

FEDERAL ENERGY REGULATORY COMMISSION
OFFICE OF ENERGY PROJECTS
AND
UNITED STATES DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY
ADMINISTRATION

- - -

ROCKIES EXPRESS EAST PROJECT
PUBLIC COMMENT MEETING

- - -

The above public comment meeting came on at the Teays Valley High School, 3887 State Route 752, Ashville, Ohio, 43103, on January 8, 2008, at 6:00 p.m.

Rockies Express Pipeline Project
January 8, 2008

1 APPEARANCES:

2

3 Douglas A. Sipe

4 Environmental Project Manager

5 Federal Energy Regulatory Commission, Ferc

6 888 First Street, N.E.

7 Washington, D.C. 20426

8

9 Gery Bauman

10 Pipeline Safety Engineer

11 United States Department of Transportation

12 Pipeline and Hazardous Materials Safety

13 Administration

14

15 Also present,

16 Thomas Cuddy

17 Jennifer Thomas - sign-in table

18 Trevor Loveday - Entrix

19 Ann Allen - Entrix

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

2 DOUG SIPE: Good evening everybody.

3 On behalf of the Federal Energy Regulatory
4 Commission referred to as "Ferc" I would like to
5 welcome all of you tonight.

6 My name is Douglas Sipe, I am an
7 outreach manager for the Division of Gas,
8 Engineering and Environment in the Office of Energy
9 Projects at Ferc.

10 This is a public comment meeting on
11 the Draft Environmental Impact Statement for the
12 proposed Rockies Express East Pipeline Project.

13 Let the record reflect show that the
14 Public Comment Meeting began at 6:09 on January 8th
15 of 2008. Tonight I am assisting, I am assisting
16 the Environmental Project Manager, Laura Turner,
17 who I believe tonight is in Illinois. I think
18 she's in Illinois. We're holding nine (9) meetings
19 for this project during this week. We've split up
20 into three teams. We have a team in Indiana, we
21 have a team here in Ohio, and we have a team in
22 Missouri and Illinois. We are staffed and we also
23 have our Environmental Consultant ICF International
24 and Entrix with us. Representatives from ICF and
25 Entrix are helping me tonight. Let me introduce

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1 Thomas Cuddy, to my left. I think it's -- I can't
2 see the rest of 'em. Trevor Loveday and Ann Allen
3 with Entri x and also Jenni fer Thomas with ICF. You
4 met them at the sign-in table when you came
5 in.

6 ICF and Entri x are the consulting
7 firms assisting us in producing the EIS for this
8 project. We also have Gery Bauman, our regional
9 communi ty assistance and techni cal service manager
10 with the U.S. Department of Transportati on Pi peli ne
11 and Hazardous Materi al Safety Admi ni strati on. A
12 long ti tle, referred to as PHMSA.

13 PHMSA staff takes an active role on
14 safety during the EIS process in the construction
15 operation of natural gas projects. Mr. Bauman is
16 here if you guys have any questi ons about safety
17 thi s eveni ng.

18 The Ferc is an independent agency
19 that regulates the interstate transmissi on of
20 electri ci ty, natural gas and oil. Ferc reviews
21 proposa ls and authorizes construction of interstate
22 natural gas pi peli nes, storage faci li ti es, and
23 li qui fi ed natural gas termi na ls, as well as the
24 li censee and i nspecti on of hydroel ectri c projects.

25 The purpose of the Commi ssi on is to

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1 protect the public and energy customers assuring
2 that regulated energy companies are acting within
3 the law.

4 We are located in Washington, D.C.,
5 just north of the United States capital. Ferc has
6 up to five commissioners who are appointed by the
7 President of the United States with the advice and
8 consent of the Senate. Commissioners serve
9 five-year terms and have the equal vote on
10 regulatory matters. One member of the Commission
11 is designated by the President to serve as the
12 Chair in the Ferc's Administrative head. Right now
13 that's Chairman Joseph T. Kelliher. Ferc has
14 approximately 1200 staff employees, which I'm one
15 of 'em.

16 The Ferc is the lead federal agency
17 responsible for the National Environmental Policy
18 Act of 1969, NEPA, review of the Rockies Express
19 East Pipeline Project and the lead agency for the
20 preparation of the EIS.

21 NEPA requires Ferc to analyze the
22 environmental impacts, consider alternatives, and
23 provide appropriate mitigation measures on the
24 proposed projects.

25 The U.S. Army Corp of Engineers, the

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1 U.S. Fish and Wildlife Service, the Illinois
2 Department of Agriculture, and the National
3 Resource Conservation Commission are participating
4 as cooperating agencies in the preparation of the
5 EIS. And I thank them, extremely. They provide us
6 with a lot of good information to go in our
7 environmental document.

8 The Rockies Express East Pipeline
9 Project is a joint venture among Kinder Morgan
10 Energy Partners, Sempra Pipelines and Storage and
11 Conoco-Phillips.

12 On April 30th, 2007, Rockies Express
13 filed an application under Section 7 of the Natural
14 Gas Act in Docket Number CP-07-208 to construct and
15 operate new natural gas facilities including 640
16 miles of 42 inch diameter pipeline, in Missouri,
17 Illinois, Indiana and Ohio. Seven compressor
18 stations totalling 225,000 horsepower compression,
19 and auxiliary areas are also proposed.

20 The project is covered in more
21 detail in the Draft EIS.

22 The purpose of tonight's meeting is
23 to provide each of you with the opportunity to give
24 us your comments on the Draft EIS and for us to
25 answer any questions you may have regarding the

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1 Ferc process and the proposed Rockies Express East
2 Pipeline Project.

