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BEFORE THE

FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Docket Number

OREGON LNG TERMINAL AND PIPELINE :

PROJECTS : PF07-10-000

:

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Woodburn High School  
Lectorium  
1785 N. Front Street  
Woodburn, Oregon

Thursday, May 22, 2008

The above-entitled matter came on for scoping  
meeting, at 6:45 p.m., Doug Sipe presiding.

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

(6:45 p.m.)

MS. KOCHHAR: Good evening. On behalf of the Federal Energy Regulatory Commission, referred to as FERC or the Commission, I would like to welcome you all here tonight.

This is an Environmental Scoping Meeting for the Proposed Oregon LNG and Pipeline Project. Let the record show that the public scoping meeting began at a quarter of 7:00, May 22nd, 2008.

My name is Medha Kochhar, and I'm the FERC Project Manager on this Project. Mr. Douglas Sipe is sitting up front here, and he is the Oregon Project's Coordinator. Mr. Douglas Boren of FERC, he is in the back there at the tables, helping everybody out there. He is also from FERC.

There's another person, Mr. Todd Mattson who is walking down the aisle. He is the Project Manager from HDR. HDR Company, we have hired as our third-party contractor to prepare the Environmental Impact Statement.

Tonight I will refer to the Environmental Impact Statement as the EIS. The reason for tonight's meeting, is to gather information from the public on the Oregon LNG and Pipeline Project, that we should consider when we are preparing the EIS for the Project.

1           Tonight's meeting will be organized in four  
2 different parts: First, I will spend a few minutes  
3 describing the FERC and the FERC's review process.

4           Then Ms. Kimbra Davis, of the U.S. Department of  
5 Transportation, Office of Pipeline Safety, will make a short  
6 presentation describing their role in pipeline projects.

7           Then we have also requested the Oregon LNG to  
8 make a short presentation about the project, what the  
9 project is.

10           Finally, a majority of the meeting will be  
11 dedicated to gathering comments from you on this Project.  
12 During that portion of this meeting, those would like to  
13 present comments or concerns about the Project, will be  
14 asked to come forward and present comments to us.

15           These comments will be recorded by the Court  
16 Reporter in the FERC's Project records. The Court Reporter  
17 has set up all the stuff here, and he's in the back here.

18           FERC is an independent agency and it regulates  
19 the transmission and sale of natural gas for resale in  
20 interstate commerce. It regulates the transmission of oil  
21 by pipeline in interstate commerce.

22           It approves the siting and abandonment of  
23 interstate natural gas pipelines and storage facilities, and  
24 ensures the safe operation and reliability of proposed and  
25 operating LNG terminals.

1           It also oversees environmental matters related to  
2 natural gas and hydroelectricity projects and major  
3 electricity policy initiatives.

4           And in addition, it licenses and inspects  
5 private, municipal, and state hydroelectric projects.

6           The FERC's main offices are located in  
7 Washington, D.C., just north of the United States Capitol.  
8 FERC has up to five Commissioners who are appointed by the  
9 President of the United States, with the advice and consent  
10 of the Senate.

11           Commissioners serve five-year terms and have an  
12 equal vote on regulatory matters. One member of the  
13 Commission is designated by the President to serve as the  
14 Chair and FERC's administrative head.

15           FERC has approximately 1200 Staff employees,  
16 including myself. The Commission includes Chairman Joseph  
17 Kelliher, Commissioner Jon Wellinghoff, Commissioner Marc  
18 Spitzer, Commissioner Suedeen Kelly, and Commissioner Philip  
19 Moeller.

20           The National Environmental Policy Act of 1969, is  
21 the law that requires preparation of an EIS for most major  
22 construction projects, and is overseen by the Federal  
23 Government. For the Oregon LNG and Pipeline Project, FERC  
24 is the lead agency for the preparation of the EIS.

25           The U.S. Coast Guard and the U.S. Army Corps of

1 Engineers, will assist us in the preparation of the EIS.

2 The regulations require that the agencies analyze  
3 the environmental impacts, consider alternatives, and  
4 provide appropriate mitigation measures within the EIS.

