

BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Docket No.
RUBY PIPELINE PROJECT : PF08-9-000

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Winnemucca Convention Center
50 W. Winnemucca Boulevard
Winnemucca, Nevada

Thursday, April 24, 2008

The above-entitled matter came on for scoping meeting, pursuant to notice, at 7:05 p.m.

Moderator: Dave Swearingen.

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

2 MR. SWEARINGEN: Good evening. My name is Dave
3 Swearingen. I'm an environmental project manager with the
4 Federal Energy Regulatory Commission.

5 And at the table -- the right side of the table
6 is Bill Regan with Merjent. And Merjent is an environmental
7 contractor who has contracted to help in the preparation of
8 the environmental impact statement.

9 John Muhlhausen was at the sign-in table, and
10 he's in the back of the room. He's also with Merjent.

11 And also at the table is Mark Mackiewicz with the
12 U.S. Bureau of Land Management.

13 Now the FERC is the lead federal agency for the
14 development of the environmental impact study. And the BLM
15 and the Forest Service are both cooperating agencies in the
16 development of the environmental analysis.

17 So on behalf of the FERC and the BLM, I want to
18 welcome all of you all here tonight.

19 Let the record show that the Winnemucca scoping
20 meeting began at 7:05 p.m., on April -- what is today? The
21 24th? April 24th. This is the 12th meeting I've had in the
22 last two weeks so they all kind of run together.

23 The purpose of this meeting is to give you the
24 opportunity to provide environmental concerns and comments
25 regarding the pipeline project proposed by Ruby, the Ruby

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1 Corporation.

2 Now in a few minutes I'm going to ask folks from
3 Ruby to come up and give a detailed overview of their
4 project to the level that they have. Right now we're kind
5 of early in the process so, you know, the maps that you've
6 seen so far are kind of general. And we understand that,
7 and I understand that.

8 So what I've decided to do is because this is
9 kind of early in the process I will be coming -- or I will
10 be most likely holding another scoping period later on this
11 year, in August or September, thereabouts, I will open up
12 another comment period so that once the project has been a
13 little further along in the development stage and more
14 details are known there will be another opportunity to
15 provide additional comments at that time.

16 Now the facilities that Ruby Pipeline is
17 proposing is about 680 miles of 42 inch diameter high
18 pressure natural gas transmission line. And it would begin
19 at the Opal Hub in Lincoln County, Wyoming, and extend to
20 the Mallin Hub in Klamath County, Oregon.

21 They're also proposing to
22 construct two additional compressor -- or two new compressor
23 stations.

24 Now the Ruby folks are here, like
25 I mentioned. They've brought some maps. So after I'm done

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1 with the public part and we've heard any environmental
2 comments then you can ask them any questions about their
3 route, if you have any.

4 Now I need to talk a little bit about the FERC
5 scoping process. That's where we are right now. We're in
6 what we call the PF -- the pre-filing part of this process.
7 The PF docket number is PF08-9. That's PF08-9. It's been
8 included in the notice that I sent to you. And a little bit
9 later on I'll tell you how you can use that docket number to
10 gain information from the FERC website on this particular
11 project.

12 Now Ruby has not filed a formal application.
13 They're going to be using this year as a pre-filing process
14 to help develop the route and listen to concerns and
15 hopefully minimize environmental impacts before they file a
16 formal application.

17 Once they file a formal application then the FERC
18 will assign a new docket number for the project.

19 The National Environmental Policy Act requires
20 that the FERC Commission evaluate the environmental impacts
21 associated with new natural gas facilities. The term we use
22 for this is scoping. So that's what I'm doing out here at
23 these meetings. I'm talking to from agencies, land-owners,
24 town folks, politicians, whoever has an interest in the
25 project, they come and they give me their environmental

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1 concerns.

2 Also, there's an opportunity to mail in concerns.
3 You don't have to speak tonight if you don't want to. You
4 can mail in concerns, write them down, or use the FERC
5 website to solicit them. But I'm here to listen to you
6 tonight, whatever environmental comments that you might
7 have.

8 The process started last month when I issued the
9 notice that most of you received in the mail. And that kind
10 of detailed the steps that we're taking here during the
11 environmental scoping, and also how we intend to prepare an
12 environmental impact statement, or an EIS for the project.

13 We set the ending date of this scoping period as
14 April 30th. But, like I said, I'll be opening up another
15 scoping period later on in the year.

