BEFORE THE

FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: :

OREGON LNG TERMINAL AND PIPELINE : Docket No.

PROJECT : PF07-10-000

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Warrenton High School Gymnasium

1700 SE Main Street

Warrenton, Oregon

Tuesday, September 18, 2007

The above-entitled matter came on for a scoping meeting, pursuant to notice, at 7:00 pm.

BEFORE: Medha Kochhar, FERC Project Manager

P R O C E E D I N G S

(7:00 p.m.)

MS. KOCHHAR: Good evening everybody. My name is Medha Kochhar. I am the FERC Project Manager for this Oregon LNG and Pipeline Project, and I welcome you all here. I appreciate you having taken some time to come over here. I begin my presentation.

On behalf of the Federal Energy Regulatory Commission, I would like to welcome you all here tonight. This is the environmental scoping meeting for the proposed Oregon LNG and pipeline project. This project is being proposed by Oregon LNG and Oregon Pipeline, LLC.

Let the record show that the public scoping meeting began at 7:00 p.m. on September 18, 2007. My name is Medha Kochhar again, just for your information and I am the FERC Project Manager for the Oregon LNG and Pipeline Project.

I'm here with Todd Mattson, he is sitting right here. He is Project Manager from our third party contractor. He is from HDR and also tonight with me I have Doug Boren. He is outside and I also have Kareem Monib, they're both from FERC.

And in addition to that, we have from U.S. Coast Guard, Captain Patrick Gerrity, -- correct thank you, sorry -- and also from Department of Transportation, Office of

Pipeline Safety, we have Ross Reineke. So all of us are here to help you answer some of the questions as best as we can and there will be presentations by Coast Guard, as well as DOT.

Anyway, FERC is the lead federal agency for the National Environmental Policy Act, which is called NEPA. Review for the project and lead agency for the preparation of the DEIS. The DOT, OBS, the Department of Transportation, Office of Pipeline Safety, has a responsibility for ensuring that natural gas pipeline facilities comply with several regulations and standards under the National Gas Pipeline Safety Act.

We have requested that U.S. Army Corps of Engineers to participate in the preparation of the EIS to satisfy its NEPA responsibilities under 404 and 10 of the Rivers and Harbors Act.

This meeting is in NEPA scoping meeting. In other words, we are here to listen to you all, to give your comments on environmental issues because FERC also has other departments who participate in this project, such as certificates, rates and others.

The purpose of tonight's meeting is to provide each of you with an opportunity to give us your environmental comments on the proposed Oregon LNG and Pipeline Project.

We are here tonight to learn from you because you folks live here, you know more about this area than we do. So we are really here, and we do appreciate to listen to comments that you are going to give you have taken your very valuable time to come here.

It will help us all the most if your comments are very specific to the project. Especially regarding the potential environmental impacts and reasonable alternatives of the proposed project.

Your comments will be used to determine what issued we need to evaluate and include in our EIS. If you wish to speak tonight, please be sure to sign the speakers' list at the sign-in table outside this door here.

If you do not wish to speak tonight, you can pick up one of the hand-outs at the sign-in table and provide us your written comments, or you can send us your written comments by mail.

On August 24, 2007, we issued a Notice of Intent to prepare an Environmental Impact Statement for the project. The comment period will end on September 24, 2007. I will add, this comment period is specifically on the Notice of Intent.

However, we receive comments and we welcome comments throughout the analysis of the project. We are accepting written comments on the project. We will take

comments throughout our review of the project.

However, we ask that you provide comments as soon as possible in order to give us enough time to use those comments and analyze or conduct more research, if necessary.

I would like to add that the FERC strongly recommends and encourages all of you to make electronic filings of any comments. The instructions for this can be located on our website at www.ferc.gov. Under this e-filing link, the handouts at the sign-in table provide additional information about electronic filing of comments.

Regarding our process, we have begun a pre-filing environmental review of this project. A formal application has not been filed yet with FERC. However, the FERC staff has already started its NEPA review of the project to allow early involvement by the public, government entities, and other interested parties.

The purpose of NEPA refiling process is to encourage involvement by interested stakeholders in a manner that allows for the early identification and resolution of environmental issues.

The cooperating agencies will be with us in this process. We have requested U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, The United States Department of Commerce, National Oceanic Atmospheric Administration, Office of National Marine Fisheries Service, and Oregon

Department of Energy, to be cooperating agencies.

We haven't received their response yet and we believe Coast Guard has agreed to be cooperating agency.

We have a hand-out at the sign-in table that explains the environmental review process in more detail and depicts the various public input opportunities, this is only one of them.

During our review of the project, we will assemble information from a variety of sources including the applicants, you, the public, other state, local and federal agencies, and our own independent analysis and field work.

We will analyze the information and prepare the Draft Environmental Impact Statement that will be distributing to all of you and all the stakeholders.

If you want a copy of the Draft EIS, there are three different ways to let us know. You can send written comments to FERC or you can sign up at the sign-in table tonight or you can return the mailing list retention form that was included in the Notice of Intent that we mailed out before. This was the Notice of Intent that was mailed out.

You must do one of these three things, otherwise your name will not be maintained on the mailing list. It is very important that any comments you send include the docket number for this project. The docket number for this project is, PF07-10-000. Again, the docket number is, PF07-10-000.

After the Draft EIS is issued, you will have 45 days to review the comments -- to provide us comments. Normally we schedule a public comment meeting similar to this in format, which is done towards the end of the comment period.

At that meeting, you can give us your comments of the Draft EIS orally or in writing. At the end of the 45-day comment period, we will use your comments and any new information that we have been able to gather, to finalize the Final Environmental Impact Statement.

The Final EIS will be mailed to people who are on our environmental mailing list. If you receive a copy of the Draft EIS, you will receive a copy of the Final EIS also.

After the Final EIS is issued, the FERC Commissioners will use our findings to assist in their determination on whether to approve or deny a certificate for this project.

Therefore, I would emphasize this is not the end of the road yet. This is just the beginning and no decision has been made, no formal filing has been filed with us yet. So there is a lot of time for you to give us your comment, but the earlier the better.

Now I have a couple of slides to show you the FERC process so that you understand how we proceed with any

proceeding. Can I have the first slide.

(Slide.)

These are the items I will cover in this slide presentation, which will tell you who is Federal Energy Regulatory Commission, what the environmental review process is, what are cooperating agencies and public comment and prefiling, and what's the schedule for the project.

Project schedule is decided after we feel we have enough information to do our DEIS. If we do not have enough information, we do not issue a scheduling notice. So you will see that will be on a reliability process.

FERC has the regulatory authority under 3 and under 7 of the Natural Gas Act. 3 is for the LNG part of the project and 7 is for the pipeline part of the project.

FERC is the lead agency. Why we are here tonight? Of course you know now, the purpose of public scoping meeting is here to learn from you all. What are your issues, what are your comments and anything else you want to help us with. Next slide.

(Slide.)

Potential cooperating agencies are: U.S. Coast Guard, U.S. Army Corps of Engineers, Oregon Department of Energy, U.S. Environmental Protection Agency, U.S. Department of Interior, Fish and Wildlife Service Office,

National Oceanic and Atmospheric Administration, National Marine Fisheries Service, we commonly call it NOAA. Next.

(Slide.)

During the environmental review process we have several phases. First is pre-filing. Prefiling is not mandatory for just the pipeline projects. However, prefiling is mandatory for any project that involves LNG facility. This project involves LNG as well as pipeline project so prefiling is mandatory and for prefiling, I'll go through exactly what is required too.

And we go through scoping, which is what we are doing today, Draft Environmental Impact Statement is produced as one of the delivered document that we prepare. Final Environmental Impact Statement is prepared, which is what is used by the FERC Commissioners to make their determination.

And after an order or certification or authorization, whichever you call it is authorized for this project, then it's post-authorization process as well. We look into the compliance filings, we look into implementation plan prior to giving them any approval for construction.

They have to have written approval from our Office of Energy Projects Director to commence construction and sometimes construction is given all at once, sometimes

its given just in steps, depending on what we think they can proceed with or not. Next slide please.

(Slide.)

Now this slide is going to be difficult for me, as well as for you all to read from here. I'll try my best. This slide gives us the complete process here. The applicant process, assessing market need and considers project visibility, studies potential site locations, identify stakeholders, request use of FERC prefiling process -- this is important.

This is specifically requesting in writing and FERC approves that in writing. That is done and FERC must also receives applicants and request to conduct its review and project within first phase of prefiling process and FERC formally approves prefiling here.

We have open houses with this project, which is completed separately, sometimes we attend those and we do ours also. And we participate in active open houses and we issue Notice of Intent, which we have already begun, for the preparation of EA or EIS, in this case is EIS, and it encompass NEPA scoping period to seek public comments.

And we hold NEPA scoping meetings, which is where we are today here and with this comment I made earlier, this is the part where we get public input. So this is your opportunity to give us that.

After we are through with this process, everything files -- formal application with FERC and we receive formal application from the applicant, and at that time it has to meet minimum filing requirements and if we feel it is deficient or some information is lacking, we send them a request and they have to provide all that information. Until all of that is done, we do not move forward.

And at the same time, they did receive a formal application, they're supposed to make an application with FERC engineers, with Coast Guard as well. Next slide please.

(Slide.)

After we have received enough information which we think is enough for us to do the Draft Environmental Impact Statement, we issue a preliminary Draft EIS to cooperating agencies for review so that we may get their review, their input, as to we can get their review, their input as to what else should be looked into or added, or revised and so forth.

Then we issue Draft EIS, which opens a comment period again. And we hold public meetings again, which is comments on the Draft EIS and public response to the comments and any revisions to the Draft EIS are in the FEIS. We do not respond to individual comments. The comments are responded to in the Final FEIS.

A lot of people ask us, you didn't respond to my letter -- we sometimes get thousands of letters and we practically can not do that. So I just wanted to make sure that they understand it.

After the Final EIS is issued, there is a 30-day rehearing here. At that time also you can make comments and at that time, Commissioners are reviewing it and if they approve the project, and authorization is issued. If the project is denied, the project is dead at that time. Sometimes delays, different things happen at that time.

Once the approval is given, applicant may construct and operate the project only after they obtain clean water act, and also the Clean Air Act permits, those are important. And there are several environmental conditions in the FEIS that they have to comply with.

And after the applicant and/or public can ask FERC to be here and then applicant and/or parties can take FERC --if that happens, which doesn't happen, very rarely.

And that concludes my presentation and now I will request Captain Patrick Gerrity to make a presentation about the Coast Guard's role in this process.

CAPTAIN GERRITY: Thank you Doctor.

MS. KOCHHAR: Thank you.

CAPTAIN GERRITY: Half the trick is being able to be heard, right. Good evening. As you can hear from the

Doctor, this is a very long process. There is absolutely nothing set in stone. There is no guarantee it's going to happen and it's certainly no guarantee it's not going to happen.

And as she pointed out, we are a supporting agency and I'm going to go into that in some detail in a prepared statement tonight. I'm not going to get into a very long presentation because frankly what I want to spend my time here with you folks on is to hear what you're all thinking about this particular proposal. So allow me to go ahead into a formal presentation.

Good evening ladies and gentlemen. My name is Captain Patrick Gerrity and I'm the Captain of the Port for Sector Portland. I'm here to discuss the United State Coast Guard's role in assessing the proposed liquefied natural gas project by Oregon LNG at the East Skipanon Peninsula.

I'm well aware that this is a sensitive issue, the possibility of impacting your community. To that end, I won't spend much time discussing the multitude of Coast Guard missions or any other of our responsibilities during my time here. I would like to discuss my area of responsibility, the Coast Guard's authority, responsibilities, and the guidance we use assisting as a cooperating agency to the Federal Energy Regulatory Commission or as I'll refer to them tonight, the FERC -- F-

E-R-C -- and if I use an acronym you don't know, you can't stop me, that's fair enough.

The United States Coast Guard is just one agency that will have input into this transparent process. I've no opinion on LNG at all, absolutely none. For this proposal, my job is to ensure that the waterways are safe and secure; that's my only job.

It is my goal tonight to ensure that you walk away having an understanding of the Coast Guard's role in this process and how you can let your concerns be known on the proposed LNG project. Slide please.

(Slide.)

The shaded area in green is Sector Portland's area responsibility and you can see it goes up 200 miles off the coast into Idaho, includes the State of Oregon and about half the state of Washington.

To that end, I work very closely with my air station partners, the Deputy that's here tonight, Jay Juist. Jay would you stand and be recognized please? He is the air station skipper and his brave men and women do a lot of great work out here on the coast, as well as Station Cape Disappointment, which is also a neighbor of yours out here. And thank you for coming to this by the way.

The proposed LNG facility is within my area responsibility and will impact the waterways that I'm

responsible for, which is why we are here to discuss and hear your concerns with this proposed facility and how it may impact the neighborhoods, livelihoods, families, and the abundant natural resources in this area.

As the Captain of the Port and the Federal Maritime Security Coordinator, it is my job to manage a navigable waterways and ensure that they are safe and secure for all users.

We are not the energy experts, no one in the Coast Guard is an energy expert. For this proposed project, I must ensure that this facility will meet safety and security requirements the Coast Guard, enforces as set forth in two key regulations. Next slide please.

(Slide.)

That are up here right now, 33 Code of Federal Regulations 105 and 33 Code of Federal Regulations 127. And for those of you who want to play along at home, the website is up here. I'll be glad, if you're interested in those regulations, you can call my office, we'll be glad to get those to you.

They are on the website and it makes it pretty easy to go out and take a look at them. Next slide please.

(Slide.)

As a cooperating agency to the FERC, the Coast Guard will assess the proposed LNG marine operations,

focusing on the safety and security of the waterways.

If this waterway is not suitable and/or there is no reasonable measure to protect and address any safety or security concern, it is our job to advise the FERC of that.

FERC is the final authorizing agency for the citing of instruction of proposed LNG facilities. Next slide please.

(Slide.)

In order, in addition to the regulations that I pointed out two slides ago, we also use navigation vessel, inspection circular we can NVIC 0505. This is the primary guidance we use to assess the suitability of the proposed LNG, for that matter any LNG facility on the waterway, and that's what we will use to assess the Oregon LNG facility.

That NVIC can be found in almost its entirety on that website up here. There is a secure annex that talks about how you look at security that we don't have on the website.

SPEAKER: Captain Gerrity, it's hard to read the slide, can you give out the website address for people who want it?

CAPTAIN GERRITY: You're absolutely right. Here we go. I'm going to do this real slow. It's www.uscg.mil/hq/g-m/nvic/index00.htm#2005. And when we get

a break I'll be glad to share that with anybody who wants it too. If you want me to do that again, I'll go through it. If you want this, I'll make sure we have it on a piece of paper at the doorway, okay. Sorry about that.

Anyway, this navigation circular provides detail guidance to all involved parties on both the safety and security risk that need to be identified and analyzed, and mitigated when assessing the suitability of a waterway.

It establishes responsibilities, time lines, and the process that will be used. It provides detailed guidance on how both safety and security risk should be identified, analyzed, and mitigated when assessing the suitability of a waterway. This is essentially my play book for this entire exercise.

And you can download this publication, again if you can read and I apologize for the redline, in its entirety on that website. Next slide please.

(Slide.)

I'm just going to walk through this process very quickly. It's somewhat tedious but I think it will be important for you to hear what the process is.

So here it is, here is a quick rundown on what the NVIC 0505 process. The NVIC requires that the applicant prepare a waterway suitability assessment. We call that a WSA tonight and it will provide -- it will be done in

consultation with the stakeholders who will be living in this area or working in this area.

My staff and I will review and validate the waterway suitability assessment, using our Area Maritime Security Committees, Harbor Safety Committees, or Ad Hoc Workgroups drawn from those entities.

This is the key point when other federal, state, and local entities participate in the assessment.

We'll then provide the FERC with a separate waterway suitability report, which is based on the validation, essentially the NVIC applicant's waterway suitability assessment. So we'll provide a report based on the assessment we get from the applicant, and that will be included in the FERC's Environmental Impact Statement.

Sensitive issues such a security threats, vulnerabilities and mitigation factors may not be publicly releasable and will be provided in a separate report to the FERC.