3 I will say one thing, I'm one of
4 1200 people with Ferc, and I can answer most all
5 the questions you probably have for me, but there's
6 some that I may not be able to answer, and I'll
7 have to get back to you or put them on the record
8 somehow, but I'll try to answer any question you
9 have.

10 We are here to learn from you
11 tonight. It'll help us most if your comments are
12 as specific as possible regarding the proposed
13 project and the Draft EIS.

14 If you wish to speak tonight, please
15 sign the speakers list. If you do not -- if not
16 you can pick up one of the handouts that provides
17 instructions and make it easy for you to send in
18 written comments to us. The speakers list and
19 handouts are both at the sign-in table with our
20 staff in the back of the room in the hallway.

21 During our review of the process we
22 assemble information from a variety of sources,
23 including Rockies Express, you the public, other
24 state and local and federal agencies and our own
25 independent analysis and field work. We analyzed

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1 this information to prepare a Draft EIS distributed
2 to the public for comment.

3 A notice of availability of the
4 Draft EIS was issued for this project on November
5 23rd, 2007.

6 We are in the midst of a 45-day
7 comment period on the Draft EIS. The formal
8 comment period will end on January 14, 2008. It is
9 during this period that we receive comments on the
10 Draft EIS. All written comments received during
11 this time period or verbally tonight will be
12 addressed in the final EIS.

13 I'll make note on that also that the
14 January 14th date is a NEPA time frame. There's
15 NEPA time frames in scoping where once we issue a
16 notice of intent to prepare a document, you have 30
17 days scoping period. That's a NEPA time line.
18 When we issue a document, you'll have a 45 day
19 comment period, that is a NEPA time line. If you
20 don't -- if you, you know, if you have to send us
21 comments later in the ball game you are able to do
22 that. We will also include those in the document.
23 But if you send it in too late, once we're ready to
24 issue the final EIS, they may not be covered in the
25 final EIS, but then they would be covered in the

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1 order. So it's not like they're gonna quit taking
2 comments January 14th.

3 We ask that you provide comments as
4 soon as possible in order to give us time to
5 analyze and research the issues and provide an
6 adequate response.

7 I would like to add that Ferc
8 strongly encourages electronic filing of any
9 comments. The instructions for this can be located
10 on our website at www.Ferc.gov under the e-filing
11 link.

12 We have little handouts at the back
13 of the room. There's a guide for electronic filing
14 at Ferc. So if you want to pick one of those up,
15 there's some helpful information in there. There's
16 also a note in the e-filing link once you go to
17 there on our web page. It was set up originally
18 that mainly for the industry when it was first set
19 up for those a way to comment. There's a little
20 box on the top of the page that if you leave blank,
21 you're going to have trouble e-filing your
22 comments. What you want to do is put like
23 "Individual" or some name into that block. There's
24 gonna be instructions for that. We just recently
25 found out a lot of people are having trouble with

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1 that. There's instructions on our web page how to
2 do that. We're actually in the midst of -- we're
3 gonna roll out a new comment, a way to comment at
4 Ferc called "Quick Comment" here before long. It
5 was supposed to be in January, but I haven't seen
6 anything on it yet.

7 If you received a copy of the Draft
8 EIS in paper form or CD you will automatically
9 receive a copy of the final EIS. If you did not
10 get a copy of the draft and would like to get a
11 copy of the final, please sign the attendance list
12 at the back of the room and provide your name and
13 address and we'll make sure you get a copy of the
14 final EIS.

15 I spoke to some folks here in the
16 front of the room here this evening and they
17 haven't received anything, they didn't receive even
18 notice of this meeting tonight. I apologize for
19 that. This project is large and this mailing list
20 is constantly. So I apologize if you did not
21 receive the material that we've been sending out.
22 But if you sign up tonight, we'll make sure you get
23 the rest of 'em. And anything you did not receive
24 and you would like a copy of, you can ask us to do
25 that, also, or you can go onto our, to the

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1 e-library and everything is there electronically.

2 The EIS is not a decision document,
3 it's being prepared to advise the Commission and to
4 disclose to the public environmental impact of
5 constructing and operating the proposed project.
6 When it is completed the Commission will consider
7 the environmental information from the Draft EIS,
8 along with the non-environmental issues, such as
9 engineering, markets, and rates in making its
10 decision to approve or deny a certificate, which
11 will be the Ferc's authorization for this project.

12 There is no review of Ferc's
13 decisions by the President or Congress maintaining
14 Ferc's independence as a regulatory agency in
15 providing for fair and unbiased decisions.

16 If the Commission votes to approve
17 the project and a certificate of public convenience
18 and necessity is issued, Rockies Express will be
19 required to meet certain conditions as outlined in
20 the certificate.

21 Those conditions right now, what I'm
22 talking about here, you can see in the Draft EIS.
23 There's a 149 of 'em right now. When it comes to
24 certificate time there won't be 149, because a lot
25 of those conditions they have to satisfy before we

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1 even issue a final environmental impact statement,
2 and it also has to be issued before we issue an
3 order. But those conditions that you see right now
4 that's what would will be attached in the order if
5 this project is approved, and then they have to
6 abide by those conditions.

7 Ferc environmental staff will
8 monitor the project through construction and
9 restoration performing on-site inspections to
10 ensure environmental compliance with the conditions
11 of the Ferc certificate.