16 So what do we do with these comments? Well, the
17 comments and concerns of an environmental nature, what we do
18 is we take them under consideration. When I say 'we' I mean
19 my staff resource team back at the Federal Energy Regulatory
20 Commission, the third-party contractors, Merjent folks that
21 we have working for us, and also the team of the cooperating
22 agencies, right now that being the BLM and the Forest
23 Service.

24 Together we will put all that into the mix and
25 develop an environmental impact statement. That will be

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1 issued in draft form at some point, and then another
2 opportunity for the public to make comments on the draft
3 environmental impact statement. Then those comments will be
4 taken into consideration; the draft will be revised. And
5 then a final environmental impact statement will be issued.

6 Now the Ruby folks anticipate filing their formal
7 application next January. So that means that this
8 environmental impact statement will be published some time
9 next year.

10 I need to differentiate between what the FERC
11 Commission does and what I do as part of support staff. I'm
12 with the environmental staff, and as I've explained, I'm
13 going to be helping develop the environmental analysis. The
14 FERC Commission will look at that, but that's not the only
15 thing they look at.

16 The FERC Commission is tasked by Congress to
17 determine whether or not interstate natural gas facilities
18 are in the public interest. So they take into consideration
19 things of a regulatory nature: markets, tariffs, rates,
20 designing cost, the public need, and they take that into
21 consideration along with the environmental impacts and then
22 decide whether or not to issue a certificate of public
23 convenience and necessity for the project -- that is,
24 whether or not to approve the project. So it's not just the
25 environmental, it's not just the regulatory, it's the whole

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1 picture before they decide whether or not to approve any
2 particular project.

3 Are there any questions about the FERC scoping
4 process or anything that I've talked about so far?

5 (No response.)

6 MR. SWEARINGEN: Okay.

7 With that I'm going to turn it over to Mark
8 Mackiewicz with the BLM and he'll explain the Bureau of Land
9 Management's position and what their responsibilities are in
10 the Ruby Project.

11 MR. MACKIEWICZ: Good evening. Again, my name is
12 Mark Mackiewicz. I'm a national project manager with BLM's
13 Washington, D.C. office.

14 The Bureau of Land Management is the lead federal
15 agency charged with granting right-of-way across all federal
16 lands, including lands managed by the United States Forest
17 Service.

18 Right now we are working closely with our local
19 BLM office, as well as our Forest Service offices in Utah as
20 well as Oregon in helping to identify resource issues and
21 concerns that the project may possibly have on federal
22 lands. And, as Dave mentioned, we're a cooperating agency
23 in this process, along with the Forest Service, in preparing
24 the environmental impact statement that we will utilize to
25 determine whether we should approve or not approve a right-

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1 of-way across federal lands authorizing use of federal lands
2 for the project.

3 And today again we are asking you for your
4 assistance in identifying possible alternatives, issues, or
5 mitigation measures or measures to lessen the impacts from
6 the proposed project. And we look forward to hearing your
7 concerns tonight.

8 Thank you.

9 MR. SWEARINGEN: Okay. Thanks, Mark.

10 Next on the agenda I think we have somebody from
11 Ruby who would like to give an overview of the project.

12 Dan, is that you?

13 Okay. That will be Dan Gredvig with Ruby
14 Pipeline.

15 (Pause.)

16 MR. GREDVIG: Thanks, Dave and Mark. I
17 appreciate your letting us present our project.

18 I apologize. With the depth of the room here you
19 may not see anything -- or everything -- as I go through it.
20 And when we get done if you have any questions or want to
21 come up and take a look at the presentation that I've got.
22 But I'm hooked to the sound here so it's a little bit
23 difficult.

24 Ruby Pipeline LLC is a joint effort from El Paso
25 Natural Gas Company or El Paso Corporation, out of Houston,

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1 Texas. Our home office where we operate out of is our
2 Colorado Springs, Colorado office.

3 We're partnered with Pacific Gas & Electric. We
4 just completed an open season process for looking for
5 subscriptions for our natural gas pipeline capacity. That
6 ended on Friday the 18th. Marketing is still working on
7 those issues with those prospective shippers. And so out of
8 that we may have additional partners.

9 So right now it's El Paso Company and Pacific Gas
10 & Electric.

11 This pipeline is being operated and constructed
12 by Colorado Interstate Gas Company. When I started with
13 this company 27 years ago that's who I went to work was
14 Colorado Interstate Gas Company. Through a series of
15 mergers we are now El Paso Corporation.