The FERC will issue an Environmental Impact Statement incorporating our recommendations and input. A short time after the release of the Final Environmental Impact Statement, FERC will issue its final order approving or denying the applicant. The order is usually full of operating limitations and measures to mitigate the safety, security and environmental impacts of the public facility.

It also includes an emergency response plan. Based upon all the information, my office issues a Letter of Recommendation and we call that an LOR. You might hear the term LOR used quite a bit. Favorable or unfavorable, with terms and conditions. Whatever the result, you will be advised along the way. This process is entirely transparent. Next slide please.

(Slide.)

Bottom line folks, the Coast Guard will make an unbiased recommendation regarding the suitability of this proposed project on East Skipanon Peninsula.

We'll make this decision upon final review of all information that is required to be submitted, focusing on maritime, security and safety, factoring in the impact on traditional uses of the Columbia River, public comment, and waterway suitability assessment.

We will work diligently to identify and minimize safety and security risks. If we can not do that, we will advise against the project. Slide please.

(Slide.)

This is the third such hearing that I've been to in the last two years. I can tell you, we take your comments very seriously. The more specific you can be, the more detailed you can be, the more thorough you can be, the better it is for us to analyze and address those concerns,

and that goes for the FERC too, I'm sure.

Please take time this evening to offer your comments early. I'm here to listen, and if you don't feel like coming up and talking amongst your colleagues and friends, then leave them in writing. I think there is an opportunity to leave the comments in writing here tonight too.

Thank you for your time this evening. It was my pleasure to be able to serve each and every one of you to ensure the safety and security of the maritime community. Have a good night.

SPEAKER: May I ask a process question? Will we have the chance now to have any questions of Captain Gerrity or do you want to wait until the end.

MS. KOCHHAR: We would prefer you ask questions at the end.

SPEAKER: In this group setting or are you going to ask us to come up one at a time.

MS. KOCHHAR: You can come up one at a time, but it will be after the sign-up sheet we have completed for speaker's presentations.

SPEAKER: Will there be an opportunity to do it in front of everybody?

MS. KOCHHAR: Yes.

SPEAKER: (Off microphone)

MS. KOCHHAR: We are not done with that yet. There will be presentation on that as well. Thank you Patrick. Now we'll have Ross Reineke from Office of Pipeline Safety to make a short presentation.

MR. REINEKE: Good evening. My name is Ross Reineke. I'm with Department of Transportation, office of Pipeline Safety. We're part of the Pipeline Hazardous Materials and Safety Administration. My office is out of Denver.

I would like to thank FERC for inviting me to this scoping session this evening. The Office of Pipeline Safety has regulatory authority for the safety of land-based LNG facilities. These regulations apply to the construction, operation, and maintenance of the land-based facility.

OPS regulations are codified in 49 CFR Part 193, which incorporates many of the requirements of the National Fire Protection Association, Standard 59(a).

During construction, OPS regional staff inspect to ensure that the construction complies with construction requirements of Part 193. Impoundment around tanks and pipelines controls the spread of LNG if a release occurs.

Firefighting and vapor suppression systems are installed to mitigate the consequences of any release.

Prior to commencing operations, the facility's

operator must establish detailed procedures that specify the normal operating parameters for all equipment. When a piece of equipment is modified of replaced, all procedures must be reviewed and modified if necessary to assure the integrity of the system.

All personnel must complete training in operations and maintenance, security, and firefighting.

The facility's operator must develop and follow detailed maintenance procedures to ensure the integrity of various safety system.

Gas detectors, fire detectors, and temperature sensors automatically activate firefighting and vapor suppression systems.

Emergency shut-down devices activate when operational parameters extend beyond the normal range. The LNG facility operator must cooperate with local officials and apprise them of the types of fire control equipment available that is in the facility.

OPS regulations require tight security for the facility, including controlled access, communication systems, enclosure monitoring, and patrols.

OPS regional staff inspect each LNG facility once each year to ensure that all equipment has been properly maintained and that the operator has and follows operation, maintenance, security, and emergency procedures that ensure

the continued safe operation of the facility.

OPS enforces violations it finds. Enforcement can include civil penalties or orders directing action. In addition, if OPS find circumstances that are hazardous, it can expeditiously require correction through corrective action order.

If there is any questions I'd be glad to help answer those at the end. Thank you.

MS. KOCHHAR: Thank you Ross. Now we'll have Todd Mattson of HDR to make a presentation about the project, what the project is.

MR. MATTSON: My name again is Todd Mattson. I work for HDR, it's an environmental consulting and engineering company. It's got offices around the country, including here in Portland where majority of our staff working on this project are located.

So again my name is Todd Mattson. I'm an environmental scientist with HDR and we are the -- HDR is the FERC environmental contractor that will be assisting that agency prepare the Environmental Impact Statement for the project. I'll be working with other scientists with our company as well as environmental planners.

Today I recognize that many of you don't perhaps know much about the project. I'm going to give a short introduction to what we've learned about the project so far.

Back in July, Oregon LNG came to FERC and started this process and they provided some general project information as part of what we've referred to as resource. Report 1 and that provides again at least in draft form, some introductory material regarding that project.

The purpose of the project is to provide a new, competitively priced supply of natural gas to the Pacific Northwest that will serve increasing demand for natural gas and also provide pricing consistency.

The need for the project is based, at least on national studies done by the Energy Information Administration. There is going to be -- over the next 25 years or so, there is going to be increase in demands estimated about 15% growth in natural gas use in the United States. That's in combination with declining reserves and declining domestic supply and limited new discoveries.

Also, there is decline in the ability of Canadian natural gas, which has historically been a large source of U.S. gas and due largely to increasing use of natural gas in Canada.

So the Energy Information Administration projects that imports of natural gas from other countries, not historically used, that have imported natural gas, will now be brought on line to meet that increasing demand.]

The project is basically to construct and operate

a liquefied gas and port terminal and a storage facility and it will include an associated natural gas and pipeline with a psi delivered up to 1.5 billion cubic feet of natural gas per day.

The Oregon LNG terminal and pipeline will include, obviously a LNG terminal located on the East Skipanon Peninsula, right here in Warrenton and then 117 mile pipeline, natural gas pipeline, down to south of Portland to a site referred to as Molalla Gate Station that is an interconnect with and existing interstate natural gas system operated by Northwest Pipeline.

So what is liquefied natural gas? It's natural gas that's been cooled to -260 degrees Fahrenheit, at which point it turns from a gaseous state to a liquid and that process reduces the volume of natural gas by about 600 times so it becomes highly concentrated.

Liquefied gas of LNG can be stored at or near atmospheric pressure and some of the properties of LNG is it's lighter than water and it does float and if spilled it would evaporate completely. Its mostly, the primarily constitute of natural gas is a methane and it's lighter than air so once its, the LNG begins warming, it turns back into a gaseous state, it's likely would dissipate in the atmosphere if there is not -- absent an ignition source.

So the process of importing LNG basically

involves taking natural gas from stranded reserves or stranded markets producing areas around the country -- around the world where there is not existing markets large enough to utilize that natural gas and importing it via ocean going vessels to market areas.

And the process involves taking that natural gas, the gaseous form, super cooling it to a liquid at which point it's put on these vessels, it's brought into the market region where it's warmed up back to the gaseous state and goes into the pipeline grid, eventually to the market.

Some major components of this project will include the LNG ships, the LNG terminal itself, and the pipeline.

The LNG ships vary in capacity and vary in size but typical vessels that are operating at this time are in the range of about 975 feet long, 140 feet across, their dry draft of about 39 feet. And again the capacity of these vary. On average I think current operating vessels are typically in the range of 135,000 cubic meters in capacity.

SPEAKER: How many gallons is that?

SPEAKER: Good question.

MR. MATTSON: Do I have to pull up my calculator? I'll be happy to get back to you on that one.

SPEAKER: How many millions?

MR. MATTSON: The proposed shipping routes for

the ships coming into the site would -- ships would cross the Columbia bar and transit on up to approximately river mile 10 to the East Skipanon Peninsula.

(Slide.)

The different features of the terminal that's been proposed include the LNG unloading equipment and a ship berth which will be capable of handling up to 150 ships a year. LNG Development Company has indicated that they would likely see an average of two ships per week but these numbers, of course, suggested to me it would be capable of handling up to three ships per week.

The facility will also include a piping electrical and control systems, LNG spill containment, three LNG storage tanks, vapor handling and gasification equipment and send out systems, utilities, telecommunications, support systems, various administrative and support buildings and, of course, the roadways.

Many of you are familiar with the area and site. This is the East Skipanon Peninsula where the terminal will be constructed.

SPEAKER: Would be.

MR. MATTSON: That's right, would be constructed if approved by the FERC. Thank you.

SPEAKER: Are we supposed to think that you are impartial?

MR. MATTSON: Next slide please.

(Slide.)

This is again another view of the East Skipanon Peninsula and this is the preliminary terminal of the facility, including major components again, include the tanks, storage tanks, and the ship berth and unloading systems.

The pipeline portion of the project includes 117 mile long pipeline that's been initially proposed. What I show here on this figure is actually two different routes.

Now, we've received a route back in July that was a preliminary route. Because we are in the prefiling process, this route is actually through the process of changing and the red line actually shows a revised route that we just recently received from the applicant. They're making adjustments to the line with the people in the field doing studies at this point and making modifications basing on what they're finding and discussions with landowners.

And so again this route will likely continue to change throughout the prevailing process. The most major change we've seen so far is in the southern end of the route here near the city of Woodburn.

The pipeline construction process involves a number of steps from clearing and grading, trenching, through the pipe stringing process there is actually the

handouts that we have here today, there is some booklets describing pipeline construction in more detail.

I'd encourage you to take a copy of one of those as you leave, if you're interested in learning more about the details on pipeline construction. Typically, pipeline construction portion of projects like this would last up to approximately a year. Although it perhaps would be up to a three year construction process for the entire project. Just the pipeline portion of it could be limited to a single year and would be conducted in multiples -- there would be multiple construction spreads or construction units out there simultaneously.

(Question off mic.)

MR. MATTSON: These types of facilities are designed to be operated for up to 30 or more years but with proper maintenance, they can be maintained indefinitely. There is actually -- currently --

(Question off mic.)

MR. MATTSON: I'm sorry. Could you go to the next slide please.

(Slide.)

In terms of the siting process, the LNG terminal and pipeline siting currently that were looked at for identifying locations for both the terminal and pipeline routing included safety, constructability and

maintainability, environmental cultural issues, landowner impacts and affordability. Next slide.

(Slide.)

LNG terminal and pipeline settings typically these types of facilities are placed to avoid densely populated areas. School, churches, residences, environmentally cultural and sensitive areas, areas of rugged terrain, areas of activity such as roads and high valued farm land.

Again, we are going to be looking at the siting process that Oregon LNG has conducted to date and adding other additional input onto the criteria that they include in the original siting process.

During the construction and restoration process, Oregon LNG would be required to comply with a number of different standards. Environmental standards in terms of how they construct the project and restore it. That includes the FERC's erosion control revegetation and maintenance plan, FERC's wetland and water body construction and mitigation procedures.

And then there is a number of other environmental requirements that Oregon LNG would be following, including storm water pollution prevention planning and a mired of other both state and federal requirements and standards.

So I know there are many of you that actually

have questions or comments. That's really the most important part of this meeting, is for us to gather input from you, particularly detailed concerns about the routing or the siting issues or environmental issues of one of the routes so we can use that information to help us analyze the project or alternatives to the project, alternative routing.

So with that, I think I'm going to -- actually maybe go to the next slide, there are a few other things I'd like to go over here really quickly. Again, this is just the beginning of this scoping process. There is verbal and written comments that we'll be collecting tonight.

We've got sign-up sheets, if you don't want to speak we have written comments sheets that can be filled out or you can file electronically through FERC's e-filing system and the website for that is given here, or else, you can mail comments directly the FERC secretary.

Again, when you're making any sort of direct filing with the FERC, please include the reference to the PF docket for this project, which again is PF07-10.

FERC is encouraging, because we're looking to begin our environmental analysis now, the earlier in the process we get specific comments, the better. And so at this point, we're encouraging comments by September 24 in response to the FERC's Notice of Intent. But again, comments will be accepted throughout this entire process.

If people are interested in getting copies of tonight's proceeding, hard copies of tonight's proceedings, Ace Federal Reporters will be transcribing all of the comments made tonight and those will be available immediately, actually beginning tomorrow through Ace Federal Reporters, and their website is given here.

In about two to three weeks, they'll also be available through FERC's e-library site. The address is www.ferc.gov/doc/filing/elibrary.asp. And again, when you're search that FERC e-library site, you will need the PF docket, PF07-10.

MS. KOCHHAR: Todd, you may want to mention they have to pay for the cost to Ace.

MR. MATTSON: Again, if you are interested in receiving the transcripts from tonight's meeting immediately, there will be cost for that and that's something that Ace Federal Reporters will let you know.

Okay, so again, this is where you can find information about the project. The electronic information on the project, including information filed by Oregon LNG is available on the FERC's website.

For example, if you want more detailed information on the project description -- I know I've gone through things fairly quickly here tonight, there is a detailed description, including what's referred to again as

Research Report 1, describing both the LNG and pipeline components of the project available through the FERC's e-library site.

You can also get hard copies of the information through contacting FERC's Office of External Affairs, the phone number is here.

Also, Oregon LNG has, an applicant has their own project website that they'll be providing some project information.

(Question off mic.)

MR. MATTSON: Only general maps are available at this time via the websites. There is some limitations on distribution of site-specific maps based on FERC policy relating to safety -- not internet public safety standards, I'm sorry security standard, that's referred to. There is different standards -- critical energy information is limited in distribution over the web.

There is site-specific information on the routing available to the applicant. Naturally they have maps in the information here tonight.

(Question off mic.)

MR. MATTSON: Yeah, you'd have to talk to Oregon LNG about that. More site-specific maps will be made available through the FERC's environmental review process if you receive a copy of the Draft Environmental Impact

Statement.

SPEAKER: You had us go through the process of signing in tonight. Would it be possible to ask the applicant to make the presentations from Captain Gerrity and the safety people and you available to those people who signed in tonight, by email? Will you allow your presentations to go to the applicant so we can get them if we go through the effort to sign in?

MS. KOCHHAR: But this will be part of our transcripts for the meeting tonight. So once you get the transcripts, you will get all the information.

MS. JOHNSON: Well, my name is Betsy Johnson. I'm the State Senator from this area.

(Applause.)

MS. JOHNSON: It seems to me that you have given people who are very desirous of information a whole lot of information tonight, but you put the burden on them to get it and you've all talked about a very transparent, open process, I'm making a request tonight that the three presentations that we've seen be provided to the applicant and the applicant put it on their website so that people can actually go, download all of these numbers and your presentation and not have to go to the expense to buy it from FERC. Maybe people don't want the whole transcript, they just like an opportunity to have these email addresses

all in one place.

(Applause.)

MS. KOCHHAR: If you don't want to pay for these transcripts, it will be on our website, but it will take week and a half or so before it will be posted on our e-library and then you can download it also from there.

MS. JOHNSON: Respectfully, that's not very fair when you've just said that the cut-off point is the 24th and today is the 18th.

MR. MATTSON: We are encouraging comments by the 24th, but certainly that's not the cut-off. The comments will continued to be accepted throughout this process as I said earlier --

MS. JOHNSON: Then I guess I'll --

MR. MATTSON: Excuse me ma'am, ma'am part of the reason for this meeting tonight is actually not to have people comment on the process or to hijack it about any sort of other agendas, we're interested in getting specific feedbacks, specific scoping comments from people here and we'd like to start that process now and give the people here a chance to ask questions or comment through the FERC process.

MS. JOHNSON: I just take your comment "hijacking the process," I take considerable offense to that.

(Applause.)

MR. MATTSON: I'm sorry about the use of that term. What we're trying to do is we're trying to gather input from the public on specific scoping issues pertinent to the project.

SPEAKER: How about giving the people information.

MS. KOCHHAR: Can I answer that.

SPEAKER: Do you represent the public or do you speak on behalf of the administrative branch of this government who wants this to occur?

MS. KOCHHAR: Let me answer her question.

SPEAKER: Are you also on the payrolls of many other energy companies? I want this as part of the record. Are you paid for -- is your fees paid for by other energy companies?