5 Regarding our process, we have begun what is  
6 called FERC's prefiling environmental review of the project.  
7 The purpose of the prefiling process, is to encourage  
8 involvement of government entities, the public, and other  
9 interested stakeholders, in a way that allows for the early  
10 identification of environmental issues, as well as ways to  
11 avoid or minimize environmental impacts.

12 A formal application has not yet been filed with  
13 the FERC, however, the FERC and cooperating agency staffs  
14 have already started our environmental review.

15 Since starting the prefiling process, we have  
16 begun reviewing information provided by Oregon LNG and  
17 participated in numerous meetings with Oregon LNG and  
18 various other federal, state, local agencies, Native  
19 American tribes, and other interested stakeholders.

20 In addition, a key part of the FERC's prefiling  
21 process, is to seek input from the public. Some of you may  
22 have already attended FERC public scoping meetings for this  
23 project, similar to this one, that were held way back in  
24 September of 2007.

25 These meetings were held after the original

1 Notice of Intent to Prepare the EIS for the project, was  
2 issued on August 24, 2007. The purpose of that Notice and  
3 those meetings, was to gather information from the public on  
4 issues or concerns that we should be aware of when preparing  
5 the EIS.

6 Since the original Notice of Intent was issued,  
7 Oregon LNG has changed its project, specifically the routing  
8 of the main pipeline route has changed and the project now  
9 includes a nine-mile long pipeline lateral, as well as an  
10 electric compressor station in Northern Washington County.

11 Because of these changes, the FERC recently  
12 issued a Supplemental Notice, describing the current project  
13 and public scoping meetings, including this meeting, to  
14 gather additional input from the public.

15 The purpose of this Supplemental Notice of the  
16 additional scoping meetings, is to provide the public with a  
17 formal opportunity to provide any new comments on the  
18 project that we should be aware of as we prepare the EIS.

19 In addition to the FERC-sponsored public  
20 meetings, you may have attended the public open houses held  
21 by Oregon LNG to provide information about the project to  
22 landowners that might be directly or indirectly affected by  
23 the project, and to gain feedback from the landowners and  
24 other stakeholders, about issues they have concerns about  
25 the initial routing work or the pipeline that had been done

1 to date.

2 During those meetings, Oregon LNG provided  
3 information about the project and had staff on hand and  
4 could answer questions about the routing process that was  
5 used, engineering, design, and construction of the pipeline  
6 and the environmental review process.

7 Oregon LNG also has made available, detailed maps  
8 and aerial photos showing the pipeline route to all  
9 interested parties. Today, also, Oregon LNG has brought  
10 alignment sheets, photo maps, so if you are interested, you  
11 can look at your property, and if you have questions, you  
12 can discuss them with the Company people

13 AUDIENCE PARTICIPANT: Excuse me, ma'am. Could  
14 you speak English? I can't understand a word you said.  
15 Maybe you can -- somebody else can read that for us. Your  
16 enunciation is very poor.

17 MS. KOCHHAR: I'm sorry, sir.

18 AUDIENCE PARTICIPANTS: (Inaudible.)

19 AUDIENCE PARTICIPANT: Why don't you get off and  
20 have somebody else read it?

21 MS. KOCHHAR: I'm sorry, sir, I have to read this  
22 one.

23 The routing issues --

24 AUDIENCE PARTICIPANT: (Inaudible.)

25 MS. KOCHHAR: The routing issues and concerns

1 that were collected from those meetings, were subsequently  
2 documented and filed with FERC as part of our pre-filing  
3 process.

4 Oregon LNG has indicated that they have revised  
5 the route in several locations, based on comments received  
6 at those meetings, and are continuing to work on route  
7 refinements with landowners and agency staff.

8 Because this is a formal scoping meeting held to  
9 meet the project scoping requirements of the National  
10 Environmental Policy Act, the main purpose is to solicit  
11 input from the public on issues you feel should be addressed  
12 in the EIS that we will prepare for this project.

13 These issues generally focus on the potential for  
14 environmental effects, including economic impacts, but the  
15 also address construction issues, mitigation, the  
16 environmental review process, and the need for the project.

17 During our review of the project, we will  
18 assemble information from a variety of sources, including  
19 Oregon LNG, you, the public, other state, local, and federal  
20 agencies, and our own independent analyses and field work.