16 CIG started building pipelines back in 1928, and
17 so did El Paso Corporation. CIG has 44- or 4500 miles of
18 interstate pipeline system. El Paso Corporation, North
19 America's largest transporter of natural gas has over 43,000
20 miles of interstate natural gas pipelines.

21 We provide natural gas and related products in a
22 safe, efficient, and dependable manner.

23 So that's who Ruby Pipeline is.

24 Our project is 680 miles of 42 inch natural gas
25 pipeline, starting in the southwest corner of Wyoming, Opal

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1 hub, where we'll have a compressor station at that location,
2 going across northern Utah, northern Nevada, just north of
3 Elko we plan to have a compressor station just north of
4 Elko, continuing across northern Nevada and ending at the
5 existing hub in Mallin, Oregon.

6 This pipeline will facilitate getting natural gas
7 out of the Rockies area of the Wyoming, Colorado, Utah, and
8 transporting it to the westerly markets. Now whether that
9 market is in Utah, Nevada or Oregon or California, we have
10 the opportunity to ship gas and we are the transporter of
11 the gas. We don't own the gas but we're transporting it.
12 And so we're looking for opportunities anywhere along the
13 pipeline in order to facilitate that delivery of natural
14 gas.

15 Our timeline is we're in the prefiling process
16 with the Federal Energy Regulatory Commission and with the
17 Bureau of Land Management. We began that process in January
18 of 2008. We have begun our civil survey work on the ground.
19 We're also doing our environmental and archeological, our
20 NEPA and 106 compliance.

21 We'll be moving from the prefiling process of
22 FERC to the filing of process January of 2009. We're going
23 to be asking for a record of decision from the Bureau of
24 Land Management and a certificate and a notice to proceed
25 from the Federal Energy Regulatory Commission the first or

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1 second quarter of 2010. That's when we'll start pipeline
2 construction. And we'll have the in service flowing gas by
3 the first quarter of 2011.

4 That's kind of our project at a glance.

5 Where we're at now, we're doing that survey work
6 on the ground. We are trying to perfect our routing. When
7 we started on that route that you saw on the map it was just
8 that: it was trying to connect the dots. The customers on
9 one end saying they want the natural gas and we on the other
10 end know where the gas is at in Wyoming, so we're trying to
11 marry the two together and find the best route. And that's
12 what we're working on right now.

13 When it comes to safety, everybody's concerned
14 about safety, no one more than we are. Whether it's
15 hydrostatic testing that we do at the initial stage once the
16 pipeline's constructed -- we fill the pipeline with water --
17 we don't fill the entire length of it at one time but we
18 cascade it through sections. But we test it to the 1440 psi
19 that the pipeline is designed to. That hydrostatic testing
20 of the pipeline tells us if we have any failures in our
21 welds, our seams, and the pipeline integrity as a whole.

22 After that pipeline's in service we install
23 pipeline markers over the top of the pipeline to identify
24 its location and how to notify us. We monitor the pipeline
25 24 hours a day, seven days a week, 365 days out of the year.

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1 We've got a gas control center in Colorado
2 Springs, Colorado. We've got block valves along the line
3 spaced every 20 miles. We can tell the pressure in that
4 pipeline, where the pressure is. And if there are any
5 anomalies or changes in that gasoline pressure we can effect
6 change on that pipeline at those locations.

7 We routinely inspect the pipeline. And for
8 maintenance, whether it's on the ground or in the air, we
9 all use all methods and forms of inspection of that pipeline
10 looking for third-party damage, third-party encroachment,
11 third-party damage, erosion, areas that, you know, as far as
12 revegetation goes.

13 We also coordinate very closely with local
14 emergency services, whether it's the highway department, the
15 sheriff's department, local hospitals, ambulance services.
16 If there is an incident that involves our pipeline or
17 doesn't, we need to be involved. So we want to be involved
18 in that preparatory things that go on with the emergency
19 services.

20 We also periodically hold public awareness. We
21 either have town hall meetings or we go door to door. We
22 hand out calendars; we hand out magnetic notifications that
23 hang on your refrigerator so you know how to get a hold of
24 us. If there's a situation going on we want you to contact
25 us so that we can be out there and locate our pipeline or

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1 handle any incidents that might happen.