MR. MATTSON: Excuse me, if that's one of your questions sir, I'd encourage you to make it and we'll respond to any sort of questions that you make through the FERC process, the EIS process. If that's a comment that you'd like seen address, we can address that in the Environmental Impact Statement.

MS. KOCHHAR: Let me answer the question here about the transcripts. The transcripts are prepared today, tomorrow, and day after for all the three meetings.

It takes some time for the court reporter to get

them in writing, but if you are in a hurry, you can get them from Ace directly, otherwise wait for a week and a half or so, it will be posted on our website.

Now those who are very much interested, you are welcome to write to FERC. I will take that comment with me and express it to my office and tell them this is what the public is requesting and we will see what we can do for you.

SPEAKER: Respectfully I'm not asking for the transcript, I'm just asking for the three presentations.

MS. KOCHHAR: Those are part of the transcripts. The three presentations are part of the transcripts.

MR. MATTSON: Okay, can we have the list of speakers. Okay the ground rules for tonight scoping meeting will include.

MS. KOCHHAR: Now we will begin with the most important part of the meeting, that is to hear from you all, what the comments are and whoever wants to make a presentation.

We have a list here and we will read out names from this list. When we read out the name, would you please come forward to the podium and spell your name so the court reporter can get it correctly. And if you have any written comments, you can hand it to the court reporter so it will become part of this proceeding with this transcript.

And I suggest we begin with any of the public

officials here. We have a Senator, would you like to make a presentation here tonight?

MS. JOHNSON: Sure. People already signed up. I think we should do it in order. I didn't get here first.

MS. KOCHHAR: Okay, if you don't want to that's fine, but that's how our process is. We give preference if you want to speak, that's fine.

MS. JOHNSON: I didn't say I didn't want, I'm just saying people got here earlier than I and I'll wait my turn.

MS. KOCHHAR: That's fine. Okay that's fine. That's no problem. Okay, and Todd is going to announce the name of the person who is first on this list and please come forward and spell your name for the court reporter. Todd here you go.

MR. MATTSON: If you haven't signed up here to speak, feel free, there is additional sign up so you can go ahead and do that and we'll try to get to everybody tonight.

We'll begin the process tonight and if you could come down and actually speak in the microphone here, we're going to turn this around so people can speak directly into the microphone and again if you could, try to spell your name prior to giving your comments, that would be appreciated for the court reporter. So we'll begin first

with Lee Talbot and Lee will be followed by Judy Talbot.

MR. TALBOT: My name is Lee Talbot. My objective tonight is to amplify a subject that's already been brought up but I have a personal reason and experience to want to add to what has already been brought up.

My other objective is to try to get a question answered from the FERC representatives as to their specific responsibility for the limits of what their feel is their responsibility.

My wife Judy is here and we are in total agreement. I'll just read this. I've left copies with this folks and so I'll read this so there won't be any question about what I've said.

Based on facts and setting aside unknowns and unenforceable promises and sales pitches, my wife and I see LNG as a source of irreversible damage to our beautiful area, as well as raising a safety issue.

I spent a whole day, we've been to a lot of the meetings, most of the meetings, we spent a whole day down at the other high school listening to the LNG promoters dodging pointed questions and making vague promises.

Clatsop County Commissioners have approved some things that should have involved other responsible agencies such as the Coast Guard, law enforcement, emergency response people, fire departments and so forth.

The question in my mind is who, what agency is going to make the LNG people accountable?

We don't know there's been a lot of promises, a lot of statements about what they're going to do but I have not been able to find out if any of that is in contract form and I have found no one who takes the responsibility of seeing that that happens.

Our concern and reason for involvement is the safety issue. Here again, I had a personal experience that makes this pretty close to my mind. I retired from Lawrence Livermore National Laboratory after 36 years in Nuclear Test Engineering. I'm no stranger to sources of destruction. The lab is lovingly called the bomb plant.

When I was a youngster I was active in a water ski club in the California Delta area. The club had an island that was a half a mile long and a quarter of a mile wide. One evening we were called to the island by the local fire department.

Apparently, the 500 gallon propane tank which had just been filled, leaked its contents. The low lying gas cloud was concentrated on the island because of the heavy growth of tules surrounding the island.

Gas must have permeated some of the structures before it reached its ignition source. What wasn't blown up was burnt to a crisp. And to me, that's still fresh in my

mind.

The volunteer firemen's comment was, "this is now regular fire that we're used to fighting." Relating the destructive potential of that 500 gallon to what the volume of gas in an LNG tanker would be capable of, is beyond my comprehension.

To get the perspective of a qualified authority, I contacted Dr. Ron Koopman, who is a hazardous control consultant involved in California's proposed off-shore LNG terminal. I interacted with Dr. Koopman while at Lawrence Livermore lab when he was directing a series of liquefied gaseous fuel test at Nevada test site.

Since our proposed LNG sites are located close to a geographical fault, I asked Dr. Koopman what he could visualize if during the transfer of LNG, we experienced an earthquake, which broke the transfer line, creating an uncontrolled flow of LNG into the river and surrounding area. The following is a quote from Dr. Koopman's response. "The biggest and unique hazard associated with an LNG ship should be the release of LNG which would be spilling into the water but not igniting. If there was not ignition source it wouldn't ignite, but it would spill into the water and the area around it. Since LNG is so cold, it vaporizes very rapidly when spilled on water, forming a dense low lying vapor cloud that can travel long distances down wind.

It will travel down wind indefinitely as long as there is a source, until it disperses to concentrations below the lower flammability limit, which is 5%, or runs into an ignition source and ignites. It will not explode unless it infiltrates a confine space and is then ignited. But, the gas cloud will burn back to its source. If the spill rate is large, the flammable cloud could travel -- the cloud which is carrying the flame -- will travel several miles down wind and back to its source."

In summary, I understand that FERC has the final responsibility for the LNG terminal. I would hope that FERC's number one priority would be the safety of our citizens, the emergency response people, firefighters and law enforcement. Films of field test conducted by LLNL and Sandier Labs are available. Dr. Koopman has a lot of these films and I suggest that he come up. He offered to come up for just his bare expenses and make a presentation.

That was in '05, nobody took us up on it. He could show, he could demonstrate what you're looking at in a situation like this.

Finally, I believe FERC has a responsibility the show films and I'm sure they have them, probably have seen them, which would give people the awareness of what an emergency situation would be like. Thank you.

(Applause.)

MR. MATTSON: Thank you Mr. Talbot. The next speaker will be Ted Messing and Ted will be followed by Martha White.

MR. MESSING: My name is Ted Messing, I'm a 35-year resident of the Lower Columbia. My wife and I have been following these proposed LNG projects for nearly three years. We have attended nearly every state, federal, and county meeting and a number of educational forum on both sides.

We have listened to many hours of testimonies, and we have given testimony, but I have my doubts that there is any possible new evidence that hasn't already been said concerning LNG importation on the Columbia River.

And I also realize that the purpose of this meeting tonight is so that you can check the box that says you held a public meeting. But the consensus is, these LNG projects are a bad idea. The Oregonian has said so, our Local Daily Astorian has said so, the Clatsop County Planning Staff Report says so, many environmental organizations, the Columbia River Intertribal Fishery Commission, several commercial fishing groups, but most importantly, local citizens from across the board have said so.

In July we sat through two days of hearings at the county level which turned into a referendum against LNG

projects on the Lower Columbia River.

Citizens against LNG, some of whom took time off work and waited all day for their turn to testify, outnumbered proponents by two to one. I realize to you these are different projects, but to us, it's one river, our home, and our homes will be threatened, not only by the obvious safety concerns, but also by the destruction of the Columbia River estuary salmon habitat.

The National Marine Fishery Service has declared that the Columbia River estuary protection is essential for the recovery of salmon runs. The Columbia River salmon is the traditional backbone of the economy for this entire region.

The LNG industry says they can mitigate for this destruction caused by massive initial dredging, followed by years of maintenance dredging, which will turn our river into an industrial ditch. But how do you mitigate for that? And if mitigation is so good, why are we fighting over the last salmon now?

I'm also submitting tonight, testimony by Lee Kay, a Fisheries Biologist. In this testimony he refers to the other LNG proposal on the Columbia River, but please just substitute the Lacadia project on the Skipanon site because the issues are exactly the same. It is one river, it is one estuary and it is one eco system, and it's our

home. Thank you.

(Applause.)

MR. MATTSON: Thank you Mr. Messing. Next is Martha White and she will be followed by Brent Foster. We also ask if you wouldn't mind saying your hometown after your name.

MS. WHITE: My name is Martha white, MARTHA, WHITE and I live in Astoria.

After many years of a depressed economy, Astoria and the whole Columbia region have recently become a nationally and internationally known tourist destination. And for good reason. It's a truly beautiful place.

It's not unusual for people to visit here once and immediately decide to spend the rest of their lives here. But now we are being asked to accept an LNG import and regasification facility, a project that will forever change the character of the region.

The beauty lost will not return in our lifetimes. Asking us to accept not only visual of light but serious degradation of our estuary, drastically increased air pollution, and disruption to our fisheries and shipping traffic in order to import more fossil fuels, unneeded in Oregon and probably bound for California is not only unfair, it is surely a step in the wrong direction at a time when we are facing a huge both climate threat from the use of just

such fuels.

(Applause.)

MR. MATTSON: Thank you Ms. White. Next speaker will be Brent Foster, followed by Dan Serres.

MR. FOSTER: Good evening. My name is Brent Foster and I'm Executive Director for Columbia River keeper and I'm here tonight because this project is a threat, not only to the community and not only to the quality of life that's here, but it's a threat to the entire Columbia River.

Of all the projects that are proposed within the Columbia River basin right now, this project and NorthernStars Bradwood project pose the single biggest threats to salmon. The idea that we would spend millions and billions of dollars to recover salmon and then turn what would essentially be a giant blending station a site that's in the middle of the Columbia River is difficult to comprehend.

The impacts of LNG import terminals are the reason why virtually every state where one has been proposed, has in turn oppose the project. So it's why California just said no to an LNG project that was 14 miles offshore and the idea that we would put it right onshore or that the Coast Guard or anyone else would say it was acceptable, even with some minor mitigation to ship LNG tanker terminals 28 miles upshore to Bradwood, leaves me

wondering exactly where the federal agencies that are supposed to be protecting us have their values on this.

When Tijuana, Mexico says that LNG is not worth the risk, the mere 35 jobs for Tijuana, Mexico, and 10,000 people marched against it and their elected leaders have the political will to say no to those 35 jobs, I'm at a loss as to why FERC, the Coast Guard, and other federal agencies, and frankly the State of Oregon has not similarly said no.

Somehow the standard of Tijuana should not be one we have to really reach to meet.

This is a great project if you are an energy speculator like Lucadia. I think the fact that they decide to call themselves Oregon LNG and the only thing they want to do for Oregon is use us as a back door to send California gas, is not going to stop me from calling who they are. They are Lucadia, I've been to their offices, they're in downtown New York.

This is a great deal because what they saw here was a community that they thought was going to be in need of jobs, maybe it wasn't Portland, it wasn't Seattle. This isn't being proposed for Seattle, and it sure not being proposed for California.

But the reality is is that pipeline leaving the estuary, its not for the gas that people that are here, it's going straight to Molalla where it's going to connect with

the new proposed pipeline going out to the California bound Trans-Canada pipeline.

Now that was largely ignored in the EIS that FERC did for Bradwood and that's, you know Bradwood would like that and the county Planning Commission was fine ignoring the reality that we have this map, just like for Koozbay, just like when energy speculators came here for Koozbay, they want to take the pipeline that goes -- at least their pipeline goes right to California, there is no question.

But here, just a few hundred miles up coast, we're willing to somehow pretend at some level as the FERC was in the NorthernStar project, that this really had something to do with Oregon and wasn't just an opportunity to use Oregon.

One of the big things I think from the impact perspective that I hope this EIS does, again, you know, this is daja vu all over again because we were here, you heard our complaints on the NorthernStar project and I can't say that many of them are reflected in the EIS.

So my cynicism, I hope it doesn't come through too strong but the reality is when what people are concerned about from a public safety, is what happens if there is a tank breach. And you tell me if there is one single, safety measure that you could come up with that the Coast Guard could do, with all the resources of the U.S. Government that

is going to stop some kid sitting on the shoreline with a shoulder launch missile from punching a hole right into one of those LNG tankers and then maybe I'll support it.

Because the reality is, that can happen and nothing you're going to do in terms of public safety could stop it if somebody wanted to do it.

And the fact that there hasn't been an LNG accident is not a good excuse, and yet that was the fundamental basis for the finding in the NorthernStar project that this would be an acceptable impact. I don't want to know that there hasn't been an LNG accident.

Because prior to 9/11, I could have sat up here and said, let's not worry about skyscrapers or what we're going to do in case of an accident or what might happen, what our emergency plan should be because it's never happened, and yet it happened and the idea that Astoria is somehow beyond attack or that there could be a statement here, a dramatic statement against an LNG facility is just not realistic.

I want the EIS to very carefully consider, unlike it did for the Bradwood site, just what the emergency response facilities would be. NorthernStar for Bradwood, and I don't expect anything different from Lucadia, has said we will have all the emergency response capabilities to respond to everything short of a tank breach. Great.

So if somebody injures their finger, maybe a little fire, gets a little burn from the industry, then they got it covered. But when something really bad happens and there is a breach and we got an LNG tanker run up on shore and everybody is concerned about whether or not the tank's cracked, the reality is, are there the hospital beds, are there the doctors, are there the medical facilities to do anything about it if it should ignite, and the easy answer is no, and the EIS ought to lay that out.

How many people are going to die? That's what I want to know. I want to know a number. How many people in Astoria or Warrenton, or surrounding communities are going to die if there is a breach, a reasonably to expect breach. What's it going to do to the economy? What happens after there is a breach or major accident?

What regulations does the Coast Guard in hindsight, after the accident, because we all know all the reasonable things don't get put in ahead of time. What happens after an accident or even near accident? What do those regulations look like and what's that do to everything from fishing traffic to recreational boat traffic, to just people who want to go take a kayak out on the river in the afternoon?

The EIS needs to evaluate the effects of sending this gas to California and deal with it in a straightforward

and reasonable way. This project will bring in more than twice the gas that Oregon uses in total and we've got 20 year contracts.

We've got 10 year contracts so it's not like the switch is going to go on tomorrow and all of our contracts evaporate. We need to know from an air quality perspective, what if Oregon starts burning more of this LNG?

We know, and there is no dispute, the National Gas Manufacturers Association, even Portland General Electric and others have raised the concerns that the LNG that comes in has more contaminants in it, and as of now, there is no plan to remove those contaminants either for this project of for NorthernStar.

So what happens in everybody's hope, even it's the home barbeque, the heater, the oven, what have you, if you're burning LNG gas and the emissions are higher? What does it do to in-house air quality?

The National Gas Manufacturers Association is actually called for standards and yet, at this point, there are none that I'm aware of that has been either adopted by FERC or anyone else.

In terms of the pipeline impacts, will comment on that at length, but the EIS should evaluate that if this gas is destined for California, what's the alternative, including siting one of these facilities down in California?

Now they may not want it and many may not thing it's a good idea, and many of them don't want it. But if this is destined for California, cause you sure not going to use 1.3 billion cubic feet of gas in Oregon, what is the increased environmental effects of having to build 200 plus miles of pipeline and all the other equipment in the middle of what is the nation's most important Salmon stream?

Additionally, I think the EIS needs to evaluate the economic impacts. The reason that the United States uses such a small amount of LNG today is not cause we don't have enough LNG facilities, it's because LNG is significantly more expensive than domestic natural gas.

The LNG facilities that exist today aren't even fully used, they're not maxed out. They have contracts, but they don't exercise the contracts because LNG is more expensive.

When California went to just recently accept some of the LNG from Semper Energy Project, in Baja, which just got an LNG terminal built, they had to allow for increased cost pay more for their imported gas and say no to a cheaper gas from El Paso Natural Gas.

The EIS should consider what's that do to business, industrial and residential users if Oregon got stuck with any or some of this LNG.