12 Our cooperating agencies will use
13 the final EIS in support of their permitting
14 efforts.

15 Now I'd like to point out the
16 audience that Rockies Express representatives are
17 here to answer your questions, they have brought
18 detailed maps of the pipeline route. We also have
19 maps. There's a bunch of different maps floating
20 around. I appreciate you talk to them, or if you
21 need to look at the maps in the back of the room or
22 in the hallway after the formal portion of this
23 meeting concludes.

24 We will now begin the important part
25 of the meeting with your comments. When your name

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1 is called, please step up to the microphone and
2 state your name for the record. Your comments will
3 be transcribed by a court reporter to ensure that
4 we get an accurate record of your comments.

5 A transcript of this meeting will be
6 placed in the public record at Ferc so that
7 everyone has access to that information collected
8 here tonight.

9 The mic should be somewhat set for
10 you, but you can take the one off the mic if you
11 want to, it's a wireless mic, but make sure when
12 you come up to speak you say your name and spell it
13 for the record.

14 We have -- We have two speakers on
15 the list tonight, so that should not be too back.
16 But I mean if you're not signed up here, like I
17 said, I'll be here to answer any questions you
18 have. The first one on is Tom Scothorn, Scothorn.

19 TOM SCOTHORN

20 TOM SCOTHORN: The name is Tom
21 Scothorn, that's spelled S-c-o-t-h-o-r-n. I'm a
22 resident of Pickaway County, Warren Township. And
23 I have two areas of concern, concerning land usage
24 and pipe integrity.

25 Okay. I have two areas of concern,

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1 land usage and pipeline integrity. We currently
2 have the Texas Eastern pipelines running across one
3 corner of our farm for about 100 yards. I
4 understand that Rockies is to try to follow the
5 existing right of ways, and I have no problem with
6 the Texas Eastern Pipeline on my property, since it
7 was there when the purchase, when we purchased the
8 land. But I would like to voice my disapproval of
9 the proposed route that the Rockies pipeline in the
10 center of our farm for about a three quarter of a
11 mile length.

12 The proposed route cutting through
13 the center of the farm would destroy about two
14 acres of woodland, across a creek at an angle,
15 threaten natural springs that I utilize to water
16 livestock, as well as destroy property value.

17 I would like to ask Ferc to
18 reconsider the Big Darby alternate route.
19 According to the Draft Impact Statement this
20 alternate will, may be five miles longer and more
21 costly to Rockies, but there will be fewer water
22 crossings, less woodland destroyed, and a high
23 percentage of right of way real estate utilized.

24 And Ferc even indicates a concern in
25 the impact statement stating that the directional

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1 drilling under the Darby Creek may be problematic
2 as indicated by a recent geotechnical study. I
3 would like to ask why should they even take the
4 risk.

5 As a worse-case situation we had
6 proposed an alternate route on our property. It
7 would parallel the proposed Rockie route, but it
8 would utilize permanent pasture land, no woodland
9 loss, a straight creek crossing, and less loss of
10 property value. We don't want to see this route
11 either, but we seem not to have a choice here.

12 I also have some concerns about the
13 pipe integrity. The construction techniques
14 described in the impact statement seem rather
15 vague. For example, you speak of field wells being
16 X-rayed. I would like to find out if that's a 100
17 percent X-ray, if not, why.

18 Rockie plans to use epoxy coding for
19 corrosion protection. That type of coding -- what
20 type of coding inspection can we expect, and will
21 that coding inspection be a 100 percent coverage.
22 No mention is made of additional corrosion
23 protection, such as cathodic protection. If that's
24 the case, why isn't it. And, also, is there any
25 type of computer to monitor leak detection system.

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1 If not, why not.

2 Okay. All this leads to questions
3 the latter part, lead to the question where this
4 pipeline is to be constructed using the latest best
5 available technology or is it just a quick and
6 cheap method to transport this highly volatile
7 fuel. Thank you.

8 DOUG SIPE: Thank you.

9 GARY BAUMAN

10 GARY BAUMAN: Yes, if I could
11 provide some answers. My name is Gary Bauman, I
12 work for the Pipeline and Hazardous Material Safety
13 Administration.

14 You asked some questions
15 specifically about examination of the wells for the
16 pipeline. Yes, they will be a 100 percent
17 non-destructively tested. As for epoxy coding,
18 they have to have a program, and they need to put a
19 coding on the pipe for cathodic protection. They
20 will also be required to install a cathodic
21 protection system on the pipe and test that system
22 ongoing to meet our federal regulations.

23 As for leak detection, they are
24 required to put in a SCADA system, which is an
25 instrumented system so they can look at the physical

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1 parameters associated with the pipeline at all
2 times.

3 And then there are some additional
4 safety features associated with block valves placed
5 every so often along the pipeline, and they're set
6 up to automatically post if there is a pressure
7 variation in the pipe.

8 So a lot of the things that Rex will
9 be doing, if the pipeline is built, are to meet
10 federal regulations. These federal regulations are
11 contained in Part 49 -- or 49-CFR-Part 192 of the
12 Federal Regulations. You can go on line and
13 research that and see all of the federal
14 regulations.

15 If you have some specific questions
16 -- if anybody has any specific questions regarding
17 the regulations I enforce or the safety of this
18 particular pipeline, if it's built, feel free to --
19 feel free to come up after the meeting and I'll be
20 happy to talk with you. Thank you.

21 DOUG SIPE: Next speaker, Dick
22 Petty.

23 RICHARD PETTY

24 RICHARD PETTY: Thank you. My name
25 is Richard Petty, and my wife and I together own

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1 land in Walnut Township of approximately 13 acres
2 which we, on which we constructed a home and on
3 which we intend to construct two additional homes
4 for each of our sons as the opportunity presents
5 itself.