21 We will analyze this information and prepare a  
22 Draft EIS that will be distributed to the public for  
23 comment. If you want a copy of the EIS, either paper copy  
24 or in CD form, there are three ways to let us know:

25 You can send a written comment to FERC or you can

1 sign up at the sign-up sheet at the sign-up table tonight,  
2 or you can return the information request form that was  
3 included in the Supplemental Notice of Intent.

4 You must do one of these three things to ensure  
5 that you stay on our mailing list. Make sure your address  
6 is correct.

7 If you received a copy of the Supplemental Notice  
8 in the mail, you are on our mailing list.

9 After the Draft EIS is issued, you will have at  
10 least 45 days to review and comment on it.

11 Toward the end of the comment period, we will  
12 schedule a public comment meeting similar in format to this  
13 one, to hear comments on the Draft EIS.

14 At that meeting, you will have an opportunity to  
15 provide your comments on the Draft EIS, orally. Of course,  
16 anytime during the comment period, you can submit written  
17 comments, and at the end of the comment period, we will use  
18 your comments and new information that we have gathered, to  
19 finalize the FEIS.

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

23 After the Final EIS is issued, the FERC  
24 Commissioners will use our findings to assist in their  
25 determination on whether to approve or deny a Certificate

1 for the project.

2 Before we start taking comments from you, Ms.  
3 Kimbra Davis, who is sitting by me here, of the U.S.  
4 Department of Transportation, Office of Pipeline Safety,  
5 will make a short presentation about OPS's role in pipeline  
6 projects.

7 Then we have requested Oregon LNG to make a short  
8 presentation about the proposed facilities, and their  
9 consultants, CH2MHill, will make a short presentation.

10 If you prefer to send written comments, please  
11 pick up one of the handouts from the sign-in table, which  
12 provide instructions on how to make it easy for you to send  
13 written scoping comments to us.

14 It is very important that any comments you send,  
15 include our Docket Number. The Docket Number for this  
16 project is P, as in Peter, F, as in Frank, 07-10-000.  
17 Again, it's PF, P, as in Peter, F, as in Frank, 07-10-000.

18 If you do send us a comment letter, please put  
19 this number on it. That will ensure that I or members of  
20 the Staff evaluating the project, will get your comments.

21 The Docket Number for the Oregon LNG and  
22 Pipeline Project, once again, is P, as Peter, F, as in  
23 Frank, 07-10-000.

24 The written comment period will end on June 12,  
25 2008, however, we encourage you to submit your comments as

1 soon as possible, in order to give us time to analyze and  
2 research the issues. I would like to add that the FERC  
3 strongly encourages electronic filing of all comments.

4 The instructions for this can be located on our  
5 website, [www.ferc.gov](http://www.ferc.gov), under the e-filing link. The  
6 comments handouts at the sign-in table, provide additional  
7 information about electronic filing of comments.

8 If you want to speak tonight and have not already  
9 done so, please sign up on the speaker's list, and come to  
10 the microphone when your name is called. That will allow  
11 the process to be orderly and your comments to be recorded  
12 by our Court Reporter.

13 Let's do this in a civilized manner. We are here  
14 to receive your comments. Again, the purpose of tonight's  
15 meeting is to gather information from you, however, at the  
16 end of the meeting, if we have time, I or one of our other  
17 FERC Staff members, are here tonight to answer your  
18 questions.

19 I will also ask the representatives of Oregon LNG  
20 to try to answer questions that you may have about the  
21 project itself. Doug Sipe will try to answer any questions  
22 on FERC policy or process.

23 (Pause.)

24 Each person is given three minutes to provide  
25 comments, however, if we have more time at the end, we will

1 give you more opportunity to provide your comments.

2 Any comment related to the process, again, should  
3 be addressed to Doug Sipe, and he is the Oregon Project  
4 Coordinator. Now, I request Ms. Kimbra Davis of the U.S.  
5 Department of Transportation, Office of Pipeline Safety, to  
6 come forward and make a short presentation. Thank you.  
7 Kimbra?