Impacts tourism and fishing in exchange for 35 jobs should be evaluated similarly while people like NorthernStar and I'm sure Lucadia will soon be bragging about how much tax revenue this would produce for the county, that needs to be compared against the cost to both the state and the county for providing security.

Just based on numbers for other LNG terminals, we could be looking as much state and county costs of $12 million a year, which makes the $8 million a year even NorthernStar said it's going to pay in taxes, not look like a good deal and I think it's FERC's responsibility to look at those issues and see how they relate to the project.

Several other points, impact on navigability and transportation infrastructure. The idea that NorthernStar would be able to ship loaded tankers with flammable -- you know high risk LNG I was happy to see that the Bradwood EIS noted that actually LNG can explode -- I'm sorry, can burn. This is a good thing when the energy speculators say that it can't.

But the reality is, what's that mean? What's that mean, you know, for LNG tankers going under the Astoria bridge? We saw nothing about the chances of closing the Astoria bridge, and yet the thought that you would allow gasoline tankers or other things to drive over the Astoria bridge while an LNG tanker was passing underneath, to me it

violates the most basic assumptions of common sense.

So this EIS ought to say, what are really the transportation system impacts and evaluate them in a reasonable way.

Finally it needs to evaluate the cumulative effects because at this point I'm skeptical there is a LNG project that FERC is not going to approve and since we have three in Oregon, this EIS ought to look at the whole range of impacts from global warming to increase reliance on fossil fuel, from the Koozbay project, the NorthernStar project and the Lucadia project and what that means for both Oregon in terms of environmental impacts, economic impacts, quality life, and public safety. Thank you.

(Applause.)

MR. MATTSON: Thank you Mr. Foster. Our next speaker will be Dan Serres, followed by Jeryce Russell.

MR. SERRES: It's always fun to follow Brent. So why are we here? We've been asked to provide some detail comments about this project. I think we discussed earlier today at the site visit, some of the problems with us providing detail comments, which is our lack of detailed information, particularly for the 117 mile pipeline.

Unless we can get fairly good, high resolution photography where that pipeline is going and there will be no question where that pipeline is going, if and when it is

built, it's the idea that we shouldn't know beforehand is absurd.

It will be a landmark if it's built. We need those maps. There is no reason that FERC can't provide them. Sending us to Oregon LNG, it's ridiculous to send us to the applicant for what should be provided by the agency that is permitting this project.

Secondly I'll just point out to the Coast Guard the estimation of ships per week at two seems a little bit low.

CAPTAIN GERRITY: It's not my estimate.

MR. SERRES: Oh no, no, no, I wasn't saying it was. But I'm saying their estimate of ships per week at two is low. I'll just point that out to you.

I think that Bradwood is looking at quite a few more than that, maybe three per week for a two tank design and this is a three tank design at two ships per week.

I know that Oregon LNG is suggesting that larger ships will carry that volume and would mean fewer ships, but I would really look closely at that number, two. I don't think it's reasonable.

The other thing I would point out to the Coast Guard is that the bowie tank fisheries is obviously a huge economic, recreational resource in the area. Not everybody out there has radios to maintain contact and that's a major

concern.

The other thing I was surprised to see is, you know, and something we saw in the Bradwood project was a seven-page summary of the water suitability report, or what was the report.

I've seen the assessment for broad water in Long Island that was over 200 pages. I don't understand why, given the same set of regulations, why we are getting such a snippet view of the overall security picture for this project.

I think there is a lot more information that could be made public and I think that the problem we're having is that the energy industry would be out there interpreting your words for them, or for you without the public really understanding what the water suitability assessment or report say. And we need more information on that.

The emergency response plan. My understanding is not completed until construction or after -- no I'm sorry, until operations is not completed, the full emergency response plan under FERC is not fully completed until the operation and terminal begins, which leaves this gap during construction.

And you can have a preliminary emergency response plan until you have a contract, but who is going to provide

those services, when, how, it defies explanation to why an emergency response plan in detail is intertwined completely with the EIS.

That should be part of the EIS, the environmental impact of any possible event is going to vary in how you can respond to it and the public, everyone here who lives in this area is going to have to be a participant in any emergency response and gain, there is a lot more information that needs to be made public on that as well.

I think that this idea of keeping all this stuff as critical energy infrastructure information is creating an aura of secrecy around a process that Captain Gerrity has referred to as transparent, and we haven't experienced that transparency here with FERC, and frankly with the Coast Guard.

Lastly -- well not lastly, additionally I would just point out that one of the reasons we're not willing to invest a whole lot of trust into this semi-secret process is that we have no proof of Lucadia National's ability or track record to construct, operate an LNG terminal.

They are the major investor, the backer for Oregon LNG, which also calls itself LNG Development Company. I think they should have to pick a name. They used to be CalPine.

You know, I want again to get back to the

question of why we're here. If it's not to provide detail comments, which we really can't, it's to ponder a new fossil fuel addiction, a foreign fossil fuel addiction.

Today in the site visit, you know, I heard that Peru is a very likely source for this LNG, is that a wise decision? Is that a wise alternative, you know, to other, alternative energy, to the renewable portfolio standard that Oregon just passed, you know, and across the west coast where governors are lining up to pass these standards?

I think that FERC needs to evaluate a broader range of alternatives, which include not building this thing, or either of these things in the river because ultimately what we're dealing with is multiple pipelines, multiple LNG terminals, and a ridiculous process where we can end up having three LNG terminals at hundreds, literally hundreds of miles of pipeline permitted across the state of Oregon.

And that has a real impact on people who live here. My hometown is Oregon City, I'm a fourth generation Oregonian, I have extended family who farm all over the Oregon valley, the fifth generation is following me, I have siblings who are reproducing, and I hope that they can live in a place that isn't simply a highway to California for fossil fuels.

And if you permit three things, what's to lead

anybody to believe that they won't build them and just funnel the gas right out of the State? And that's you know, if our need, which is clearly irrelevant in this case, at 1.5 billion cubic feet per day, peak capacity, that's more than twice the average daily use of natural gas in the State of Oregon.

So we're talking about purpose in need. Maybe that should bear some relevance to the region in which the project should be composed.

And you know, in that vein I would suggest that a programmatic EIS is not only appropriate, it's necessary. The west coast, there are multiple of these things proposed off shore, on shore and there is no reason why FERC can't, right now, undertake a programmatic EIS to evaluate these projects, to see what the least environmental damaging the project is and evaluate whether there is any need for this, because it's having such an extreme impact on people throughout the State.

And in closing, I would just say, that you know, I don't think that we're -- given our experience with the Bradwood project, unfortunately the very cursory water suitability report we received, and a number of other things, that we can be in a position at this point to trust the process is going to be transparent.

That's incumbent on you to put out more

information than you've done so far and to give us more opportunity to comment on detailed information.

One of the things you can do right off the bat is get simple maps out for people to read and see because there is no way to evaluate the environmental impact this project without those maps. Thank you.

(Applause.)

MR. MATTSON: Our next commenter will be Jeryce Russell, followed by Laree Johnson.

MS. RUSSELL: My name is Jeryce Russell, it's spelled J-e-r-y-c-e R-u-s-s-e-l-l. I live at 305 Northeast Skipanon Drive, Warrenton, Oregon.

I'm here representing Fort Warren Condominiums and Fort Warren Moorages. We have 56 condominiums and 55 boat slips. The proposed LNG site is located at the mouth of the Skipanon River as it enters the Columbia River. Our condos and moorages are less than one mile from where this site will be.

My husband and I are original owners at Fort Warren and have been here almost 29 years and we own four condos and four boat slips, so we do have a considerable investment in this area.

We worry about what will happen to our property values being so close to the proposed site. Our community have a populous of middle-aged to retired senior citizens.

We are all law abiding citizens that vote. We support our police and our fire departments. We support our schools. We are in support of our the college and all of our things for high education, and we all care what happens to our town and its surroundings.

Some of our main concerns having an LNG plant under one mile from us is safety, clean air, fire from a vapor cloud or fire and explosion at the LNG plant.

Added noise from tugboats, the super tankers of over 1,000 to 1,200 feet in length, and spills in unloading the LNG.

The site is also close to flight patterns from our original airport of Astoria. This airport serves our Coast Guard planes and helicopters, National Guards planes, and a base for private planes.

The Skipanon River boat basin has over 350 commercial and pleasure craft boat slips. We all have unlimited, or will we have an unlimited 24-hour access past the LNG terminal while the supertankers are tied up and unloading?

Our fishing boats go out 24-hours a day and come in 24-hours a day. This will be terrible if they had to stay out there and wait in case of a storm.

The boat ramp launch to the Warrenton boat basin has hundreds of boats going in and out of this area for

fishing and crabbing. The loss of the use of this waterway would be a terrible blow to our local economy.

There is a lumber mill and fish processing plant directly across from the LNG site. Both of these places are operated 24-hours a day, seven days a week with many employees. If we would have a fire or disaster over there on the LNG's proposed site, it would be terrible, we would have many, many lives lost, plus probably all of the condominiums would be gone too.

Do we have enough emergency and firemen to handle such a big fire? I don't think that we do. I've been attending meetings regarding this project since CalPine subleased the land from the Port of Astoria. CalPine went into bankruptcy soon after, that should have kind of given us a little bit of a heads-up.

In all the meetings that I have attended, there has always been talk of only two large holding tanks. They're 250 feet wide, almost as big as a football field, and they're over 125 feet tall, the height of approximately a 10 to 11 story building.

At the informational meeting held at the Warrenton Community Center a few weeks ago, there were many large, really interested aerial photograph that they had of the area where the pipeline would be built.

That night, they showed a drawing of the LNG site

and it was clearly showing three of these large huge tanks. I asked the young man when they had added the third tank? And he said, it was always there.

I don't know, I sometimes wonder if my memory is failing me, but I had never heard or read anything in the past about three tanks. I wonder how many people in this a audience tonight remember only two tanks like I do? Two, yeah, because a lot of us have been coming to the meeting since the very beginning.

I question what else would be tried to get pass the people of Warrenton by this project. Our local government did not do the job in protecting the citizens that live and work close to this proposed LNG site.

Please don't have our federal government turn its back on us too. I ask that all of you do not approve the siting of this plan on the Skipanon Peninsula. Just say no to LNG.

And on a lighter note, since we live so close to this, if anyone that is making decisions about this to be there that's going to be like in the companies that's going to make that. We have two places for sale in our condominiums, maybe someone can come over and live there and show how you don't think it's not safe to be there, or whether you think it would be safe Anyway, thank you for your attention.

(Applause.)

MR. MATTSON: The next speaker will be Laree Johnson, followed by Vonda K. Brock.

MS. JOHNSON: Thank you, you got the pronunciation correct. Regardless of how much we as residents clamor for protection of aesthetics or the negative perception of industrializing our river, or protecting the history of our region, or our property values, or the small manner of safety for our residents, apparently these issues are not what makes a difference to FERC, and that's unfortunate.

It will make a difference to us, those of us who have been living here, we own homes, we expect to retire here, we expect to stay here.

It is also extremely unfortunate that our County Planning Commission overruled the staff recommendation to deny the Bradwood facility. It seems our leaders have been naive with regard to LNG on the Columbia and we as citizens feel betrayed because they are not representing us.

Can there be a proven need? Does Oregon really need the gas from this or is it being piped down to our neighbor California? That seems to be pretty apparent and with the information given earlier, it's obvious that there is no need in Oregon and we are not willing to be sacrificed.

Our focus should be on renewable resources. I would hope that FERC, after viewing the majestic Columbia River as it meets the Pacific Ocean, here in Warrenton, would look at the long term effect industrializing this river will have on the current jobs related to fishing and tourism for our area, the salmon and the environment.

This is a national treasure worth protecting for all of America and I implore you to do no harm. This area is being considered for a national heritage area and this is quite an honor. I'm really in favor of this and I do not see how a national heritage area is compatible with an LNG facility and industrializing our river.

And for anyone that wants additional information about the effects of a breach of security of LNG, I challenge you to Google Dr. Jerry Havens, who is the speaker that came here a couple years ago, and like many of you, I've been attending meetings for about three years now on this and I really resent having to spend my time fighting something that is not a good fit for our Columbia River.

There is a lot of other creative things that we could all be doing with our time besides attending meetings and writing letters.

So please listen to the people of this area. We don't need LNG on the Columbia River.

(Applause.)

MR. MATTSON: Thank you Ms. Johnson. Our next speaker will be Vonda K. Brock, followed by Gayle Kiser.

MS. BROCK: My name is Vonda K Brock. I spell it V-as in Victor, O, N-as in November, D-as in David, A. B-as in boy, rock. My residence is Southwest Washington and Northwest Oregon.

The zipper is the Columbia River and that should be enough. I'm an old person. I know a lot, I've lived a lot, I've experienced a lot and I've seen a lot of things happen that should have and I've seen a lot of things happen that shouldn't have.

I'm not afraid of anybody but God, and I'm certainly not afraid of a federal agency call FERC. And I don't think that an agency that has the power that you people have, have the right to not be humble with that power.

I think that I want to extrapolate because FERC has extrapolated and listen to statistics in regard to the potential for lack of natural gas over a period of time. I want to suggest something else. I want to suggest two words, habituation through saturation.

I want to suggest that the powers that be that have the big money are the ones that are interested in these particular goings on. I want to say that habituation through saturation means that not only do we have a

saturation with fossil fuel that is an oil and our President that said we're addicted to oil so we need LNG, but who forgot to say that if we're going to get LNG, it's also going to be for fossil fuel. That doesn't make any sense.

The Pacific Northwest is one of the bastion for the first place to start working on renewable energy resources, people. We have everything here.

We have high deserts with wind, we have lots of sun in the high desert so that we can have solar energy, we have waves out there for wave energy, we have everything -- we have geo-thermo energy, we can do biomass, we've got lots of green stuff growing around here people. We don't need foreign natural gas coming over from a place that hates us in the first place and wants to get their hands on us in a way that the oil company have.

Does everybody like paying $3.00 or $4.00 a gallon for your gas? No. Don't tell me -- oh I guess I'm going to have to use my own voice -- don't tell me that we need this in this beautiful part of this country?

We don't need this infrastructure. I just ask you how long will these pipes last and you said up to indefinitely? And we were told that gas is supposed to be a bridge to brand new energy, to clean energy, to green energy? If that's the case, then how come the pipes are going to last 100 years? That's an infrastructure that's

not going to go away.

Well, I guess I should have come down with the Irish, because with the Irish I can be a little bit nicer and I wouldn't be so adamant, but the Irish isn't the part of me that's mad right now, it's the Scotch.

So I want you to understand that these people live here, they breath here, the pay taxes here, we all do. You people live back there, so far away from us that we're nothing but dots and periods, and commas, and words, some of us can use them better than others and some of us, I'm sure you wish we wouldn't be talking to you at all.

You have a responsibility to extrapolate your actions for the future of this whole area of the United States. It is a part of the United States and it is a unique part of the Untied States. It is. Your infrastructure is there. You've already allowed all the LNG facilities that are built now to expand.

Their infrastructure is expanding. That's good for them, they need it. We don't need it. We don't say there is anything wrong with liquid natural gas in general. We don't say that the safety factor is a terrible thing because it's not. It's commendable and we all know that. We've done our 101 on LNG in this area.

We know the good things about it. We know that it's essential and part of the world for the industry. We

don't believe that's what we need. Why do we have to be like everybody else, when we're not? Think about all that.

(Applause.)

MR. MATTSON: Thank you Ms. Brock. Our next speaker will be Gayle Kiser, followed by Gail Galen.

MS. KISER: I knew Vonda could blow the sound system. I'm Gayle Kiser -- G-A-Y-L-E K-I-S-E-R, and in some circles, that's considered critical energy information.

I have a couple of question. I was going to try to speak without notes here but trying to keep the CalPine, Lucadia, Oregon LNG all straight kind a got me down so please bear with me.

For Captain Gerrity, I recently found out that the original WSA was 367 pages. Of that the public got to see 7. We prevail upon our representative in Southwest Washington who had the security clearance to see the complete WSA and less than 24 hours after he read it, he came out against LNG in the Columbia.

The ERP, Emergency Response Plan, is secret. So even though we may be threatened by a gas pipeline going through our property, which we're not supposed to know about, we have no idea what the plan is to keep us safe if there is a leak -- and it's odorless gas by the way.