6 I've got some more basic concerns
7 than Mr. Scothorn just expressed. I think he -- he
8 hit some of the technical areas. I -- My
9 questions, my concerns are more of a conceptual
10 nature.

11 The proposed pipeline as it's been
12 scheduled will run the full length of our property
13 that we have purchased to buy or to construct two
14 additional homes for our sons. So that property
15 will be rendered totally useless if this project
16 proceeds as scheduled, and accordingly we're very
17 concerned.

18 Concerns are basic, you know, why a
19 pipeline, why with the pipelines that are already
20 there, why with the apparent abundance supply of
21 natural gas in West Virginia and other, other
22 points east do we need to be importing natural gas
23 from Colorado, that makes no sense to me.

24 The state mandated right of eminent
25 domain, is a pretty powerful tool. And I'm not an

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1 attorney, but as I understand this right, there is
2 a requirement that somebody demonstrate an absolute
3 necessity for putting the pipeline through, a
4 public interest. I've not seen any, any statement
5 of necessity. I don't see any dominate public
6 interest in putting this pipeline through to
7 provide natural gas. It's already available in
8 abundance supply through other venues. So before
9 this pipeline goes through I would like to see
10 somebody define for us what the absolutely
11 necessity of the pipeline is.

12 If the pipeline turns out to be
13 absolutely necessity, an absolute necessity and
14 warrant this powerful state mandated tool of
15 eminent domain, then I guess my next question
16 concern is, why don't we go through the corridor
17 that's already provided, that already has, has
18 these transmission facilities through them. Why go
19 through other land when a corridor is already, is
20 already available.

21 I guess another concern is, how this
22 whole project seems to be managed. You know, it
23 seems to me that there's not been adequate
24 communication, there's not been adequate response
25 to pretty direct questions that have been raised.

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1 We learned of this effort relatively
2 late, and we have engaged some attorneys to help
3 and advise us, but one of my first notifications
4 that the pipeline was going through with some
5 degree of earnest was when I got a summons to
6 appear in court, because we weren't allowing
7 surveyors on our property. And we weren't allowing
8 surveyors on our property because we had some basic
9 questions like the ones that I've outlined that
10 nobody was answering. The attitude that we got to
11 this point through the principles in the project is
12 to take no prisoners kind of attitude. The
13 pipeline is going through, you have no voice, you
14 know, it's a public necessity, you know, and --
15 even though there's been no definition offered to
16 this point, but it's gonna happen, you know, you
17 can do it now or you can do it later, but we're
18 gonna push this thing through.

19 I don't think when there's a project
20 of this magnitude that impacts folk's lives,
21 livelihoods, lands that have often been in families
22 for a 100, 200 years, that that's the kind of
23 approach you take to plan a project. I think there
24 should be quite a bit more sensitivity in a project
25 like this, and to this point I haven't seen much if

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1 any sensitivity to the project.

2 I'm also concerned by a fair amount
3 of confusion that seems to exist on really basic
4 parameters of the project, how deep is the project
5 gonna go. You know we've had some conversations
6 earlier today where there seems to be a
7 disagreement between Rex that it's three foot and
8 others that say that the requirement is five foot.
9 And we've talked to folks in the vestibule right
10 before this meeting who believe that there are
11 provisions that if there's loose gravel, if there's
12 rock, that the normal requirements can be waived
13 and it can be as close to the surface as two feet.
14 That -- This is a huge source of confusion. We're
15 talking about a 42 inch line; that if something
16 happened would create pretty much of a fire cracker
17 throughout the entire county.

18 I think we need to resolve questions
19 and we need to deal with questions like that
20 openly, and we need agreement before a project of
21 this magnitude is approved to go forward. Those
22 are my questions, those are my concerns, and I'm
23 here to learn and to hopefully get some answers.

24 DOUG SIPE: Thank you. I wrote down
25 a couple of your concerns and questions. Eminent

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1 domain, the company right now does not have eminent
2 domain, federal eminent domain for this project.
3 Until the commission votes for public need and
4 necessity of the project the company does not have
5 eminent domain. Once the commission issues an
6 order for a project, any project that is when that
7 interstate company has the right to use eminent
8 domain.

9 And eminent domain can be scary and
10 is somewhat hard to deal with, especially if you're
11 being threatened with the use of domain. You
12 should not be hearing about eminent domain from
13 your right of way agents or from the company unless
14 you ask the question about what is eminent domain.
15 So if they're threatening you with eminent domain,
16 that's the kind of information we need to know.

17 The need for the project in general,
18 I hit on this a little bit last night, also, in
19 Zanesville. The commission does not look at the
20 need for a project in a specific area, a specific
21 state. We are a federal agency so we'll look at
22 the need for a project for the entire nation. A
23 project like this where you're taking gas from the
24 Colorado area and running it basically if this
25 project is approved through approximately 1600

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1 miles of pipeline, you're feeding the grid. You
2 have to feed --

3 There's pipelines, hundreds,
4 thousands of miles of pipeline throughout the
5 country just like you guys have, Texas Eastern, on
6 your own property now. This project basically is
7 developed to feed to grid, to bring gas into the
8 system. This gas coming from Colorado could be
9 shipped to multiple areas, could be shipped to the
10 northeast, to the southeast, the southwest and
11 northwest. Multiple points on this project where
12 take off points and it's the multiple delivery
13 areas where this gas can go. So in generally we
14 don't look at just say the State of Ohio, does it
15 need this gas. This gas is meant to feed the
16 entire system of our nation.