8 MS. DAVIS: Good evening. Can everyone hear me  
9 okay?

10 AUDIENCE PARTICIPANT: No.

11 MS. DAVIS: My name is Kimbra Davis and I'm a  
12 Community Assistance and Technical Services Project Manager.

13 AUDIENCE PARTICIPANTS: Can't hear you.

14 MS. DAVIS: That was a no, you cannot hear me?

15 AUDIENCE PARTICIPANTS: Cannot.

16 MS. DAVIS: How about now?

17 AUDIENCE PARTICIPANTS: That's better.

18 MS. DAVIS: If, at any point during this, you  
19 can't hear me, please let me know, and I'll talk louder.

20 My name is Kimbra Davis, and I'm the Community  
21 Assistance and Technical Services Project Manager for the  
22 Office of Pipeline Safety. This is the branch of the U.S.  
23 Department of Transportation and Pipeline and Hazardous  
24 Materials Safety Administration, also known as PHMSA.

25 I'd like to thank FERC for the opportunity to

1 provide an overview of the Office of Pipeline Safety  
2 pipeline safety program, as well as our oversight for LNG  
3 facilities.

4 First, I'd like to address pipeline regulatory  
5 oversight and then conclude with information on the role of  
6 PHMSA with regard to regulatory oversight of LNG facilities.

7 If Oregon LNG receives permission from FERC to  
8 construct the pipeline, the Office of Pipeline Safety, in  
9 cooperation with our state partner, the Oregon Public  
10 Utilities Commission, will maintain regulatory oversight  
11 over the safety of the pipeline.

12 This oversight includes inspections, to ensure  
13 that the pipeline is constructed of suitable materials,  
14 welded in accordance with industry standards by qualified  
15 welders, installed to the proper depth, protected from  
16 external corrosion, and properly pressure-tested before use.

17 Beyond the construction process, we conduct  
18 periodic inspections of operations and maintenance  
19 requirements, as codified and required by 49 CFR Part 192.

20 The operator must establish comprehensive,  
21 written procedures describing the types and frequencies of  
22 monitoring, to ensure the continued safe operation of the  
23 pipeline. The monitoring that an operator must perform,  
24 includes: The adequacy of external corrosion prevention  
25 systems; the operability of pipeline valves and pressure

1 control equipment, patrols of the right-of-way, and leak  
2 detection surveys.

3 In addition to this routine monitoring, PHMSA  
4 regulations now require transmission pipeline operators to  
5 implement integrity management programs. These programs  
6 include periodic integrity assessments of transmission  
7 pipelines in highly populated areas.

8 These assessments provide a comprehensive  
9 understanding of the pipeline condition and associated  
10 risks. A well constructed and maintained pipeline, must  
11 also be properly operated.

12 Operators must ensure, by our regulations, that  
13 personnel performing operations, maintenance, or emergency  
14 response activities, are qualified to perform these  
15 functions.

16 Additionally, our regulations require pipeline  
17 operators to implement public awareness programs to improve  
18 awareness of the pipeline within communities.

19 (Pause.)

20 Compressor stations are also a crucial component  
21 of natural gas transmission systems. Natural gas may travel  
22 thousands of miles from production areas to gas distribution  
23 systems. Friction against the inside of the pipeline,  
24 reduces the pressure and constrains the flow of gas.

25 Compressor stations are placed periodically along

1 the transmission pipeline, to increase gas pressure and  
2 enable the continued transportation of natural gas.

3 Our regulations require extensive safety systems  
4 at compressor stations, including gas detectors in all  
5 compressor buildings, pressure control devices to prevent  
6 excessive pressure in piping and components, relief valves  
7 to vent excessive pressure from piping and components,  
8 emergency shutdown systems, fire protection facilities, and  
9 enhanced design and construction testing requirements.

10 With respect to liquefied natural gas  
11 facilities, the Office of Pipeline Safety has regulatory  
12 authority for the safety of these land-based LNG facilities.  
13 These regulations apply to the construction, operation, and  
14 maintenance of the land-based facilities.

15 The Office of Pipeline Safety regulations for LNG  
16 facilities, are codified in 49 CFR Part 193, which  
17 incorporates many of the requirements of the National Fire  
18 Protection Association's Standard 59(a).