On the pipeline, for the gentleman from the Office of Pipeline Safety, we've been looking in vein

through the DEIS for Bradwood to find out who inspects the pipeline, are there people on the ground daily? Are there inspectors enough to cover the whole ground, the whole length of the pipeline as it's being installed?

Those are serious questions for those of us who are facing this. The alternatives in the DEIS. I'm a retired Vet Tech. I wanted to just spend the rest of my life being an artist and a grandma. I never thought I'd have to read a draft environmental impact statement, but the alternatives presented in the one for Bradwood are absolutely laughable.

They talk about conservation and they make it sound as though that's a bad thing. The National Resource Defense Council did a study saying that we could have a 12% savings in our gas usage simply by conservation, that beats the 15% growth rate that the Energy Information Association is putting out.

Also, we need to address recreational fishing. Bowie tin has been mentioned, but there is a lot more up and down the Columbia River than bowie tin.

The DEIS that I've read uses one paragraph to address that. So please, when you're writing your DEIS, take into consideration that a lot of us use this river and it's important to us.

Other than that, it's global warming has been

recognized. I saw a report in the paper last week about the melting of the glacial in Iceland. It's happening much faster than scientists thought it would. If they go, it's going to raise our sea level 23 feet.

Not only is that ironic in that 23 feet would put this LNG facility under water, but it would also in the meantime be contributing to its own demise.

That's about all I can come up with off the cuff, but I ask you to please put all the information you can into the DEIS regarding the endangered species, the usage of the river, the economy and finally, the need. We do not need LNG, more often we do not want LNG.

(Applause.)

MR. MATTSON: Our next speaker will be Gail Galen followed by Fred White.

MS. GALEN: My name is Gail, that's G-A-I-L. My last name is Galen, G-A-L-E-N and I would like to start by thanking Betsy Johnson personally for coming tonight. I feel as much as anybody you are a champion of the people and in my personal gleaning of information, any community that has successfully a LNG issue, they had their public representatives on board and I feel there has been a little bit of sluggish in Oregon, but I feel that's starting to change tonight due to your presence.

And thank you for being here and listening to all

of us. And I'm tired to other people that have come, I've been doing this for three years, off and on. This isn't what I want to do either, you know. I keep coming and coming and at first I thought I believed what you said FERC about taking us seriously.

I felt this is democracy in action. But everybody seems to be against it and nothing changes. I've been at meetings in Warrenton. The only people that seem to speak for it are some people that are on the payroll, union reps that come down from Portland, but overwhelming testimony is against it and it keeps getting rubber stamped.

I'm really disappointed in our democracy in action and here I am again tonight doing the same thing and you asked us to keep our comments specific and detailed. I'm going to try as much as I can. I'm not a scientist, I can't afford to hire one.

I would like to read a quote -- I think I'll paraphrase a concept and I think it has to do with war, but it says the first casualty is true. And I have this Oregon LNG project page in front of me and I start at the paragraph that reads, after receiving generally favorable responses, the project team leased a 96-acre site from the Port of Astoria.

Number one, they were not generally favorable

responses at all and they have already leased the site before we even found out about it. The lack the mendacity, audacious. You know they don't tell truth. Why do you expect us to believe anything that comes out of this process?

I wasn't a cynic before, well you can call me a cynic now. I will read off some of my objections since you wanted some specificity and many of them have already been mentioned.

To the terminal, there is the environmental sensitivity of our coastal areas. Obviously we are at risk of an earthquake. My understanding is that that Skipanon Peninsula is nothing but fill and apparently liquefaction is what we can expect in an earthquake. I just can't see that that -- it's a mind-boggling fit to think of something of that magnitude out there, likewise for a tsunami.

I worry about air pollution from docked ships, the regasification process, the construction period. I worry about changes to our community from the security required, and again, the construction phase which gets very little attention.

I've spent three long months living in Gillette, Wyoming back in the late 70s, it was an energy boomtown. It was most unpleasant. That's why three months was a much as I could take. I was a nurse at a hospital and it was ugly.

It was a very bad place to live. Social problems abounded, which the small town was ill-equipped to deal with and I don't want to -- if this were to go forth, I would never go to Warrenton again, I will never go to Astoria again.

There would be the devastating lost of an aesthetic treasure, the beautiful historically significant mouth of the Columbia River. Jobs that LNG would provide are very few and especially if you think of the ones that might be hired of our local population relative to the other economic loses, such as decreased home values, decreased visitors to our area, probably -- it's not rocket science to figure out that fishing would take a hit in ways that people have already enumerated.

Decreased recreation. Overall, a terrible decrease in our quality of life and that's for 45 jobs that I wouldn't even believe half of them would be hired locally.

The pipeline, it seems obviously that there would be environmental degradation involved in putting it in, not to mention a permanent loss of trees through many of our forested areas.

I believe any compensation to homeowners would be inadequate. My understanding is they just buy that little strip of land, the fact that your house is worth nothing you don't get compensation for and if you are a neighboring property, you get zero.

But property values are going to go down. There is no doubt about that.

I think that the pipeline also has implications for future security and safety, accidental or heaven forbid intentional leakage leading to a forest fire would be absolutely catastrophic in this part of the country.

And getting back to the big picture, again which so many people have mentioned, but where -- the foreign areas where this gas would be originating, those are unstable parts of the world for various reasons and I don't want to see our military going and defending our -- who knows. We don't need it. I think they would be defending Lucadia need to make money. I just don't want to see that happen, and I believe we can achieve much more through renewable resources and conservation. Thank you.

(Applause.)

MR. MATTSON: Next speaker will be Fred White, will be followed by Kathi Merritt.

MR. WHITE: My name is Fred White, F-R-E-D W-H-I-T-E, and I'm from Astoria. Lucadia's LNG project is a classic case of economic injustice. Large corporations target poor inner city neighborhoods or depressed remote towns to build polluting enterprises. Little or no benefit accrues to the targeted neighborhoods or areas.

This LNG project is unjust to this region. The

imported gas is clearly going to California. Unlike some targeted communities, we don't clearly get what's happening here. We are unjustly being asked to sacrifice our safety, our security, our peace of mind, the environment of the estuary, and for some among us, our very livelihoods, to benefit our more wealthy neighbor to the south, California.

This is a classic case of economic injustice. Thank you.

(Applause.)

MS. MERRITT: I'm Kathi Merritt, K-A-T-H-I M--E-R-R-I-T-T. I'm a 33-year resident of Warrenton. It's ironic that I'm here. I was driving home from Portland and the news came on that Northwest Natural Gas was going to lower their rates, coming soon because they had extra gas for this coming winter.

And I thought wow! I read the newspapers, we need LNG. The slide Mr. Mattson that you showed, talked about the Oregon LNG, Lucadia was going to be needed for the Pacific Northwest and that there was going to be a need -- a 15% increase nationwide.

Well I keep hearing, well let's be specific. What's the increased need here? Nobody starts a business out of the kindness of their heart. The bottom line is they want to make money. Oregon doesn't need it. We don't need a pipeline through the State to help support someone else.

If Lucadia wants it for the Pacific Northwest, then there is no reason for pipeline to go south. We don't need it. Warrenton doesn't need it. Thank you.

(Applause.)

MR. MATTSON: Next speaker will be Lori Durheim followed by George Essie.

MS. DURHEIM: Lori, L-O-R-I. Durhein, D-U-R-H-E-I-M. Oregon LNG, any LNG project is not compatible with the Columbia River environment. It's in fact it is detrimental to the health of the river.

I am tired of all these meetings about LNG speculators trying to muscle in on Oregon. I've been hear protesting since CalPine started this gold rush. Don't you guys get it? We don't want liquefied natural gas here. Pack it up and leave Warrenton, Clatsop County, Koozbay, Oregon, and Western Washington. Leave now.

(Applause.)

MR. MATTSON: Next speaker will be George Essem followed by Betsy Johnson.

MR. ESSEM: Good evening. I didn't really prepare anything, so I'm just going to come off the cuff.

I thank the Coast Guard and FERC for being here. Unfortunately after three years of experience with FERC, we know what your shell is. FERC has never seen an energy project it does not like. Patrick Wood who was the

Secretary of FERC a number of years ago, I think about four, was asked how many LNG facilities do we need in the United States?

At that time we had four operating facilities. At that time he said, maybe eight, in the intermidiate term. Since then FERC has approved 22 facilities. A little bit of statistics. Right now combined operating capacity is 60 billion cubic meters.

In 2006, we imported 17.5 billion cubic meters. Now the energy information entity expects a 6% annualized rate of increase until 2050, which would put our demand about 46 billion cubic meters.

If the 22 facilities are built, we will have the capacity to regasify 349 billion cubic meters. What FERC doesn't realize in this whole process is the need. It is not even addressed. We'll let the market decide. Well, the market has decided. Billions of dollars are being wasted on energy projects that might be unutilized or not built at all, and millions upon millions of dollars of local county, state, and federal dollars are used to analyze these projects.

Now the Coast Guard has worked hard on the WSR, but unfortunately, we know Coast Guard for the professional people they are, the job is to protect the waterways and the people who work on them.

But unfortunately, there is a more political aspect to the Coast Guard which has taken LNG as a way to reclaim the growth of their military service. It's an unfortunate fact. The Coast Guard officer in 2004 was at an LNG environment meeting in Ohio and stated that there is no unsuitable waterway for LNG. Everything can be overcome with taxpayer and corporate dollars.

It's interesting that FERC's biochemist Todd is here today. Luckily we'll have him rake over the coals in a couple weeks when we get to the Bradwood project.

But in terms of the environmental impacts and the safety impacts, we have been telling every federal agency for years about another project on this river. We are being inundated by energy projects in this area. We do not need them.

Lieutenant Governor of California, Gary Mundy who just recently was talking about pipeline from the Semper facility in Baja as being a good thing. He said, this should be all the LNG we'll need but three will be no LNG facilities in California because if we need LNG we'll get it from Oregon.

FERC better start looking at the regional/ national picture because we understand that FERC is a noun, but sometimes it's a verb.

(Applause.)

MR. MATTSON: Thank you. For the record my name is Betsy Johnson. B-E-T-S-Y J-O-H-N-S-O-N. And I have the privilege of being the State Senator from this District.

There has been a lot of talk about public process in this whole discussion. My opinion is that this Lucadia project got off to a bad start with respect to public process when the port entered into its initial underlying lease in the absence of public input.

Be that as it may, I come tonight to reflect the views of constituents who are contacting me constantly about the absence of process. Meetings where people aren't allowed to speak, or are required to buy a transcript, an absence of full disclosure about ownerships, pipeline routes, and redacted documents.

Notice is short if not nonexistent. I understand there was a tour today. However, if a person didn't have yesterday's Astorian, I for example, I live in Scappoose, I wouldn't have gotten notice of that tour because it takes day for my Astorian to get to me.

What I think people are really concerned about is that the ultimate decision is going to be made miles from here. Oregon's process has been completely usurped by the federal government and I think the deepest concern is that people that don't live here will be making decisions that will profoundly affect this area.

I would like to thank Captain Gerrity who jumped up immediately and offered to put their presentation into the public venue, and I thank you for doing that.

What I'm going to do tonight, instead of making a statement, is to take this opportunity to ask some questions. You all indicated that there would be that chance and that we could get some answers. And so I'd like to respectfully ask some questions of each one of the presenters, and I'd like to start with Mr. Mattson, if that is acceptable.

The first thing that I think I'd like to know is, I was quite confused with your presentation, what your real role is. Are you consultant to FERC or consultant to Lucadia?

MR. MATTSON: I'm a consultant to FERC.

MS. JOHNSON: Then I think my second question would be, I found it slightly unusual that a consultant to FERC would be making the case for Oregon LNG. It seem to be that you were in an advocacy role and why it was the company representative didn't make the presentation instead of a scientist guiding FERC?

MS. KOCHHAR: This decision was made because we were told in Bradwood people did not want the company to make the presentation and we should make the presentation.

So whether Todd does it or I do it, we split the

presentation, therefore we do that. It makes no difference who makes the presentation. The idea is to give the public what the project is and that's how we try to be nice to the public and that's how we took the opinion and we did that.

MS. JOHNSON: Well thank you for that explanation but I'd like it very clearly stated on the record how you view your role as a scientist to FERC versus the potential collapse into advocacy.

If you could just make a statement, I think it will help us all understand.

MR. MATTSON: As Captain Gerrity mentioned earlier, I feel quite the same way as he does. I have no feeling one way or the other if this LNG facility is built. My responsibility is simply to serve as FERC's contractor and provide assistance in preparing the environmental assessment for the project.

MS. JOHNSON: Does that environmental assessment preparation include any analysis of Lucadia or Oregon LNG's financial responsibility to meet all of the environmental criteria? I think there is concern here, given that there is at least one bankruptcy previously involving some of the same principles.

MR. MATTSON: That type of analysis is typically outside the scope of the Maryland Contractor's work.

MS. JOHNSON: Then who does do that analysis.

MS. KOCHHAR: I can answer that. Todd from HDR is our extended staff because FERC does not have enough employees to work on every project, therefore we have contractors who help us in the development of the Environmental Impact Statement.

They are our extended staff. If we need any further analysis, we send an official data request to the applicants and they have to provide us the information and we check the validity of that.

MS. JOHNSON: I appreciate that with respect to the environmental issues. How about the fiscal integrity of the company or the LNG or the underlying company, Lucadia, or any of the other perhaps undisclosed ownership interest at this point. Who does the fiscal analysis?

Because I think our concern is, what happens if this plan fails for some reason. We already have had a CalPine bankruptcy. What happen to the assets that are on the ground, the pipes that are in the ground? How is that managed if there is a financial failure?

MS. KOCHHAR: Well, I can't answer that because I'm with the environmental branch and that topic, we don't address that.

MS. JOHNSON: Who does?

MS. KOCHHAR: The company can answer that. Maybe there is somebody here. Is peter here? Peter Hansen.

Would you be able to answer?

MR. HANSEN: I think we need to remember that this process is regarding the environmental impacts to the project. As far as investigating whether Oregon LNG is viable or Lucadia is viable, I don't think this is the process for that.

MS. JOHNSON: Well she said, respectfully Mr. Hansen, directly to the environmental issue because I'm going to get to a question for the pipeline expert that talked about sanctions for failure to comply.

And I'm trying to ascertain whether those sanctions would be operational, for example, causing you to shut down, or whether they would be fiscal sanctions, and I'm trying to understand whether or not the underlying company has the financial integrity to honor fiscal sanctions or frankly to deliver on the project.

MR. HANSEN: Well, I think the sanctions that were being talked about would be in reference to violations that were committed during the operation of the facility.

By the time the company has spent a billion dollars on building a facility, I think you can assume that the assets are there to back up their responsibilities.

MS. JOHNSON: I think we have Enron as an example that that doesn't work out always as you suggest.

MR. HANSEN: Respectfully Senator, we are not

Enron.

MS. JOHNSON: And Enron said they wouldn't do what they did to us either. But let's move past that.

MS. KOCHHAR: Can I add something to it. If there is a failure during operation, FERC will shut it down. I also want to make this very clear. After the project is authorized, FERC does compliance inspections during the construction, after the construction for restoration, and we also inspect periodically and so does DOT. DOT also has a responsibility for the safety of the pipeline.

SPEAKER: Have you ever shutdown an LNG terminal?

MS. KOCHHAR: Pardon me?

MS. KOCHHAR: Have you ever shut down an LNG terminal?

MS. KOCHHAR: We have not shut down any LNG terminal because there have not been so many of them and nothing has happened. I know there are LNG inspections that are done and maybe Karem Monib, he is the LNG engineer with FERC, he can answer some of the questions.

MR. MONIB: We basically have, during all three phases of the proposed project, in the initial phase, we do siting, we do safety analysis, there is a whole, you know, list of requirements for siting that they have to pass.

Then if they get the authorization from FERC, during construction we do site inspection for probably eight

weeks. We go to the facility, we make sure that there is quality control for construction, we make sure that they're meeting all environmental engineering conditions and we normally impose quite a few engineering conditions.

We make them spend quite a bit of money on hazard detection, hazard control. If we think that the design is not adequate, we make them change the design and those conditions will be in the EIS and they won't be able to build the facility any other way.