17 That is a good point you had about
18 the existing pipeline corridor. We've actually --
19 These guys come in to file an application, that's
20 one of our requirements is that they look for
21 existing corridors to use first. And a lot of this
22 area they are co-located with existing pipeline
23 corridors, existing power line corridors, existing
24 roads. We want to try to keep them with existing
25 power line corridors or any existing corridor, you

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1 know, so they're not running cross country
2 everywhere on the pipeline wherever they want to
3 put it.

4 Then, you know, like in your
5 situation, you know, I was out there -- For the
6 record we were out to their property today, Mr.
7 Petty and Mr. Scothorn, and the fact is out there
8 you already have three existing Texas Eastern lines
9 and one liquid line.

10 We did look to see if we could --
11 You know they could squeeze another line through
12 your area, and we looked at that pretty hard today,
13 and we're gonna continue to look at that. But then
14 always the question comes up like in a tight area
15 that we were in today, the people that already had
16 existing pipelines or existing corridor, you're
17 bringing one more pipeline into that corridor. And
18 those people they think when is enough. You know
19 we already have three existing pipelines plus a
20 liquid line, now you're gonna put another natural
21 gas pipeline. So that's -- It's a complete
22 balancing act. It's very difficult.

23 Ferc -- We want to provide the
24 infrastructure to provide the gas to people who
25 need it. It's a balancing act. We protect the

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1 environment along the way, but we also want to
2 provide the infrastructure to supply the gas to
3 people who need it. It's a complete balancing act.
4 That's somewhat different than the rest of it. A
5 lot of our cooperating agencies, like for example,
6 the fish and wildlife service, they protect what
7 they -- you know, they protect the fish and
8 wildlife -- protects the -- and the fish, and so
9 they don't have to look at those areas, it's a
10 complete balancing act for Ferc.

11 This is not a done deal. I mean
12 I've seen projects of this nature go this long in
13 the process and go away. Or if it's on your
14 property right now it may change between now and
15 the final EIS. There are sometimes a lot of
16 confusion, like we were talking about a number of
17 things out there today on your property. The
18 confusion is there because they're always trying to
19 make the project better. Them being Rockies and
20 also Ferc, we're trying to make the project go as
21 smooth as possible. We're trying to make our
22 process work.

23 If you're hearing that it's a done
24 deal, that's like a needle into my back. I can't
25 stand the fact that people could come up here to

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1 the microphone and basically telling me that, you
2 know, the company rep will tell them, you know,
3 it's a basically a done deal, it's gonna be one way
4 or the other, that's not true. That's what Ferc --
5 that's what we're here to protect you with. There
6 are many alternatives we can look at just like we
7 looked at today, and we'll analyze those as far as
8 we can.

9 The depth of the pipeline, that is
10 -- you know, that's been a problem throughout the
11 entirety of this project, from Missouri to all the
12 way other to Ohio.

13 There is a condition that we have in
14 this document right now that states that in
15 agricultural areas it must have 5 foot minimum
16 cover of the pipe. Now there are gonna be
17 different areas where they run into -- we were
18 talking with the engineer today. Well they're
19 gonna be a lot deeper than that, so it will vary.
20 There is a minimum cover of 3 feet for these
21 pipelines.

22 But, also, you are right in an area
23 where they can't the pipeline into the ground. And
24 I don't believe in this project -- Do we have any
25 aerial crossings out of the ground for this

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1 project? No, we don't, they're shaking their head.
2 But there are projects in the northwest and certain
3 areas where you can't get it in the ground. You
4 know in the minimum you were stating it could be 2
5 feet of cover. You're right, sometimes they're
6 aerial crossings, but it's usually like -- or
7 certain areas of the rock that they can't get into
8 a narrow crossing, it's usually a last resort.

9 I think I touched on all of your
10 concerns. The communication thing, I urge you to
11 keep communicating with your right of way agent.
12 If you're not happy with you right of way agent,
13 call the company and ask for another one. If you
14 get another one and you're not happy with them,
15 call and ask for another one. If that's not
16 working, call Ferc. We have Office of Internal
17 Affairs, we have a number there, if you're not
18 happy with how you're being dealt with from the
19 company or anybody, just call us and let us know
20 that, we'll try to resolve that. The company will
21 work with that, also.

22 Does anybody have any questions for
23 me tonight? That's the last speaker. Sir. You
24 just come up to the mic. Everyone that has a
25 question will need to come up to the mic.

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1 MR. BILLINGS

2 MR. BILLINGS: B-i-l-l-i-n-g-s. We
3 own a horse farm in Pickaway County, the other
4 section of 752 and Route 671, and we've got some
5 huge concerns with the way this whole project has
6 been handled.

7 I guess in Pickaway County for
8 paying your taxes and trying to be a good neighbor
9 you get served a summons when you ask questions
10 about a pipeline with the Rex people. We asked
11 questions just like Mr. Petty and Mr. Scothorn, and
12 what we were given was a summons from the attorneys
13 that said you should have now been served with our
14 lawsuit from the Federal Court. So that's what we
15 were given. We were ordered to appear in front of
16 Judge Duncan and asked to explain why we didn't
17 want them to survey our property. So we had to go
18 out and hire counsel.

19 The communication that we had with
20 Rex, Tom Kenny, the project manager, we asked the
21 questions, told him that we weren't comfortable
22 with the survey. The next process that we were
23 given was court summons. So that's how this
24 process has been handled with the residence of
25 Pickaway.

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1 Some of the things that we have
2 great concerns about since we're a mechanical
3 contractor -- we've been involved with running pipe
4 for the last 30 years.

5 You made an earlier reference, sir,
6 to the fact that this pipe was gonna have a 5 foot
7 covering if it went through agricultural land, I
8 think that was your comment here a few minutes ago.