19 During construction, OPS regional staff inspects  
20 to ensure that the construction complies with the  
21 construction requirements of Part 193. Impoundment around  
22 tanks and pipelines, control the spread of LNG, if a release  
23 occurs. Firefighting and vapor suppression systems are  
24 installed to mitigate the consequences of any release.

25 Prior to commencing operations, the facilities

1 operator must establish detailed procedures that specify the  
2 normal operating parameters for all equipment. The  
3 facilities operator must develop and follow detailed  
4 maintenance procedures to ensure the integrity of various  
5 safety systems.

6 Gas detectors, fire detectors, and temperature  
7 sensors automatically activate firefighting and vapor  
8 suppression systems. Emergency shutdown devices activate  
9 when operational parameters extend beyond the normal range.

10 The Office of Pipeline Safety enforces  
11 violations that it finds, and enforcement can include civil  
12 penalties or orders directing action. In addition, if OPS  
13 finds circumstances that are hazardous, it can expeditiously  
14 require correction through corrective action orders.

15 Again, thank you for this opportunity to provide  
16 an overview of the Federal Office of Pipeline Safety's  
17 safety programs.

18 MS. KOCHHAR: Thank you, Kimbra. Now I will  
19 request CH2MHill's Mark Bricker, and Ted Potter to come  
20 forward and make a short presentation about the project.

21 (Inaudible, off-microphone discussion.)

22 MR. BRICKER: Yes, there is some new things.

23 (Inaudible, off-microphone discussion.)

24 MR. BRICKER: My name is Mark Bricker, and I'm  
25 here tonight for Oregon LNG. First slide, please.

1 (Slide.)

2 MR. BRICKER: I wanted to give you a brief  
3 overview of what the proposed project is. The proposed  
4 project is an import LNG terminal and sendout pipeline.

5 Is this working at all? This is horrible.

6 (Pause.)

7 MR. BRICKER: The project has a nominal capacity  
8 of one billion standard cubic feet per day, with a peak  
9 capacity of 1.5 billion cubic feet per day. That would  
10 translate to approximately 100 LNG vessels per year, and  
11 would be about two to three per week, ranging in size from  
12 70,000 cubic meters to 266,000 cubic meters.

13 The markets served would be the Portland --  
14 excuse me, the Pacific Northwest, Oregon, Washington, and  
15 Idaho. The Portland metro area is the closest and would be  
16 the first market served, and is one of the largest markets  
17 in the Pacific Northwest.

18 Gas not used in the Pacific Northwest, would be  
19 available to other western U.S. markets. Next slide,  
20 please.

21 (Slide.)

22 MR. BRICKER: I want to overview what the  
23 proposed marine facilities are, the major components.  
24 There's a dock, pier, turning basin and unloading equipment,  
25 and all that's located in an area zoned Aquatic Development

1 A-1, which is a zoning compatible with water-dependent,  
2 shore-based development.

3 One of the new elements that some of you may, if  
4 you follow the project -- we have a dredging required for  
5 the turning basin, and that's not new, but the quantity is  
6 new. It's 1.3 million cubic yards for 97 acres. We've  
7 added an additional wedge area on the western side, at the  
8 request of the Columbia River Bar pilots, to straighten out  
9 the western edge of the dredge footprint in more alignment  
10 with the Columbia River navigation channel.

11 That material has all been characterized. It's  
12 mostly clean sandy material. There is some indications of  
13 some wood residue in the area along the Skipannon River.  
14 Next slide.

15 (Slide.)

16 MR. BRICKER: The proposed LNG terminal is  
17 located at River Mile 11.5 on the East Skipannon Peninsula.  
18 The area is zoned water-dependent industrial shorelands.

19 The main features on the site, are going to be  
20 three full containment tanks, each 160,000 cubic meters in  
21 size. Each would be approximately 250 feet in diameter and  
22 175 feet tall.

23 There's a spill containment and collection  
24 system. The vaporization will be done by ambient air  
25 vaporizers with supplemental natural gas-fired boilers. To

1 supplement that, there's vapor handling equipment, including  
2 an emergency flare, and then administrative offices and  
3 control rooms.

4 (Slide.)

5 MR. BRICKER: For just a quick overview, this is  
6 the Skipannon Peninsula where the proposed terminal would be  
7 located, if it's permitted. In the background here, is the  
8 airport and then the coast range is in the far background.