So we do inspections during the construction phase, and then after the facility is operational, we do an inspection once a year for that and the DOT also does inspections.

MS. JOHNSON: Thank you. I'd like to stay with Mr. Mattson if I could. You talked about landowner impacts in your slides. How do you define landowner impacts and how do you mitigate against those? Let's say you have a completely recalcitrant landowner who has no interest in having a pipeline, could you share with us what criteria you would use to balance whether or not to change the route versus exercising your power or eminent domain?

MR. MATTSON: No, these are the types of questions -- if you have questions on how this is analyzed, we can respond to those in the Environmental Impact Statement and since you've given that comment, we'll address

that in more detail in the EIS. The specific criteria and and steps that and others issues.

MS. JOHNSON: Could you give us a preview tonight? I mean, for some people in this room, that maybe face the prospect of eminent domain, which is my opinion is one of the ultimate exercises of government in taking someone's private property and I think the lack of clarity about the route and even tonight you said that there was going to be route changes.

In fact you pointed it out on the slide that you show, I'm curious how that information would be disseminated in what detail and what would be the forum in which you take landowner concern into your planning?

MR. MATTSON: As I said earlier, this is the very first step of this environmental review process. The Draft Environmental Impact Statement will include and you will receive hard copies of that and that'll include details of all information.

And that again is just a Draft Environmental Impact Statement so people would be able to comment on that document and those comments will be taken into consideration before the Final EIS is issued.

MS. JOHNSON: And what if I'm an affected landowner and I can't afford to buy the transcript. What accommodation is made to put that in public domain?

MR. MATTSON: That will be available free of charge for anybody is interested in receiving a copy.

MS. KOCHHAR: Can I expand on this a little bit. This project is right now in prefiling. The only reason we have a prefiling process, which is relatively new, it is to involve all the landowners, all the stakeholders, so that we can get their comments, to revise, to improve the route that the company is proposing.

MS. JOHNSON: How can they possibly though, respectfully comment when even tonight you disclose that the route was changing?

MS. KOCHHAR: It is changing, it's going to be changing from today until it get gets constructed probably. But by the time the company files a formal application, at the time of filing a formal application, we have approved some of the route that we think, based on the analysis, may be good, but that doesn't necessarily mean that it is good.

That's why we call it a Draft Environmental Impact Statement. The Draft Environmental Impact Statement identifies this is the route, these are the variations to the route, this is the criteria, comparison, proposed versus the variation and it gives the total environmental picture as to the length, the size, the acres impact, the number of landowners affected, the streams, the TNE species,

endangered species, cultural resources, wetland, forested areas. A number of sensitive areas we took and we compare those and then we decide which is the environmentally least impact route. And that route is then recommended.

Now, if the public comes in and says that no, this has something new here, we look into that. We evaluate that. That's the purpose of giving a DEIS, so that we can get your opinion on specific, very, very specific issues and further analyze it, get more data if need be.

That's not set in hard stone here. And there is no such thing, if there are comments which we think need further analysis, we will devote more time to that. And we develop the FEIS, when we think it is reasonably good.

Again we don't know that project will ever be authorized after that, that's up to the Commissioners. We can only give environmental recommendations in the impact statement.

MS. JOHNSON: And is it or is it not true that ultimately you have the power, if this site is permitted, to allow Oregon LNG to exercise the right of eminent domain over private property if you run into a recalcitrant landowner?

MS. KOCHHAR: LNG site does not have eminent domain. It is a pipeline group that has the eminent domain.

MS. JOHNSON: Now could you explain to us how that works? If you permit Oregon LNG, will you not confer on them the ability to exercise eminent domain to site their pipeline?

MS. KOCHHAR: For the pipeline route yes, not for the LNG site. But we do alternative analysis for the LNG site.

MS. JOHNSON: But ultimately is it not true that you would convey upon a for-profit company the ability to exercise the ultimate role of government in exercising eminent domain over recalcitrant property owners?

MS. KOCHHAR: Again, I would emphasize that eminent domain is exercise only for the portion of the pipeline, not for the siting of the LNG.

MS. JOHNSON: I think that's a distinction without a difference for someone whose property is condemned.

MS. KOCHHAR: Well, that's how it is.

MS. JOHNSON: Well, a couple of questions for the pipeline expert. Forgive me sir for not remembering your name. You talked about the additional need for fire suppression and first responders. Who bears that cost?

MS. KOCHHAR: Is that question addressed to.

MS. JOHNSON: This gentleman from Denver. I apologize for not remembering your name.

MR. REINEKE: Ross.

MS. JOHNSON: Pardon me.

MR. REINEKE: Ross Reineke.

MS. JOHNSON: Thank you.

MR. REINEKE: So the question, who would pay for the fire suppression?

MS. JOHNSON: Increased need for community fire suppression, first responders, you put some emphasis on those safety elements that would be in place and I'm trying to understand for cash strap local government, who would bear the burden of additional equipment, perhaps additional fire suppression equipment, additional equipment in hospitals to respond to an LNG breach. Where are those additional costs absorbed?

MS. KOCHHAR: You want me to answer that?

MR. REINEKE: I can.

MS. KOCHHAR: Okay, go ahead.

MR. REINEKE: In 2005 Congress passed the Energy Policy Act known as EPAC 2005 and they address this issue, that hadn't been fully addressed before that and they require a cost sharing plan to be developed. I believe it's prior to construction.

There has to be some kind of understanding worked, and I don't know the details of it, but Congress does require that now. So, you know, the company prepare

some of it and --

MS. JOHNSON: So they force a plan on a community that doesn't want it and ask the community to pay for the additional first response infrastructure?

(Applause.)

MS. KOCHHAR: Can I help you out with that? Under the new EPAC 2005, there is a requirement for the state where the project is to identify a responsible state agency and a contact person.

And also require the need, what are the necessary things needed for emergency. Therefore, that company is supposed to work with the state and with all the others to find out what are the needs and how much they can put in and what they can do for you.

That is an emergency response plan that is done in consultation with several agencies.

MS. JOHNSON: I would just comment for the record, I'm one of the people responsible for writing the State of Oregon's budget, and I can tell you there is a paucity of money in most of the natural resource agencies. There certainly is a paucity of money in some of the first responders as we attempt to put together first responder plans.

So I don't know where this additional money is going to come from or what the scope of it is or when a

community finds out what their share is supposed to be.

And some additional response on that will be very helpful. This is a small world hospital with a very thin operating margin in Astoria. The rest of the area is served by clinics, not full scale hospitals and I don't know how this community that is in an economically challenged area is going to find additional money to achieve their cost share, as you put it.

MS. KOCHHAR: I fully understand that.

MR. MATTSON: Excuse me, Ms. Johnson, one of the things that we're here tonight is to gather comments that is provided in respond to in the Environmental Impact Statement and we'll be happy to do that.

MS. JOHNSON: You also indicated sir that I would have the opportunity to ask questions and expect answers, and that's what I'm using my time for.

MS. KOCHHAR: Let me say a little bit more about it. Even though some funding is provided by the applicant, I don't know the breakdown, who does what.

But applicants do have some responsibility in providing extra help for emergency situation such as fire department or provide some equipment and stuff. I know only because I have another project which is under construction.

They have provided monetary help or otherwise they have provided different type of help to the state so

that they can be up to speed for providing such safety measures.

MS. JOHNSON: And my last question is to Captain Gerrity. One question sir that has filtered through the Internet and that's one I don't know the answer to and that exactly beyond doing the waterway analysis.

What the Coast Guard role is. Will the Coast Guard use coast guard assets for escorting for profit ships to the site, and if that is in fact what occurs, how does that affect your homeland security or humanitarian missions?

CAPTAIN GERRITY: Senator we already do that as you know right now with vessels with hazardous cargo. We already use Coast Guard vessel to escort them in, whether it exist on the Columbia River, or tank ships, we already do that.

So indeed that would be something that would be done and also the applicant has been told to work with the communities to develop a posture so they can assist in bringing those escorts through.

MS. JOHNSON: Thank you. Are you reimbursed for that by the company?

CAPTAIN GERRITY: No, we're not.

MS. JOHNSON: And then the last question is, there has been a lot of issue raised about the waterway suitability assessment and I understand that parts of that

would necessarily need to be kept confidential given homeland security issues.

But are there essentially two different documents and when would people understand, knowing there was a voluminous document redacted down to a very few pages. How can people make thoughtful and fully informed decisions when they see only a fraction of the available data?

CAPTAIN GERRITY: That's a good question and I think one thing that I've been hearing today, actually somebody made a comment before I answer your question senator, that somehow we are involved politically in any of these decisions. We don't get a dime on these these issues.

And to imply that the Coast Guard would make a decision that would impact safety and security, were some sort of congressional gain would be at stake, we've kept all of the congressional staff in your area aware of what we are doing including giving them briefs that is classified.

So to answer your question directly, the waterway suitability assessment is the applicant's document. It's not mine. The waterway suitability report is an assessment of that document and the findings that we come up with for the committee of people from your community, and federal folks who are sitting on group to review the waterway suitability assessment.

The waterway suitability report basically says, if I may, we have completed one at the Bradwood facility that basically says the Columbia River is not ready yet for LNG unless they meet a fairly significant number of conditions.

Let me also point out there are contributing agencies, many, to the FERC and our job as well as the security and safety on the waterway.

So we're working right now with the Bradwood facility and NorthernStar facility to get the waterway suitability release. The public can see that. We're doing that independent of NorthernStar.

MS. JOHNSON: Thank you very much and thank you for being so forthright. The last question that I would ask, given that this is an audience and a community, in some cases of modest means. Would it be out of reason to ask that you make a copy of the transcript available at no charge in a public facility like a library or at the county or even have the applicant make it available on their website? So that people who do not have sufficient resources to buy it would have access to review it?

MS. KOCHHAR: We can certainly ask.

MR. HANSEN: Just to clarify. I spoke earlier will be available on the FERC's website at a later date free of charge.

MS. JOHNSON: This is the transcript.

MS. KOCHHAR: Yes.

MS. JOHNSON: So a person who did not want to buy anything could get it all for free at some point?

MS. KOCHHAR: Yes.

MR. MATTSON: If you're interested in receiving it today, it's a little bit of charge, but at a later date it will be available through the FERC's e-library, free of charge.

MS. KOCHHAR: Once it's posted on our e-library, it is free. You can print it out anytime you want to. And also, sometimes public reference rooms can produce copies for you, but they can do only so many.

Everybody lives with a budget, you know, so that's why we have created website so that people can access it.

MS. JOHNSON: Thank you very much and again I'd like to acknowledge Captain Gerrity's immediate willingness to put his material out into the public domain.

MS. KOCHHAR: Thank you.

(Applause.)

MR. MATTSON: The next speaker will be Jean Dominey, followed by Joseph Spaulding.

MS. DOMINEY: My name is Jean Dominey. D-O-M-I-N-E-Y. I live at 3647 Duanian, Astoria.

Even though we come from different cities, those of you who just got the material recently and who have kindly come here to get this information, I don't know if you are aware of the fact that we consider ourselves a north coast area and we include the people across the river. We are one because the river is one.

Is the gentleman from the Coast Guard going to return? I have a question.

MS. KOCHHAR: Yes.

MS. DOMINEY: Okay, then I'll got to Ross, you said your name was. I did not get your last name.

MR. REINEKE: Reineke.

MS. DOMINEY: Sir you were talking in your capacity as US government?

MR. REINEKE: Yes.

MS. DOMINEY: I'm wondering how we can expect a safety from a pipeline that will pass through state parks, national heritage sites, children's playgrounds, and even if it circumvents hospital or so on, considering the area of possible safety or emergency, how we can even approve a pipeline going that way through these areas.

This hearing today on the trip, the tour that we took, that in farmland it would be somewhat deeper than three feet due to farm implements, but is three feet a logical depth going through a children's playground or a

recreational park where people are out camping? That's the question in my mind.

MR. REINEKE: Three feet is the standard that we require for depth of cover.

MS. DOMINEY: Yes.

MR. REINEKE: And like if certain areas -- so three feet is the standard we require for depth to cover.

MS. DOMINEY: You're aware of this area? I don't know if you've been before, but you're aware of the fact that this is an earthquake zone and what happens if earthquake, the depth of earth movement and separations and so on? You're familiar with our area?

MR. REINEKE: Yes.

MS. DOMINEY: All right, thank you. And then Captain Gerrity, I wanted to -- you brought it out in response to the Senator that there has been water safety report and you pointed out that the Coast Guard at the time did not recommend having services on the lane here on this river because of all the things necessitated for safety and for having Coast Guard personnel and ships and equipment.

So if that is true, I'm wondering why it would be any different for this particular project.

CAPTAIN GERRITY: what I told the Senator, and I recommend, I can give you the address. We have a website where we --

MS. DOMINEY: I've seen that -- I've some of that report.

CAPTAIN GERRITY: What I wanted to be clear on is our waterway suitability report said unless he applicant meets the condition that we've outlined, the Columbia River is not suitable at this time.

MS. DOMINEY: Correct.

CAPTAIN GERRITY: To be clear, and I can't speak for this proposal. I didn't see anything that's proposed.

MS. DOMINEY: Mr. Kochhar told me -- I asked that question today on the tour and she suggested that I ask you if you knew who would pay for this additional personnel and so on and so forth. Would it be the federal government?

CAPTAIN GERRITY: You mean for additional patrols and things like that?

MS. DOMINEY: Uh, yes. All the additional things that the coast Guard needs.

CAPTAIN GERRITY: It would become a federal government burden. Also the community would be working with, as you've heard from the gentleman behind us, the applicant will be providing money to the community to increase their safety and security and the Coast Guard would have plus up its security forces in order to address the additional patrol and security it need.

MS. DOMINEY: We have a very busy Coast Guard

here. I started teaching here in 1955 and I've watched the Coast Guard. A very heroic group of people.

(Applause.)

MS. DOMINEY: Who have supported the community on not only with their lives, but with their energy and their interest. So we are very grateful for the Coast Guard and should this horror come to past, we would desperately need you.

Now the first thing in an application here for our comprehensive plan, the way we have things laid out in Clatsop County is need. And I'd like you to vision the pipeline that Mr. Mattson was hauled in to comment on, the picture.

If you saw that picture and you were in my classroom, I would say, where is that pipeline going? What direction is it going? And I'd say gee, it's not going here at all, is it?

So there isn't any need for this particular project here. If there is a projected, and it's a projected need, for energy, then it's needed elsewhere, not here.

I think the application should be discounted on that basis.

Next is a bond posted. Is there a requirement for a bond for decommissioning? How long is this projected to endure? We're told that there will be jobs for the

immediate future, but at Bradwood, for example, they extrapolate something into 30 to 40 years and then caput, they won't be bringing anything in.

So who decommissions that? Who bears the cost of decommissioning?

If they go bankrupt, if they just pull out, who is supposed to take the pieces apart and try and put our environment back together?

MS. KOCHHAR: Is Peter here?

MS. DOMINEY: That's a question that I have to ask.

MS. KOCHHAR: I'm sorry, I don't know the detail of that how it works and we don't have any bond signings or any such thing.

MS. DOMINEY: But you don't have a bond for the environmental impact?

MS. KOCHHAR: We look into environmental impacts. I mean we don't know what 50 years or 100 years down the line after it is decommission, but those are the kind of issues LNG engineers are looking into now.

MS. DOMINEY: I'm not interested in them. I'm interested in the Federal Energy Regulatory Commission, does impost a bond in order to see that the environment is put back the way it was?

MS. KOCHHAR: We don't impose a bond. However we

do look at it, we do inspect and they have to be in compliance.

MS. DOMINEY: That's during operations. That's not when they leave.

MS. KOCHHAR: Now, I can't tell you anything about decommissioning because I don't know that much detail. There has not been that many LNG projects here with us. This is new. Folks this is in the last five, six years that we have had more LNG projects than we ever had before.

MS. DOMINEY: Well what I'm asking you to do please is to include that in your assessment.

MS. KOCHHAR: We will address your comment.

MS. DOMINEY: Address the aspect of decommissioning.

MS. KOCHHAR: Sure.