9 There's a mitigation agreement,
10 Agricultural Impact Mitigation Agreement that we
11 were furnished by Rex that says that the pipe will
12 have a minimum of 3 foot covering where it crosses
13 crop land. We consider agriculture in our -- in
14 this county.

15 Also it says "notwithstanding any
16 natural rock formations." If they run into any
17 rock they're allowed to have 2 feet of covering.
18 We're talking about a 42 inch gas line that has 1.8
19 billion cubic feet per day of natural gas flowing
20 through it that a dozer blade could easily uncover.
21 We're talking about a potential -- I know you made
22 reference a little while ago that they were gonna
23 have zero pressure valves that automatically shut
24 off. How far apart will those valves be, are they
25 a quarter mile apart, is the residents of Pickaway

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1 and Fairfield, Muskingum County get to face the
2 fact that they've got a quarter mile of 42 inch gas
3 line, that once it burst that's all that gets
4 disbursed into the area? So we've got a lot of
5 questions.

6 There's a lot of technology that's
7 out there. You made reference that they had a leak
8 detection system. What type of leak detection
9 system is going to be used, is it so many parts per
10 million leak detection, are they doing air sampling
11 stations, what's actually going to happen in our
12 county?

13 The information when we ask
14 questions as citizens of this county, we get served
15 summons, we get ordered into court, we have to go
16 secure legal advice in order to protect our land.
17 We've got farms, we've got people that have been
18 invested for generations in this area, and what we
19 get from Rex is we're gonna jam this down your
20 throat, we don't care whether you like it or
21 dislike it. We've got billions behind us.

22 I understand, also, in your
23 Zanesville meeting last night that it was -- some
24 people brought up the fact that the pipe is already
25 being delivered to Senecaville, and in Wilmington

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1 I-71 and 68 they've already started stockpiling the
2 pipe for the project. So if Rex has concerns about
3 not receiving Ferc approval, why would they start
4 shipping materials that are gonna be used for
5 installation on the pipeline? And I guess those
6 are things that can be verified, looked into, and
7 certainly be examined by your agency. If they're
8 stockpiling pipe, I think they're pretty
9 comfortable that things are moving in the right
10 direction for them.

11 You know they even have on their
12 website that when possible they will use existing
13 utility corridors, you've made reference to it.
14 All through our county we have existing utility
15 corridors that they can use. They have to purchase
16 those rights from other oil and natural gas and
17 electrical companies.

18 It seems to be from talking to the
19 project manager that certainly the most
20 cost-effective way for this for-profit corporation
21 was strictly to take farm land, which is certainly
22 not in agreement with your agency's charter. You
23 have rules that say we don't want to impact the
24 public, we don't want to impact municipalities, we
25 don't want to impact local citizens, we want to

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1 make it as easy on you as we can. They come to
2 town and say we're gonna do whatever we want to,
3 how we want to, and we've got the political muscle,
4 we've got the billions of dollars behind us.

5 You know something that residents in
6 our county need to understand, that one of the
7 major shareholders and partners in this agreement,
8 this Rex project is Kinder Morgan. Kinder was an
9 X-Enron official that was passed over for Shilling
10 by Kenneth Lay to be CEO at the company. I mean
11 it's just amazing that we have to trust this kind
12 of venture to X-Enron officials.

13 These people were behind one of the
14 biggest debacle in the history of the American
15 economy, and yet we're gonna have a government
16 sponsored loan that's gonna fund this program.
17 We're gonna come into Ohio and we're gonna take
18 resident's land by eminent domain.

19 When you talk to 'em about
20 alternative routes, as you alluded to a little bit
21 ago, you said there's a good possibility to look at
22 alternative routes. I spoke with the gentleman. I
23 invited him to my office. We sat down with the
24 maps that you brought here, we took a look at it.
25 He said, "We already have the fittings produced for

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1 the offsets on what we proposed to Ferc. We will
2 not change the line." That's the kind of responses
3 that the citizens of this county are receiving.
4 And I'm certain that our neighbors in Fairfield
5 County and Muskingum County have received the same
6 type of treatment.

7 No one has ever proven -- Mr. Petty
8 alluded to this a little earlier, no one has ever
9 proven that this project has a necessity. I mean
10 we have a boarder neighbor state, West Virginia,
11 that has gas reserves to supply to eastern part of
12 America for years. But we're gonna run a 1600 mile
13 pipeline across America, where we can run 300 miles
14 from the State of West Virginia, which is a boarder
15 state with us. I mean there's all kinds of other
16 alternative routes that could be used for this
17 pipeline.

18 First of all we need to determine,
19 you gentlemen are in charge of the public trust.
20 Are we spending the public's tax money correctly
21 here, because we are backing this loan in order to
22 put this pipeline across America. And it doesn't
23 make sense to me why citizens in this county, when
24 there's existing corridors, cannot sit down and
25 talk to people without receiving court summons.

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1 And you know the interesting thing
2 about this, there's -- I think there's about 30 of
3 us that got it in the beginning, but the people
4 sitting out in this room that are our neighbors
5 that own farms, it may not impact you now, but if
6 they decide to come across your property you will
7 get the same treatment that we received. You have
8 to secure legal advice to protect your home, to
9 protect your farm, to protect your business. It's
10 amazing. This is the United States of America. We
11 don't live in Russia. We should have the right to
12 purchase a farm, purchase a piece of land, purchase
13 a home and have it protected from independent
14 for-profit businesses running a 42 inch gas line
15 through the middle of your living room. And it's
16 amazing that in this country we cannot even define
17 whether we're gonna put 3 foot of dirt over it or 2
18 foot of dirt over it or 5 foot of dirt over it.
19 We've got documents that are floating around that
20 give all kinds of different explanations, all kinds
21 of different reasons; that we've got a for-profit
22 corporation that's already began shipping material
23 into our state; that they're that confident about
24 it. We need your help.

