Ts into
4 Village.

5 MR. SIPE: Okay. These comments that we're
6 receiving tonight from you and the comments that we're
7 receiving from people that aren't here, that's the
8 type of information we need to look into. If we just
9 received that comment from you, why don't you leave
10 the pipe, the one they're abandoning, in place and
11 move it over a couple feet, that's something we're
12 going to look into.

13 We, FERC, that's what we do. FERC, that's
14 all I deal with is natural gas pipelines. I know a
15 lot of other agencies you may have talked to in the
16 area, they deal with a lot of other projects. We at
17 FERC just deal with natural gas pipelines, our group,
18 along with the hydra facilities. That's the other
19 side of FERC. That's the type of information we will
20 look at. We will look at your property, and we'll say
21 this guy would like to leave the line in, can we do
22 that. And, you know, we'll ask the company what's the
23 reasoning behind you wanting to remove this line and
24 not allowing what he wants to have happen. That's the
25 information we'll look into. It will be addressed in

1 the EA. Then you will have an opportunity to comment
2 on that if you're unhappy with what we -- again, if we
3 can't answer that, which I probably won't be able to
4 by looking at alignment sheets and such, we'll send
5 the company a data request. That's something you can
6 track that we mentioned earlier.

7 Everyone that's interested in this project --
8 Maggie hit on it earlier -- if you have a computer,
9 it's very easy to go into e-subscription and subscribe
10 to this project. Everything that is put on the
11 record, you know, like some of these meeting notes
12 we're having here tonight will be put on the record.
13 Anything that's filed by the company, anything that we
14 send out to the company or to whoever goes through
15 that system so you will get an e-mail notification
16 that that's happened. Any comment that's received,
17 you'll get an e-mail notification. That's how I track
18 my projects. I know Maggie does the same thing. It's
19 a very good tool. It's pretty easy.

20 Would everyone like me to close the formal
21 part of this meeting and stand up here and answer
22 questions back and forth? Would that help everyone
23 out?

24 MR. MCGRATH: My other question is do you
25 maintain, if you had a natural depression where a

1 stream ran, say, north and south -- grade -- do you
2 maintain that grade? In other words, we don't want
3 people on Parkview that didn't have water standing in
4 their yard because the grade wasn't maintained once
5 you finished with the project and now they have water
6 standing in their yard.

7 MR. SIPE: A lot of our projects now --
8 after construction a lot of concerns come back to us.
9 Hey, you know, our land didn't look like this before
10 the pipeline came through. The water here now is
11 laying or, you know, this has changed or that has
12 changed, multiple different reasons on what happened
13 to your land once construction goes through.

14 We usually require now that the pipeline --
15 we ask the pipeline company, and it's in their own
16 best benefit to videotape what the right-of-way looks
17 like right now. Take a number of photos with what the
18 right-of-way looks like right now. It's all surveyed.
19 Everything's surveyed, contours and such surveyed, so
20 they can put it back the way it was if you want it
21 that way.

22 Now, if your right-of-way is not something
23 you want right now, then that's something, again, you
24 need to work out with your right-of-way agent. If
25 it's not an environmental problem and you want the

1 area to change, then talk to them. Say I want the
2 water to run this way or I want it to drain off this
3 side instead of that side, maybe that's something they
4 can help you with. That's happened throughout where
5 it's really a pain for us because if the company
6 didn't take the right photography and the land owner
7 themselves don't have the right photography, I don't
8 have anything to go off of when that comment comes in.
9 Then it's like I'm a judge standing up listening to
10 this side and that side and you have to figure out
11 what's happening.

12 So they are going to videotape the
13 right-of-way, hopefully, or take a lot of photos. I'd
14 ask you guys to take a bunch of pictures of your own
15 property so once they come through and if it's not put
16 back to satisfaction, we can address that. That's
17 something we do.

18 We do inspect these projects throughout the
19 construction and through restoration. Once we deem
20 that they are restored, which means vegetation's
21 growing, there's no erosion problems and there's no
22 really other concerns, it turns over to operation of
23 the company themselves and then they look at it.
24 Anytime after that if you have a problem, you contact
25 the company or you contact FERC. It doesn't mean

1 there's a certain timeline after the construction goes
2 through that, nope, you can't contact FERC anymore.
3 We're always here. If there happens to be a
4 depression, a slump or what have you after they go
5 through -- it may not happen for years afterwards, you
6 know. The ground may all of a sudden settle, and the
7 company will want to come in and fix that.

8 You want me to close up the formal part and
9 then stand here and answer questions? I see a bunch
10 of heads shaking yes.

11 MS. MANCO: Let the record show that the
12 meeting concluded at 8:10 p.m.

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CERTIFICATE OF OFFICIAL REPORTER

This is to certify that the attached proceedings before the FEDERAL ENERGY REGULATORY COMMISSION in the matter of Panhandle Eastern Pipeline Company, Tuscola East Project.

Docket No.: CP06-428
Place: VFW
654 South 9th Street
Noblesville, IN 46060

Date: October 24, 2006

Were held as herein appears, and that this is the original transcript thereof for the file of the Federal Energy Regulatory Commission, and is a full correct transcription of the proceedings.

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