9 This is an overview of plan view of the proposed  
10 terminal facility, the three tanks or the three circles here  
11 in the upper part of the drawing. It surrounded by an oval  
12 looking feature. That's a containment dike that's there to  
13 --

14 PARTICIPANT: (Inaudible.)

15 MR. BRICKER: The Skipannon Peninsula was built  
16 and constructed out of dredge disposal, so it sits on dredge  
17 spoil.

18 The oval feature there is a containment dike, 13  
19 feet tall, primarily to protect the tanks from a tsunami  
20 flood elevation.

21 Down here in this direction of the facility, is  
22 where the ambient air vaporizers are located, as well as the  
23 secondary gas-fired boilers, and then on the left-hand side  
24 over here, is the administrative buildings and things like  
25 that.

1 (Inaudible, off-microphone discussion.)

2 PARTICIPANT: I'm soon going to be up front,  
3 taking as many questions as you want. Let this presentation  
4 (inaudible).

5 MR. BRICKER: The last slide here for the  
6 terminal, and then we'll have just three or four slides for  
7 the pipeline.

8 This is a visual simulation of what the proposed  
9 project might look like. Again, the prominent features  
10 would be the three LNG storage tanks. There is a simulation  
11 of what an LNG tanker would be, out at the dock; the  
12 vaporization equipment down here, as well as the offices and  
13 warehouse and that type of thing.

14 MR. POTTER: This is Ted Potter. I'm a pipeline  
15 engineer. This is the route that's located on the maps out  
16 front, that has much bigger scale. Go ahead, next.

17 (Slide.)

18 MR. POTTER: The 36-inch pipeline is 121 miles.  
19 It's proposed maximum allowable operating pressure is 1400  
20 to 1440 psi. It interconnects from Warrenton down to  
21 Mollala Gate Station, where it connects to the Northwest  
22 Natural system, as well as the Williams Northwest Pipeline.

23 A lot of the sections of the route, 121-mile  
24 route, follow BPA power lines, Western Electric Coop  
25 electric lines, UP Railroad, as well as property lines, et

1       cetera.

2                   There is a 100-foot wide permanent construction  
3       easement, and, in that, there's a 50-foot permanent  
4       easement, and, in wetlands, the 100 foot is brought down to  
5       75 feet. Next.

6                   (Slide.)

7                   MR. POTTER: The new sections that have been put  
8       into the project, are these two. One is a 9.5-mile natural  
9       gas pipeline that's a 24-inch line that runs from about  
10      Timber Junction and Highway 26, over to just south of the  
11      Mist Storage Fields.

12                   It connects into the Northwest Natural system  
13      there, the South Mist Pipeline Extension, which is a 24-inch  
14      pipeline, as well as the South Mist Feeder Pipeline, which  
15      is a 16-inch pipeline.

16                   Also, at just south of the Timber Junction and  
17      Highway 26 crossing, there is a proposed compressor station.  
18      Once the pipeline would get over 1.2 billion cubic feet a  
19      day, to get to the peak flow of 1.5 billion, a compressor is  
20      required, and that compressor would be installed at that  
21      location, provided it's permitted.

22                   It's 28,000 installed horsepower and it's  
23      electrically driven. There's a substation there, as well,  
24      and power would come off the BPA 115 KVA power lines. Thank  
25      you.

1 (Pause.)

2 MR. SIPE: Can you hear me? We are having  
3 difficulty with the mikes, and a lot of people are sitting  
4 in the rear of the room, so if you're having trouble  
5 hearing, if everyone could move up towards the front, that  
6 would probably help.

7 Again, my name is Doug Sipe. I am the Oregon  
8 Project Coordinator. The Chairman has named me that,  
9 because there are so many proposals for pipeline projects in  
10 the State of Oregon.

11 We do realize there's a lot of confusion among  
12 the stakeholders, among the agencies we work with, so the  
13 Chairman named me as a single point of contact for the  
14 projects in Oregon.

15 I've worked with a lot of agencies this week, I  
16 met with a lot of local agencies this week, and it's just  
17 that -- I am still the Project Manager for the Palomar Gas  
18 Transmission Project, but also I took on the rest of the  
19 projects also.