25 You're a government agency. You're

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1 out there to help our people. We need you guys to
2 stand up for us. We do not need X-Enron officials
3 being in charge of the natural gas supply for the
4 United States of America, and we certainly do not
5 need people involved that have backgrounds like
6 these gentlemen have that honestly you question
7 sometimes whether they ought to be out in the public
8 or they ought to be locked up somewhere.

9 We've got thousands of people that
10 lost their retirement savings, thousands of people
11 that lost their livelihood when Enron went down. I
12 don't want anything to do with people like that
13 running a gas line and our energy in America
14 depending on it. And we need you guys to help us.
15 We need you to step up and do what is right for
16 your fellow American citizens. Okay. Thank you.

17 DOUG SIPE: Thank you, sir. Very
18 good comments. I wrote down a couple things. The
19 stockpiling of pipe, I hit on that last night a
20 little bit.

21 The infrastructure is being built
22 and across the country right now is on a curve is
23 pretty high. The reason why you would see pipe
24 being delivered to an area before a project even
25 has authority to be built is because there are so

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1 many projects out there that are proposed
2 throughout the country, that the pipe yards and the
3 pipe mills themselves are completely jammed. They
4 have to order their pipe years sometimes in advance
5 of -- As soon as they make a proposal for a project
6 they need to order that pipe. The pipe mills
7 themselves can't store it all. So the pipeline
8 companies have to take delivery on certain, on
9 certain deliveries of the pipe. That -- you know,
10 and that's no reason why -- that they should be
11 able to tell you that we're not gonna -- to do an
12 alternative we're not gonna change the pipe because
13 we already have the pipe ordered.

14 What I'm trying to tell you is these
15 guys can take a company risk. They can purchase
16 easements before the Ferc goes to approve the
17 project. They can buy the pipe before Ferc approves
18 to vote on the project. That's a company risk. A
19 lot of companies out there are taking that risk.

20 If this pipeline project is denied,
21 that's their risk. That's their risk if they spend
22 their money on easements, that's their risk if they
23 spent the money getting the pipe here. But that's
24 the reason why, and we're getting that comment a
25 number of different places. I do these things all

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1 over the country, and the same thing is happening
2 out in Oregon, the same thing is happening in the
3 northeast, the same thing is happening a lot of
4 different places where people are starting to see
5 pipe delivered way before they get a commission
6 decision. That's a company risk.

7 Don't let the company, any company
8 tell you that that they're not going to do
9 something because they just don't want to do it.
10 We're hearing -- I've heard that throughout this
11 week that, you know, the company has made certain
12 decisions and they're, and they're resisting to
13 change certain of the decisions, why, well, okay,
14 they've purchased easements or they've already had
15 the pipe ordered. We have -- Ferc has the
16 authority to change this pipeline about any which
17 way we want to.

18 We can, if you look in the
19 environmental document itself, there's, I think 18
20 alternatives in there that we're asking Rex to look
21 into. Rex responded to a lot of those, I think
22 last week when I left to come out here. That's --
23 You know, we make educated decisions on how they
24 should be used. They're looking into alternatives
25 on how they should be routing the pipeline project.

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1 But just because they're telling you they're not
2 gonna do something, that's what we're here for. We
3 are here to protect the public and we are here to
4 make sure that they use some of those alternatives
5 that you guys would like to see them use and that
6 we would like to see them use.

7 Survey permission, that's your
8 right, you can deny a survey permission or you can
9 grant a survey permission. It's about a 50-50
10 spread across the whole project. A lot of people
11 give survey permission, some don't. That's 100
12 percent your right. And I apologize for you
13 especially, sir, and for the other people that
14 received that summons for them to come onto your
15 land to survey.

16 On the company's half of that is the
17 fact that the reason that they're doing that, and I
18 don't agree that that's the way had to go about
19 getting the survey access, is they need to, once
20 they are making a proposal for their project which
21 they have, they've already filed an application
22 with us. That is their proposal to construct this
23 pipeline on how they see fit to build it. That's
24 what we're looking for. But in order to do that,
25 they are required to provide us a lot of

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1 information. A lot of that information has to come
2 out surveys. That's why they're trying to get on
3 your property to survey your property.

4 Sometimes that -- it goes -- works
5 in your benefit, the public benefit. Once they
6 receive that access and they can survey your
7 property they may find cultural resource areas,
8 they may find T & E species, they may find
9 something that they, that they -- the reason they
10 would have to move off of your property or a
11 different way on your property. So surveys, they
12 need that information, we need that information to
13 make an educated guess. You don't have to give them
14 survey access.

15 Once the commission votes for this
16 project, if they vote "yes" for this project, then
17 they do have the right to come on your property,
18 through the use of eminent domain and to do the
19 surveys. Even at that point if they find something
20 that late in the game, they may still have to
21 change the project a little bit. But that's the
22 survey issue and it's a problem.

23 Again, Rex's proposal is what they
24 put in front of us when they filed the application.
25 That's what we are analyzing. That's why you see a

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1 149 conditions in this EIS. That's -- What we're
2 looking at this project and this is the -- those
3 conditions are basically stating that here, we need
4 a lot of information. That's a lot of conditions.
5 Other conditions are stating, well, could you move
6 the pipeline here or there or here, that's what the
7 alternative conditions are. So it's a lot of
8 conditions we put on these guys, and we still need
9 of that information to go forward with this
10 project. I think that's about everything that I
11 can answer.