2 Our contact information. It's really important.
3 If you have any questions or you know anybody that has any
4 questions about our project we do have our website. And I
5 know you can't see this this far back. But it is
6 www.rubypipeline.com.

7 I'm going to leave this contact information up
8 here when we get done. But you'll find all of our -- the
9 company people that are involved in this project, we all
10 have our contact information at that website.

11 You can also post questions to us, besides
12 posting them at the FERC website. We've got questions at
13 rubypipeline.com. Please feel free to send any questions.
14 I do a lot of the answering of those questions. And if I
15 can't personally answer them I'm going to find the people
16 that can and get you to the appropriate people.

17 And then we also have our contact information,
18 800 numbers to give us a call. These numbers or others are
19 on our pipeline location markers out in the field as well.

20 That in a nutshell is our project. I'll leave
21 this up here and we can go over any of these other points at
22 a later date after the public part of this presentation or
23 if you want to copy down any of the contact information.

24 Thank you.

25 MR. SWEARINGEN: All right. Thank you, Dan.

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1 We're at the part of the meeting here where if
2 you have any environmental comments or concerns that's when
3 you would present them to me. And you can also use it to
4 ask some questions of Ruby. We're, you know, not in any
5 rush for time and there's not a whole bunch of people here,
6 so we can kind of have a little back and forth if you need
7 to.

8 The only thing I would ask is because this is
9 being transcribed that I'll hand you the microphone. You
10 need to speak into it so that all the information can be
11 picked up on the record.

12 Also before you speak if you would state your
13 name and also spell it so the transcription is accurate.

14 So does anybody have any environmental comments
15 or questions that they would like to give to me associated
16 with the Ruby project?

17 (Pause.)

18 MR. SWEARINGEN: Yeah.

19 MR. SPAULDING: Yeah. My name is Matt Spaulding,
20 M-a-t-t S-p-a-u-l-d-i-n-g. And I'm with the Department of
21 Interior's Bureau of Indian Affairs. So I'm here
22 representing these two northern Nevada Tribes that the
23 pipeline's going to be going pretty close to, the McDermott
24 Tribe and the Summit Lake Tribe.

25 And the McDermott Tribe contacted me, the

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1 chairman did the other day about this. I told him I was
2 coming to this meeting. And one of the questions he had or
3 one of the things he was concerned about was I guess he was
4 approached by someone with this project about possibly using
5 their Hogjohn Ranch property to camp on, which wouldn't be a
6 big problem. But he was saying it would be a camp of 600 to
7 700 men with their equipment.

8 And so my question there would be, you know, how
9 big are these camps and how quickly do they move through,
10 because we have livestock grazing going on in there and, you
11 know, if we have a lot of disturbance we may have to reduce
12 the permit, things like that. So that's my first question
13 and concern.

14 The next question and concern is probably the
15 more important one. I noticed on your maps there that
16 you're going to go about a quarter of a mile north of the
17 Summit Lake Reservation -- or you're proposing to. And it's
18 probably already been brought up by the local BLM office.

19 But right through there is the Mahogany Creek and
20 Summit Lake drainages, which is one of only two populations
21 of Lahontan cutthroat trout, which are on the endangered
22 species list as threatened. And it's one of only two
23 populations that actually reproduces naturally with no
24 assistance from man, no hatchery, no nothing. These fish
25 are doing it all by themselves.

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1 And it's an excellent fishery. And it's been
2 used to restock pretty much all the LCT populations that we
3 have in the intermountain west.

4 So it's a very, very important fishery and the
5 Tribe is very concerned about it and they're very concerned
6 about how close the pipeline's going to the Mahogany Creek
7 drainage and the cutthroat protection area that the BLM
8 administers, and how close it's going to the actual
9 reservation where the lake is that the fish reside in
10 between spawning grounds.

11 So those are my two concerns that I needed to
12 bring up.

13 MR. SWEARINGEN: Okay. I appreciate those
14 concerns.

15 Some of the routing questions that you might have
16 I'll let somebody from Ruby, you know, talk to you
17 individually about that.

18 In general we are aware of the cutthroat trout
19 issue being brought up by both the Fish & Wildlife Service
20 and the BLM offices. And that is something very important
21 on the radar screen that we will be covering in the
22 environmental impact statement. I appreciate you
23 reinforcing that point.