20 I have several speakers on the list tonight to  
21 speak. How am I going to do this? I'll -- I learned this  
22 last night from a teacher up where the LNG facility is being  
23 sited; that I'm going to call the first speaker, but I'm  
24 also going to say who's on deck, so, whoever is on deck, if  
25 we can just keep the meeting moving, because we have this

1 facility until 9:30.

2 The first speaker on the list is Lolita Carl, and  
3 the next speaker I have, is Susan Ross. Please, when you  
4 come up to the mike, again, state your name and spell your  
5 last name for the record.

6 MS. CARL: Lolita Carl. Our father was born in a  
7 tent 91 years ago on our family farm. After the barn was  
8 built, that's how important farming is, and before the house  
9 was built.

10 Five generations of my family have been on our  
11 farm. There are still four generations living on the farm.

12 This LNG pipeline will be devastating to Marion  
13 County. Agriculture is the number one industry in Marion  
14 County, with over half a billion last year.

15 The path of the pipeline will cut right through  
16 drain tiling in the fields. It can turn acres and acres  
17 into unusable land, not just the right-of-way.

18 A farmer in southern Oregon told me that the gas  
19 pipeline from Scapoose Bay to Roseberg, made a muddy mess  
20 every time it rained. It rains a heck of a lot more here.

21 He also said the pipeline never paid him, because  
22 he had to get a survey done first. Then the Company went  
23 bankrupt.

24 Oregon LNG says we can have annual crops, well,  
25 hazelnuts are an annual crop and we were going to add to our

1 orchard, right where the pipeline is scheduled.

2 I have seen flax, alfalfa, hazelnuts, timber,  
3 apples, berries, grapes, sheep, beef cattle, hay, wheat,  
4 oats, and numerous other crops grown our farm in just my  
5 lifetime. If we farmers can't be responsive to market  
6 demands, we can't stay in business.

7 We would have lost our family farm a long time  
8 ago, if we were restricted on what we grew. Peter Hanson  
9 and his buddies are trying to tell us we need this gas, but  
10 the Oregon Department of Energy says we don't.

11 The Oregon Department of Energy says LNG is too  
12 dirty and too costly. It also says Oregon's natural gas  
13 needs would be better served by natural gas from North  
14 America, not shipped across the Pacific, leaving a filthy  
15 carbon footprint; not with ships that are 180 feet wide and  
16 1,000 feet long, and the have to be super-cooled and then  
17 regasified.

18 Oregon LNG is a private investment company trying  
19 to bully us into giving up our land for a pittance. They  
20 can use that right-of-way over and over again, adding more  
21 pipelines.

22 That's so they can make millions off of us. They  
23 don't care about Oregon. They don't care about clear-cuts,  
24 landslides, stream habitat devastation, and our public  
25 lands.

1                   That pipeline in southern Oregon, crossed 160  
2                   creeks in the coast range. If you look at that map out  
3                   there and see where this pipeline goes across all of our  
4                   public lands, you'll understand that this affects every  
5                   Oregonian. We all own that land.

6                   We are going to devastate our environment.

7                   By the way, I'm really glad some of you are  
8                   wearing name tags, because it's really hard to tell FERC  
9                   from the pipeline people.

10                  I want to read something from an article in the  
11                  Oregonian. Bill Barton is Field Operations Director of the  
12                  Native Forest Council:

13                  Under the guise of national security, the Federal  
14                  Government would condone the condemnation of private  
15                  property for the benefit of corporate profit. It also would  
16                  take and trash public assets and property for that same  
17                  corporate profit. Farmland that has been family-owned for  
18                  generations, would be split and restrictions placed on its  
19                  use. The litany of ill effects could go on, but the winners  
20                  and losers of the proposed LNG projects, are already  
21                  apparent.

22                  The industry stands to make a lot of money while  
23                  the planet, the country, our state, and future and current  
24                  generations of people, fish, and wildlife, will all pay a  
25                  heavy price.

1                   We can't afford to walk this regressive path.  
2           Let's take the billions of dollars that would subsidize  
3           their boondoggle and invest it, instead, in renewable energy  
4           sources in Oregon. Let's show the world that we have the  
5           courage and the will to make ourselves independent of  
6           foreign fossil fuels.