MS. DOMINEY: Now, I don't know if anyone's given you a copy of Oregon's statewide goals and guidelines. We have 16. You are helping today on, Goal 1, which is citizen involvement, but I have to say if there were a law that have to do with citizen involvement right from the beginning, this project would be caput. Because there was none.

It was 2 or three port commissioners that met privately with people.

Next thing is, I'd like to point out Goal five is natural resources, scenic and historic areas and open spaces

and sir, I still didn't get it, is it Renkiss?

MR. REINEKE: Reineke.

MS. DOMINEY: Sorry. I think that's what we're in danger from the pipeline, the air, water and land resources quality. I live the way the wind blows upriver, I'm in direct line for a blast if we have a little fog drift up the way.

Recreational needs is another one and I'd say they are in danger from the pipeline.

Now I want to go into my main thrust which was economic development and estuary and resources, Goal 16. I have a present for each one of you. I purposely didn't give it to you before I started talking so you'd listen to me while I was talking.

(Laughter.)

MS. KOCHHAR: You need to provide one copy to the reporter.

MS. DOMINEY: Okay. This goes with one picture is worth a thousand words, which I kind of call into effect from Mr. Mattson's pipeline presentation.

This is taken from the bicentennial edition of world book. I'll get a more complete recent volume and send it to you. I have starred the Columbia River and you see pictured, it's up here is the land drainage of the Columbia River.

According to the article, the Columbia River with its complete drainage area has the potential to furnish over one-third the power needed in the United States. Now that would be water generated related.

The reason I'm giving it to you now, is that you can see the river system that is affected, that drains to this spot we're talking about and as far as I'm concerned, we are not talking about the north coast area, period.

We are talking about millions of jobs and millions of people that are going to be affected by the entrain and the impingement -- did I say that right Mr. Mattson? Is that impingement?

MR. MATTSON: That's correct.

MS. DOMINEY: Impingement of our salmon, very small salmon, our beginnings that are going to be gouged up and dredged and destroyed. The smokes that are going to be sucked against the mesh and training up the ships as they slurp up, is it 18 million gallons per ship of our water from the Columbia River to give them ballast, to get back out into the Ocean across the Columbia Bar.

Now these salmon, we see them coming and we see them going. Last October 1st, I was at the confluence of the Mantachie River in the State of Washington. It's a beautiful park, they call it the confluence park and I waded out. I had this green water bottle and I waded out to pick

up water from the confluence.

This was a year ago, October 1st. There are few tiny specs down here that are from some vegetation matter that inadvertently got in. But you see -- I'll let you look at it if you want later.

Could you have clear water from Boston harbor or the Mississippi? Now this is what our fish swim in.

Okay, when it comes around from the Columbia out here and it curves and goes up in Washington State and go off into the Mantachie, now the Mantachie itself has other rivers.

We watch the fish spawning in the Mantachie River in Leavenworth last year. The Yakama tribe had just had its celebration for the return of the salmon. The salmon is the life's blood to our native peoples and it's the life's blood to our fishermen and their families.

It's the life's blood to the people who run the hatcheries, the fish and wildlife people who take the returning salmon who come up, this whole configuration that goes. You'll see Oregon, Washington, Montana, Idaho, tiny bit into Wyoming, up into British Columbia, over to Alberta.

We aren't just talking about here. We're talking about our salmon getting stuffed and destroyed by these huge tanker ships that are going to use the water for ballast.

So I'd like you to take into account the livelihood of these millions of people in this drainage region. Thank you.

MS. KOCHHAR: Thank you.

(Applause.)

MS. DOMINEY: The other thing I want to give you is today's daily Astorian. The opinion page editorial said this region doesn't need LNG ports, that's the opinion and then there is an article on salmon and an article on whiting fisheries.

It just shows you how dependent this area is on the fishing industry.

MR. MATTSON: Thank you Ms. Dominey

MS. KOCHHAR: Thank you.

MR. MATTSON: Our next speaker will be Joseph Spaulding, followed by Adam Bless.

MR. SPAULDING: Did you say Joseph Spaulding?

MR. MATTSON: Yes.

MR. SPAULDING: Thank you. I didn't know I put my name there.

(Laugher.)

MR. SPAULDING: Actually, I did put my name down, I just didn't think I was going to speak, but I'm glad you call me. My name is Joseph Spaulding. My mailing address is in Maines, Oregon and you spell it S-P-A-U-L-D-I-N-G. But I

have property just behind the area on highway 26.

I have to apologize to the Bradwood folks here because I didn't really know anything about that until about a month ago.

I did go to the meeting. There was a few questions I have. I'm concerned about the maps that I got when they said they were going to come through my property were very vague.

They were all like the maps that are out here on the wall and I asked them about the maps and they said that the maps weren't available now.

Well, my question to you is, if they're going to come in through my property, why isn't the map available? Why is it so vague, you don't know if your property is in the maps or not?

It turns out, they said that the LNG was going to come right through my property. Now the city lot is about 50 to 75 feet by 100 feet. That's a pretty good size lot in the city actually.

Well this gymnasium is probably 98.6 on the playing court, we'll say that's 100 feet. Well I have a paper at home that says that the blast zone for this is 1,400 feet and they require 700 feet on each side of the blast zone, on each side of the pipeline for that blast zone.

Well my property is 341 feet wide and 785 feet long, that's five acres. And they're going to say that they need 700 feet of blast zone? That's five acres on each side of the pipeline.

Another question I have was directed to the Captain of the Port, and that is where does your jurisdiction end and who takes over after the Coast Guard? I'm really concerned about the security, how you're going to secure it, especially against terrorists.

I'm just scared to death that somebody is going to set the thing off and it's got a 1,400 foot blast zone. You talk about a 700 foot blast zone, that's seven of these buildings, on each side of the pipeline. Seven of this gym. That's huge. That's big. I'm concerned about that.

I am concerned about the security of the pipeline on each side. If you're talking about running a pipeline through Bradwood or if you're talking about running it through Astoria, you're talking about blocks. A city block is 500 feet, that's a block and a half on each side of the pipeline that's going to be gone.

That's a major concern to me and I would like answers to them and there is some more written down. I'm going to go to the meeting tomorrow in Forest Grove and I'll be a little more prepared. But I'm really concerned about the security of the pipeline and about the length of the

space on each side of the pipeline, if they're going to have to really be careful and, you know, I'm wondering how far the Coast Guard goes down and who is going to take card of the security of it after the Coast Guard is not involved anymore. Can you answer that for me captain?

CAPTAIN GERRITY: The facility will be what we call a Coast Guard 105 facility 101 or would have with regulation 33C in part 105 is what this facility, if it did come to be, would be required to meet. And those regulations require that the owner of the facility maintain security at all threat levels, and as the threat level changes in the nation, the security posture changes, those plans are approved by the Coast Guard and they're put together by the applicant, reviewed by the Coast Guard, approved by the Coast Guard.

The responsibility for any terminal, LNG, oil, chemical factories is the responsibility of the applicant, the terminal itself. Bringing the vessels in, put the securities around the vessel, that's the Captain of Port responsibility. We do that typically with the community assets and our own assets.

Once the security zones are lifted and the vessel is gone, then it just becomes a facility that needs secure again.

So to answer your question, it's the applicant's

responsibility to have a security plan. When the ship is there and the security is all around it, the Coast Guard's role is maintaining security posture appearance at that time. You have my favorite football team shirt right now, so that's a good thing.

MR. SPAULDING: I was wondering also, how far down like, do you still control the seaside or do you go down to -- how far down from Warrenton do you go or is it actually you don't have anything to do with really securing the pipeline?

CAPTAIN GERRITY: No, not the pipeline. But I'll also say that I don't know what the applicant is going to propose right now as far as the route is concerned, where we're going to pick up the securities, I haven't seen anything yet.

MR. SPAULDING: Right.

CAPTAIN GERRITY: But typically we have responsibilities on the waterway and we have responsibilities to ensure the facility has its security plan.

MR. SPAULDING: Right. Thank you. Another concern of mine would be the environmentally endangered species. They just put two flower and a butterfly in Clatsop County on the endangered species list and they're going to run a pipeline and nobody said anything about the

construction zone, which I understand is going to be 250 feet, 125 feet on each sided of the line.

You know this goes right through my property so that takes up my barn, my well and two of my out buildings.

MS. KOCHHAR: Excuse me, I have to correct you here. It's not 125 feet on either side. It is 100 feet of the center line. From the center line its 50 on either side. That's the 100 feet construction right-of-way they are proposing right now.

MR. SPAULDING: Okay.

MS. KOCHHAR: There is no such 125.

MR. SPAULDING: The way I heard it was 125 feet on each side of the property line or each side of the gas line, that's a lot of property.

SPEAKER: Excuse me, I was told by an LNG representative that the construction easement is 60 meters on either side of the pipeline, that's 180 feet either side and the maintenance easement is 30 meters on either side and I'm an affected property owner and I got that information from them.

MS. KOCHHAR: Okay, I just confirm with that, they have proposed 120 feet wide right of way, which means 60 on either side from the center line.

SPEAKER: Centimeters.

MS. KOCHHAR: 60 feet.

MS. KOCHHAR: Meters.

MS. KOCHHAR: Feet, feet. 60 feet.

MS. KOCHHAR: Okay, whatever.

MR. MATTSON: The total is 120 feet right of way.

MS. KOCHHAR: And permanent is 50, right. Permanent right of way is 50.

SPEAKER: Now how are they going to do it with the river when you going to go through the river and the hill?

MS. KOCHHAR: Well, we're waiting to get all the construction plans for all the crossings. We haven't reached that stage yet. We have only received research for one which is a proposal essentially and we're waiting for the rest of it.

Like I said we haven't had enough time on this project to know much more about it.

SPEAKER: I know, but everybody is getting different numbers.

MS. KOCHHAR: Well that's what happens when you get started right in the beginning because we are collecting information, they are collecting information to give it to us and again, it is not an application that is filed, it is only prefiling and nothing exist if there is no formal filing. To us nothing exist if there is no formal filing.

MR. SPAULDING: I am still concerned about you

saying that it's okay to get in after the 24th of September, and yet when I went to the courthouse on the Bradwood people, they threw stuff out of court because they got it in too late and you're saying it's okay and you're not going to have it available.

MS. KOCHHAR: I can't answer for Bradwood what you're talking about because I'm not the project manager on that, nor am I working on that project. But this 24th of September, mind you again, this is the end of comment period only on the Notice of Intent that we sent. That doesn't close anything and your comments are welcome any time. We will use them in our analysis throughout the analysis time, that means until we prepare FEIS.

In fact, I've had projects where we have even used comments after the FEIS was put out and before the order was issued. As long as it was before the order, but I know there are deadlines after the FEIS, because then it's a 30-day rehearing period.

So many times this is confusing to people when we say end of comment period on NOI is this date. It is only on the NOI. We are required to identify the number of comments we got for each issue. It's like NOI, Draft Environmental Impact Statement. We got to put those numbers. How many copies we sent out, how many comments we received and what comments we received.

So that is the purpose of it to use in our analysis as we move forward. You have helped us understand a lot of different issues, for this area and that is the purpose and I'm so glad you are all here and you're speaking.

We are not against you. We have not authorized the project. We are simply here understanding what the project is, what more information we need, what more analysis we need and we have developed this prefiling process so that we can involve you way ahead of time, not like in the traditional process, which has lesser time.

We can work with you, we can work with the company, we can try to see if there are any issues that can be resolved or if this project has anything to stand for.

So don't misunderstand that. We have no affinity to the project or the project's sponsor here. We are just like you all. You have a job, you do your job, we have a job, we do our job, but we got to be unbiased, we got to involve the public in the project and that's what our goal is and we're trying to do that.

End of comment period is not the end of the world here right now. There is a lot of time yet for you and we would welcome your comments. Feel free to send us comments anytime so that we can look into those issues and see what we need to do further. What more information we should ask

the company to prepare for us.

I mean, if there is a project, once it is officially filed, then we will make a decision. With so many issues unresolved, what are you doing? What are you sending this? But we are not at that stage yet. So just please understand what we are doing here. We're trying to be with you all, that's the purpose we are spending time.

Our week here is devoted for this project here. Once I go back, all the back work that is there in my office, I have to do that too plus all these comments. So we are just like one of you and I'm so glad that you are speaking out and you are telling us your feelings, your emotions, your concerns and we are going to take that with us and present it to our higher-ups and explain to them. This is what we hear about it. Okay.

So don't think it's a done deal yet, okay. It's just the beginning.

MR. SPAULDING: Well, I don't have to say anything else except one word to the Captain. Garage sale, 25 .

(Laughter.)

CAPTAIN GERRITY: See you're not a fan.

MR. MATTSON: Our next speaker is Adam Bless, followed by David Ambrose.

MR. BLESS: Thank you Todd. My name is Adam

Bless and I'm here with the Oregon Department of Energy. We are the state agency that oversees energy facilities in the state of Oregon, and we're based in Salem.

We know we don't have jurisdiction over this facility, but we do have a great deal of experience citing pipelines that are in our jurisdiction and so we have, as you do, a codified set of standards. They're listed in the Oregon Administrative Rules, visible for anybody and we would be using those as review criteria in our own review of the resource reports and eventually the EIS.

I'd like to mention some of the highlights, which will be filed with more extensive written comments, but there are certain standard that I think are unique to our process that I think FERC -- that we as an agency believe FERC should take into account.

One in particular has been brought up earlier tonight, it's our financial assurance standard and it does assure that money is put aside for decommissioning and retirement if the plant should fail and it's a standard that asks us to look actually at the applicant's fiscal stability and ability to meet their obligations.

For gas pipelines, and we don't have this for power plants, but for gas pipelines, we actually examine need in a critical review and it's actually done in concern with the Oregon Public Utilities Commission, but it's a very

rigorous review and done, and actually can be done over a long period of time. It's a very high analytical review, not simply a common sense review.

Our Oregon Department of Fish and Wildlife has explicit mitigation criteria. They are the ODFW Habitat Mitigation Criteria and I know that for other projects, the FERC manager, I realize every FERC manager is a little different.

But previous FERC manager has actually been open to using the ODFW Habitat Mitigation Criteria and our Division of State Lands has wetlands criteria that are parallel to U.S. Army Corps, but a little different in some ways and we think those should be looked at.

We're particularly concerned about something that has been mentioned earlier and that's the question of whether security costs and emergency planning costs would fall disproportionately on city and county resources.

In Oregon Land Use law, if Oregon Land Use law applies, there is usually a land use element that actually says an industrial facility can not burden the public, tax base for a profit making enterprise.

And so that would be a criteria we would have to use if we have jurisdiction and we think you should take a look at that.

We're particularly concern about the earthquake

review. I know from experience that although there are geologists everywhere, no one knows the local geology like our Oregon Department of Geology and in particular the tsunami potential.

We know that after the large Indonesian earthquake of a couple years go, many members of our Department's desk spent months over there in Indonesia just studying that one. They're experts on the tsunami phenomenon.

And I know from past projects, our department of geology has had a tremendous amount of difficult getting the detail geo-technical reports that underlay the resource report and they commented to us frequently that the resource report doesn't have that same level of detail.

For some reason they had a hard time getting those underlying geo-technical reports. So I'm going to urge FERC to do everything it can to have the applicant's geo-technical consultant take the initiative and be forthcoming with our Department of Geology. It's been a particular sore spot for us.

I'm also concern that what our Department of Geology tells me is that really for geology expertise, no one can beat the U.S. Geological Service, the USGS and I see that thy are not a cooperating agency, which concerns me because of the earthquake potential here.

Those are some of the highlights. We will be making more extensive written comments, but I just wanted to raise some of the standards that we will be applying most rigorously for our pipeline or an LNG facility that was under our jurisdiction prior to the EPAC. Thank you.

MS. KOCHHAR: t hank you.

(Applause.)

MR. MATTSON: Next speaker will be David Ambrose. Can I make a comment to Adam real quick. Adam for the comments you will make on the geo-tech, survey, I would really appreciate it if you can, you know, make them very detail as to what you think we should review in that geo-technical survey because tsunami is a kind of unique factor for this facility. That would be very useful.

MR. BLESS: Our Oregon State University, probably just because of where we are, I don't think there is another university that does more lab work on tsunami phenomenon and they should be a resource for you. We'll do our best to get as much information as we can.