12 BOB CLARK: Can you address the
13 government sponsored loan, where that government
14 money is coming from and is it a loan grant?

15 DOUG SIPE: The question is: Can I
16 -- Did you hear the question?

17 COURT REPORTER: Um-hum.

18 DOUG SIPE: Sir, what's your name?

19 BOB CLARK: Bob Clark from

20 Congressman Hopson's office.

21 DOUG SIPE: Bob Clark. I cannot --
22 the first -- that was the first I heard of the
23 government sponsored loan last night, and I'm gonna
24 -- I'm going -- I will answer that question at
25 tomorrow night's meeting. I have it wrote down

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1 here, government loan with a bunch of question
2 marks on it. I can't answer that question right
3 now, but I will tomorrow night.

4 BOB CLARK: Thank you.

5 DOUG SIPE: Thank you. Any other
6 questions? Sir.

7 STEVE DAVIS

8 STEVE DAVIS: My name is Steve
9 Davis, D-a-v-i-s and represent about 20 landowners
10 that are in the path. I was wondering if you might
11 tell folks what would you perceive to be the
12 earliest possible date that the certificate would
13 issue. Thank you.

14 DOUG SIPE: Right now the scheduling
15 notice -- Ferc is required now to issue a
16 scheduling notice for these projects required by
17 the Energy Policy Act of 2005. The scheduling
18 notice right now calls for the Final Environmental
19 Impact Statement to be issued on February 29th of
20 2008. After that, two months after that is usually
21 when you'll see a commission decision.

22 With most of these projects we have
23 a 442 method. Once the company files an
24 application, four months to a DEIS, four months to
25 a FEIS, which is the Final Environmental Impact

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1 Statement and a Draft Environmental Impact
2 Statement, two months after the final EIS you'll
3 have a commission decision. That's the general
4 rule. But we still need a lot of information.

5 We have a schedule that we put
6 together in the beginning, and the schedule is, you
7 know, we are in the business of providing
8 infrastructure to the people who need it for a good
9 project, that's what we do. We set a schedule in
10 the beginning. It's pretty tight for these
11 companies to follow actually. We have pre-filing
12 regulations, and then we have regulations
13 throughout the project, it's pretty tight for these
14 guys to make. Industry likes that the schedule is
15 tight and the schedule keeps moving, but what that
16 does is it requires them to provide us a lot of
17 information. Right now that's why you see so many
18 conditions in the Draft Environmental Impact
19 Statement, 149 of 'em. So that means they need to
20 provide us a lot of information between now and
21 February 28th. And they really need to provide us
22 a lot of information, at least a month before that,
23 so we can analyze the information and put that in a
24 document. So the time line is pretty tight, but
25 right now the way the schedule is set, the final is

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1 gonna come out February 28th and then two months
2 after that the commission will vote on the project.
3 That's the only thing I can't give you a direct
4 answer on is exactly when the commission will vote.
5 We can give our schedules on when we're gonna
6 produce our environmental documents, but we can't
7 actually tell you exactly when the commission is
8 gonna vote on it. A week before the commission
9 will vote on it it will be put on our website. But
10 you can go onto our website and you can look at all
11 the commission meetings that are set, it's every
12 third week. So you can follow the project, and you
13 know once the final, once the final comes out you
14 can basically at that calendar to see when they
15 could be on the agenda. I don't even know, a week.

16 What we do is we provide the
17 information to the Environmental Impact Statement,
18 along with other departments at Ferc, engineering,
19 markets. We put that in an order. The order goes
20 upstairs to the commissioners, and then the
21 commissioners take it from there and they vote on
22 the project. So all we do as staff is make
23 recommendations to the commission. Answer --
24 long-winded answer to your question.

25 STEVE DAVIS: I just -- if I might,

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1 I mean a lot of folks have seen different
2 projections whether that mean late April, anywhere
3 upwards early July in terms of when the certificate
4 might issue. And for the landowners facing the
5 prospect of eminent domain that date really
6 matters.

7 DOUG SIPE: I agree with you. Like
8 I said the schedules are tight and we basically on
9 certain projects get told when, what or schedule
10 has to be from our management, and then like I said
11 then what that happens is the company has to
12 provide us the information so we can analyze it and
13 get it in the document.

14 Other questions? We'll be here.
15 I'm gonna close the formal portion of the meeting
16 now, but we'll be here to answer any other further
17 questions you have. So going once.

18 Without anymore speakers the formal
19 part of this meeting will conclude on behalf of the
20 Federal Energy Regulatory Commission and the
21 Pipeline and Hazardous Material Safety
22 Administration. I would like to thank you all for
23 coming tonight.

24 Let the record show that the Rockies
25 Express East Pipeline Project Public Comment

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Meeting concluded at 7:00 p.m. Thank you.

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(At 7:00 p.m., the meeting adjourned)

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C E R T I F I C A T E

STATE OF OHIO)

) SS:

COUNTY OF PICKAWAY)

I, Terence M. Holmes, a duly qualified and commissioned notary public within and for the State of Ohio, do hereby certify that at the time and place stated herein, and in the presence of the persons named, I recorded in stenotypy and tape recorded the proceedings of the within-captioned matter, and that the foregoing pages constitute a true, correct and complete transcript of the said proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand at Cincinnati, Ohio, this 11th day of January, 2008.

My Commission Expires:
July 28, 2012

Terence M. Holmes
Notary Public - State of Ohio