24 The question about the amount of people that will
25 be working on the spread and where they will be staying I'll

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1 answer from a general nature. And if somebody from Ruby
2 wants to answer more specifically that will be fine.

3 In general, on any particular project we do a
4 socioeconomic impact analysis which will disclose -- or we
5 ask the company to tell us how many people do you expect to
6 be working at any given location and where are they going to
7 stay, because in some places there's plenty of rooms and
8 hotels and motels and established places for people to stay,
9 and then there are places along, you know, stretches of
10 miles and miles of nothing where there isn't that type of--
11 And so the company needs to tell us where these people are
12 going to stay and what kind of socioeconomic impact they
13 would have. And in some instances that does include camps
14 and, you know, as the type that you're describing.

15 So that is something that we will look at. I
16 don't have any specific information about the workers for
17 the Ruby project. It's kind of early in the stage for me to
18 know about that.

19 Does anybody from Ruby have any comment on that?

20 MR. GREDVIG: Again Dan Gredvig of Ruby Pipeline.

21 To address your question, it was raised by the
22 McDermott Tribe when we had our scoping meeting last week in
23 Elko. And I talked to Duane Masters, I believe his name is.
24 And when we were talking about, you know, where the people
25 were going to stay and what opportunities there were, you

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1 know, the question was were we crossing any Tribal Lands or
2 any reservation lands and the answer is no. And so he just
3 suggested at that time to me that maybe there was a
4 possibility that a camp or staging area or something could
5 be located on Tribal Lands as a possible benefit to the
6 Tribe.

7 Now we have not explored that possibility. You
8 know, that was a great suggestion on his part. And we'll
9 certainly consider it and see, you know, how it fits in.
10 And then if it's a logical place for us to have an operation
11 of that nature then we would certainly include that in our
12 NEPA analysis and doing that.

13 And then as far as routing, that is our preferred
14 route. But until we -- going south of the Sheldon between
15 the Sheldon and Summit Lake. But until we get out there and
16 actually get it surveyed we won't know how that crossing
17 would be, how we would cross those streams and where the
18 actual alignment would be. But that's part of this survey
19 process that we're going through.

20 MR. SPAULDING: I just -- one last thing. I just
21 want to make sure that it's on the record that the Summit
22 Lake Tribe and the BIA are very, very concerned about this,
23 along with Fish & Wildlife and BLM. We have the fiduciary
24 trust responsibility on these reservations for the Tribal
25 Trust assets. And that trout population is a biggie.

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1 MR. SWEARINGEN: Okay.

2 MR. SPAULDING: It's a huge deal.

3 MR. SWEARINGEN: Thank you very much.

4 Anybody else who wishes to provide comments?

5 (No response.)

6 MR. SWEARINGEN: Okay.

7 If not, what I'll do is I'll go ahead and close
8 the public part of the proceeding here. The folks from Ruby
9 will hang around if you want to ask them some more project
10 specific questions or look at some maps.

11 As I said, this is on the public record. There's
12 going to be a transcription that's going to be published.
13 If you want to purchase a copy of the transcripts within the
14 next ten days talk to the gentleman who's making the
15 transcript.

16 As I said before, the FERC website can be used to
17 access information about this project. So if you go to the
18 FERC website, which is www.ferc.gov -- that's [www.f-e-r-](http://www.f-e-r-c.gov)
19 [c.gov](http://www.f-e-r-c.gov) -- you can type in the docket number -- well, first of
20 all you click on the link called elibrary. Click on
21 elibrary and then type in the docket number. You can get
22 any and all information that's on the public record for the
23 project.

24 That means anything that Ruby has filed with the
25 FERC or anything that the FERC has issued with regard to

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this project that's on the public record, you can look at it, read it, download it, print it off. You can, you know, get that information.

There's also another helpful tool from the FERC website and that's a link called esubscription. If you type on esubscription and enter your email address, any time something is filed or issued you will get an automatically-generated email that will link you to whatever it was that was filed or issued. So if you really want to be engaged, you know, later on they'll be filing stuff on a regular basis; you'll get those emails that tell you that something's happened with regard to the project.

So on behalf of the Federal Energy Regulatory Commission and the BLM, I want to thank you all for coming here tonight.

Let the record show that the Winnemucca scoping meeting concluded at 7:30 p.m.

Thank you.

(Whereupon, at 7:30 p.m., the public scoping meeting was adjourned.)