MR. MATTSON: We'll definitely be looking at that.

MR. AMBROSE: My name is David Ambrose, D-A-V-I-D A-M-B-R-O-S-E and I live in Astoria.

I've got a lot of questions and I've numbered them and they're up to 14 now. One of the thing that I've

asked the Bradwood people that they've not come up with yet, is the specific heat of LNG. With my limited scientific background, I see a liquid that's -270 degrees Fahrenheit and in order for it to gasify, it has to absorb a lot of heat. Where does that heat comes from? It comes from, if it's in the water, it comes from the surrounding water or in some limited way from the air that comes in contact with it.

It's very hard to understand how much heat would be needed for even a gallon spill. Part of my vision would be that if I took a gallon of this and dropped it in water, because of the enormous amount of heat that it would need, it would immediately freeze and the water it came in contact with and possibly make a snowball with LNG in the middle of it, which would end up in the Columbia River, would probably start rolling down with the current.

What happens to it then I don't know, but nobody in my mind has really addressed where all the heat would come from if there was a spill, to vaporize the energy into its gaseous form. So I hope someone can address that.

I stopped in the Bradwood office and asked the woman there months ago, I got no reply. Done internet searches and have gotten ranges for LNG but nobody seems to know this and it seems like a very important number to know if you're making any calculation on where you're getting

heat to vaporize an LNG spill.

In your cooperators list, I didn't see the Oregon Fish and Wildlife Department or Oregon Forestry, which has some very specific rules about what you do in forest, what you do in our streams and rivers. When I'm doing pratical work with the conservation district, the water conservation projects throughout the county, and related areas and have to consult very frequently with these two agencies. Then I'm doing the right thing and I hope that if you're looking for underground expertise, that you would consult these two agencies frequently in your assessments.

Another thing that I was going to ask was will all the fire state regulations be followed? All our work windows? Find working in the waters of the state in Oregon? I'm excluded from doing any work in that water, outside the work we do, which is usually from July 1 through September 15th. Does that mean that the pipeline will also have to wait in those work periods if they're working in the water? Or any other work windows that other agencies require in the state.

And will all of the county and city regulations be adhered to and in the event that the county pass the regulation along the way that may interfere with where the pipeline is going, how would that be settled? We'll have to go in court or would it be ignored?

The Captain said that the suitability study would be a recommendation in this process. I don't know, and maybe you can answer this for me, if the Coast Guard decided the waterway was unsuitable, could FERC still accept the project, because it is only a recommendation.

Does FERC have the ultimate decision to overrule any of the recommendations? Because as I'm reading what you're saying, everything is a recommendation to FERC and indeed your report to your ultimate director at FERC, is a recommendation.

So in the unlikely circumstance that you as an agency recommended that the project not go ahead, could your director say, despite the fact that everybody on my staff says shouldn't go ahead, I'm going to approve it, and would he still be within the law?

MS. KOCHHAR: It's not the director, it's the Commissioners who make the decision.

MR. AMBROSE: Okay, the Commissioners.

MS. KOCHHAR: I can't answer that. It's up to the Commissioners. We only do our document and give our recommendation in the document and it's up to the --

MR. AMBROSE: So let me understand this then. Just as we've had an issue here in our county with a citizen board of five commission meet, a staff recommendation was to deny a proposal on very good grounds, the planning

commission didn't go along with it and were well within the law to do that.

So what you're saying is that the FERC Commission could just approve it even though all the staff in the report at FERC said they shouldn't approve it?

MS. KOCHHAR: That is the commissioner's decision. I can't say anything more. All I can say is how far is our responsibility is, our Director's responsibility is.

MR. AMBROSE: Thank you. And the Commissioners are political appointees?

MS. KOCHHAR: yes.

MR. AMBROSE: They're political appointees.

MS. KOCHHAR: Yes.

MR. AMBROSE: And you said there would be a yearly inspection of the pipelines and the operation of the pipeline? Are those inspections announced or unannounced?

MS. KOCHHAR: They are unannounced. We go and do surprise visits also and we do routinely as well.

MR. AMBROSE: Okay. The opening statement, the purpose of this facility was to provide energy to the Pacific Northwest. Is that still being considered in the mix of denying or approving the whole project, if this project is indeed not meeting or contributing to the energies of the Pacific Northwest, is that enough of a

reason to deny it the facility?

MS. KOCHHAR: That decision is made by the Certification Branch. Again, we do the environmental assessment. We do one part of the project. There are other departments who work on the rest of the aspects of the project.

MR. AMBROSE: In your prevention you mentioned one aspect, one issue that would come up is high value farmland. There is a lot of definition to high value farmland from definitions that the county uses, that the state uses, that USDA uses. Whose version of high value farm land do you use in making the determination for where the pipeline goes?

MS. KOCHHAR: Most of the time it is NRCS.

MR. AMBROSE: NRCS's?

MS. KOCHHAR: But I would think they would also consider this state's information as well.

MR. AMBROSE: You also mentioned cultural issues. Having gone through some of the NEPA processes myself and also working closely with NRCS here, they are required to do a cultural research survey.

MS. KOCHHAR: Yes.

MR. AMBROSE: Who is going to conduct that?

MS. KOCHHAR: The applicant is supposed to provide this.

MR. AMBROSE: A third-party person? Or they do it themselves?

MS. KOCHHAR: I think they hire contractors to do or some consultants to those, so long as they provide us their information along with their resumes and our archeologists review them.

MR. AMBROSE: And you have staff archeologist who review them?

MS. KOCHHAR: Yes.

MR. AMBROSE: Okay.

MS. KOCHHAR: And we also consult with the state.

MR. AMBROSE: Okay. One thing, I also work a lot with non-native invasive species. I hope that you will be looking at what kind of discharges these ships will be making.

Bilge discharges, we have large problems with muscles, all kinds of invasive species that come in, including weeds that I've been working with for five years and spent $40,000/$50,000 a year trying to get rid of.

I'm hoping that the applicant will have some plans for dealing with that, identifying them and being able to have some action plans to get rid of them if they do come from places like Indonesia, which I understand is a place where some of this LNG would come from, or Australia.

Light pollution, is that entered into the mix

anywhere? I certainly enjoy the nice skies here on the coast and hope that we don't have a lot of that going on in the mix.

You mentioned cost share. My interpretation of cost share comes from USDA programs where the applicant for a project puts up 50% and the NRCS puts up the other 50%. How deep of a cost sharing is the usual numbers? I'd be concern if it was more than 5% for our community. We are small community. We only have up to 40,000 people in the county, not even 40,000 people. That's not a big tax base. We can't afford a lot of cost shares. So hope that will get address somewhere.

And one other issue that may or may not affect the environmental thing. We've already seen one turnover from one LLC to another, where an LLC came in, developed an asset, it was worth a little bit more, and they sold it to another company.

We've seen, and in my mind what happens is one company will say something, it's not in writing, will advertise something, it's not in writing, so to speak, and the next person that buys the assets says, well, that was the other LLC, this is us.

I hope that everything that's said to us, everything that's said in the newspapers and radio advertisement is signed on the dotted line so that people

who say those things can be held accountable so that when they sell the asset, they sell what they said, what they promised, what they promised our community, gets to be part of the asset, whether it's an asset to the asset, or a debit to the asset, what they say should be part of the asset that gets sold.

It's becoming evident to me that the LNG business can be an incremental thing where a company can be put together, go in the market to the banks, find some capital, improve the asset, and sell. Pay the banks off and walk away with the profit.

And whatever they say is just worthless because the new owners don't have to be accountable for those promises.

So I hope we get that in writing, that we see signatures on them before anything moves forward. Thank you.

(Applause.)

MR. MATTSON: Our next speaker will be Robert E. Engling from Franklin Avenue in Astoria.

Our next speaker will be Muschi Mayflower.

MS. MAYFLOWER: That's Muschi Mayflower. Thanks for being here and for being patient with us. We're used to being restrictive to 3 minutes and being cut off in mid-sentence. So this is a little nicer.

We've spent many many hours and days on this project. I started on November 2004, when we first heard about it and was a great surprise. What I would say and have said many times is pretty repetitive of what others have said, hours late but just a couple of things.

Actually there would be more people if we hadn't been to so many meetings. You know, people get cynical and say what's the use. We've just been dismissed as people comments. So otherwise I think you'd have more people attending if it had been like a year or two ago.

Again, what Dave Ambrose said is true, the promises are just that, they promise lower natural gas rates for Oregon, but we know that California would pay more, so they're not going to lower our natural gas rates just because they're going to be here, and there's not even any evidence that we need that gas here.

This is like ten years out that the contracts will even start. Now who can predict what's going to be in ten years? We might have made some progress with alternative energy and as far as property values for our residents are concerned, there was a comment by Mr. Edwards of the Inter State Natural Gas Association of America, a trade group representing companies with LNG terminals. And he said what we often find is that the safety and lately the security issues are a kind of shield that masks opponents

deeper concerns such as threats to their property values.

I would also assume that our insurance rates would go up because of the security issues for those of us who are homeowners around here and the usual, it's about the worst imaginable industry for the Columbia River, especially the estuary, dangerous bar, likely we would have a major earthquake and tsunami, large debris, even ships might bump around in those gigantic waves should that materialize and this liquefaction, etcetera, etcetera.

Also under normal conditions, there will be disruption of river traffic because of the safety precautions and that's exacerbated anytime there is fall weather, which delays for having preventing safe passage of the very dangerous bar.

So other ships will really have to line up then, and you heard how many fishing vessels there are.

Are you aware of an incident near the port of Bergen and Norway into a port when there was a fully loaded LNG ship adrift in that weather, just 30 yards away from hitting the rocks, it's engines had stopped and its anchors were useless in that very stormy weather.

The authorities were preparing to evacuate about 800 residents of this small island near there. I wonder where we would go. Also loading and unloading tanks generally accepted by industry itself is 12 hours in theory

and 24 to 36 in practice.

That's a lot of time for security services to be on standby with not much of a break before the next tanker arrives.

And something that's just a postscript, I guess. There is a question about the financial responsibility of the operators of both the shipping vessels and the LNG terminal operators.

I know that it's not your area that you'll probably take into consideration, but my information is that U.S. law currently limits vessel owners' liability to the value of the ship and its cargo and is exempt from any liability for the damage that may have been caused by it.

The financial responsibility of an LNG terminal is restrictive to $350 million. I am not entirely sure that is still true, but that is what I got that information from LNG sites on the web. And that's nothing I would figure in the event of a disaster.

And they always emphasize the good safety record of the LNG industry, but there hasn't been very much of it and it wasn't under the conditions that we have now.

So one question, what does densely populated mean? They are not to be sited in densely populated area? I assume because they want to keep the number of deaths to a minimum?

(Laughter.)

But what are the criteria? And again, Mr. Ambrose also mentioned the light pollution, that will be major. Obviously, those three tanks which are visible, will be visible from far away, will be very brightly lit 24-hours a day and certainly at night when it comes and it's bad for many reasons and least of all probably visual, but you know it's bad for birds, wildlife, etcetera, etcetera, and that's a lot of light, which takes a lot of energy, by the way.

Then there is going to be noise pollution because it's not quiet to load and unload those ships and of course, visually it stands to reason it's going to be ugly to look at in this absolutely gorgeous world class area, as far as beauty is concerned. Thank you.

MS. KOCHHAR: Thank you.

(Applause.)

MR. MATTSON: Our next speaker will be Jim Sheller.

SPEAKER: Jim left his comment and he left.

MR. MATTSON: Okay, Bernie York?

MR. COCORAN: Captain, FERC people. I'm here representing the Lower Columbia Alliance. It's a commercial fishing group that formed 2003 after the closure of a lot of fishing grounds to our commercial drag fleet, ground fish

fleet.

The fishermen have sent me here to just let you know that they'd much rather deal with LNG ships coming in, being impaired by them, slowed down by them than dealing with other energy sources like renewable, like wave energy parks that will put them out of business. It's just not wave energy parks now, it's marine reserves are being talked about in state waters. They will also put our drag fishermen and crab fishermen out of business.

These are brought on by environmental groups and it's just getting to be too much and we see that dealing with LNG ships or nuclear power or possible coal fire plants is a lot better than more of our fishermen be put out of business. That's all I have to say, thank you.

MS. KOCHHAR: Thank you.

(Applause.)

MR. MATTSON: That was the last speaker signed up to speak. Is there anyone else who would like to make any comments that didn't sign up to speak? State your name.

ROBERT CLARK: I have just a couple brief items here. A month or so ago I was reading that in Malaysia the population there has been compelled by the government to shift to bottled natural gas, which has a much higher cost to them than kerosene which they were using before. So they filled up the streets and had a rather loud demonstration.

I had seen photographs presented by eyewitnesses also on the source and of the gas suppliers has already been environmentally devastated, both in the offshore wellhead and the onshore pipeline route from the wellhead gas source to a port facility that's being developed on the South of Amity Island.

The contractors there just figure that we'll stop the salmon stream for a year and then make it look good the following year and the juvenile fish would just be required to pretend that nothing happened.

I've also seen films of what happens when a super cool liquid is spilled on the water and it reminded me a lot of the flows of volcanic ash down the slops of Mt. Pennetuba and I suppose you could say that the 900 feet of Mt. St. Helen sort of dissipated after a while.

Bear in mind in 1900 there was an earthquake on the northwest pacific coast that was felt and devastated large amounts of the island of Japan. That earthquake originated in the pacific northwest and you can see stranded trees in the subduction zone along the Columbia River. I can't read my writing any better than I can see it.

It strikes me that with the big demand in California for the gas, that the reuse of Brownfield site of the Concord Naval Weapons station ammunition bunkers would be a superior site because number one, it's right next to

the refinery complex of Martinez, where they are already planning of hazardous material to train fire fighters and there is no forest land to ignite and the air shed there is already in pretty sad state from Richmond Martinez complex, so the LNG refinery wouldn't be too much worse and in conclusion, let me just remark that the pipeline as they say will commonly be buried at the level of three feet.

It seems that they already buried people at six feet. Thank you.

(Applause.)

MR. MATTSON: Is there anyone else who would like to speak tonight?

SPEAKER: right here. I'd like to ask a few questions.

MR. MATTSON: You can state your name for the record.

MR. GRASS: My name is Mr. Grass, I'm from southwest Washington. I'm an ex firefighter, first responder. I see a lot of brass, excuse the term, a lot of shoulder boards, a lot of gold on it tonight. I was just wondering if any of the Coast Guards officers present, have you ever seen a gas fire? Natural gas or liquid natural gas? How of hands? One. Was it marine, a tanker fire?

I've seen two in my own county. They lit up my hometown and they also closed Interstate 5 for over six

hours. I've seen one marine fire, I believe we lost a Petty Officer to protect a alpha fire to climb a grain elevator.

Were any of you officers present when that ship caught fire? Well it's something similar. The captain that trained me, he was first in with one of your Petty Officers and it started in the engine room. We didn't have any marine firefighting capabilities, we had to use a relay with our engines.

So the petty Officer cut a hole in one of the hatches so we could insert a CO2 probe. Well we had a backlash. It took his head off, killed him, and threw our captain against the railing and just about threw him overboard.

Just as an example, LNG is your perfect fire. It's your explosion, your flash, your heat, all in one and you can't fun fast enough from any kind of gas fire. I've seen it with my own eyes and just as an example, does anybody here live next to a high pressure gas line? By show of hands. Anybody here?

I live -- used to live, my parents still live, less than 212 feet from a 26-inch high pressure natural gas line. They are scheduled to live next to another 26-inch natural gas high pressure line to the tune of 1,980 psi.

Less than 30 feet from the other 24-inch line, at 1,470 psi. So I know what I'm talking about. I live next

to it. These people that are making these proposals on the Lower Columbia, they don't have to take any of this and I hope they remember that because I sure as hell will.

(Applause.)

MR. MATTSON: Thank you. Is there any other people present that would like to speak?

MS. KOCHHAR: If there are no more questions or comments from speakers, the meeting is adjourned. Thank you for coming. We appreciate all your comments.

(Chorus of thank you.)

(WHEREUPON THE MEETING CONCLUDED AT 10:39 P.M.)