7                   Many years down the road when the gas is gone and  
8           the money is spent, we will have invested in our children  
9           and their future, instead of winding up with an empty  
10          pipeline and a devastated environment. Thank you.

11                   (Applause.)

12                   MS. CARL: Thank you. The next speaker is Susan  
13          Ross, and, on deck is Kathleen Carl.

14                   MS. ROSS: My name is Susan Ross. Oregon LNG's  
15          design isn't safe. The design of the terminal, with a  
16          docking pier at the end of a trestle, means there's only one  
17          method of egress from the ship, and that's overboard into  
18          the River.

19                   If a carrier was docked along the shoreline or  
20          parallel to a dock, there would be many ways off the boat,  
21          but in the current design, if something happened aboard the  
22          ship or to the pipeline or trestle that blocked access to  
23          the docking pier, the crew would be trapped on the boat and  
24          public safety personnel wouldn't be able to get to the  
25          problem, except by boat.

1                   I'd like to see another design or at least ask  
2                   the Company to explain how this is acceptable under safety  
3                   regulations.

4                   Additionally, Oregon LNG knows that construction  
5                   of the proposed terminal and associated facilities at this  
6                   location, will result in the permanent loss of wetlands from  
7                   fill placement.

8                   The mouth of the Columbia River is a rich habitat  
9                   for marine life, sea birds and many other species. We  
10                  generally work to preserve wetlands, especially in  
11                  environmentally critical areas like the mouth of the  
12                  Columbia River.

13                  I don't see how losing any wetlands in this area,  
14                  could be compatible with the state and county's land use  
15                  goals. Before processing this application, Oregon LNG  
16                  should be required to disclose their wetlands mitigation  
17                  plan, in detail, not just vague promises.

18                  Speaking of wetlands, I heard from someone who  
19                  lives in the area, they happen to be out at the Skipannon  
20                  Peninsula just last week and saw surveyors working next to  
21                  Oregon LNG's site. When asked what they were doing, the  
22                  surveyors said they were staking out property for a company  
23                  that's planning to build a children's estuary education  
24                  center.

25                  I want to believe there are rules against

1 constructing an LNG terminal next to a place where kids are  
2 going to be, and I'd like to know what they are. Wouldn't  
3 this center be located within a so-called thermal flux zone?

4 Frankly, I think an education center is much  
5 better use for that area, anyway, but if the terminal moves  
6 forward, would FERC, the county, the city, and the port,  
7 want such a dangerous facility next door to a place filled  
8 with children. That seems insane to me.

9 FERC should ask how Oregon LNG plans to ensure  
10 the safety of those children; better yet, you should tell  
11 them why this shouldn't be allowed to begin with.

12 To be honest, I can't understand why FERC would  
13 even process an application from someone who claims to be an  
14 LNG developer, yet obviously lacks the common sense to  
15 secure the property where they're proposing to construct  
16 their project.

17 Seventeen known or recorded cultural sites are  
18 near their proposed construction, including the -- is that  
19 my time? No? -- the Warren property site, near the  
20 Skipannon River mouth, the Jeffers site near Warrenton, a  
21 prehistoric archeological site on the bank of the Lewis and  
22 Clark River, a Doughboy Logging Camp south of Warrenton,  
23 three prehistoric archeological sites in the Whapato Lake  
24 area, a prehistoric village site located in the Whapato Lake  
25 area, a prehistoric archeological site located near Yam

1 Hill, two historical archeological sites located near St.  
2 Paul, two historical archeological sites and grave marker  
3 located near Hubbard, the Crabapple Tree historic site near  
4 Mollala, and a prehistoric archeological site near Mollala.

5 In addition, the Confederated Tribes of the Warm  
6 Springs Grand Run and Sleds, were contacted by Oregon LNG  
7 about their project. The tribes voiced concern about the  
8 areas of potential effects, quote, "definition and other  
9 issues related to the prevention of unauthorized access to  
10 sensitive cultural sites."

11 This project cannot be allowed to go forward. It  
12 will impact and likely destroy forever, valuable cultural  
13 and historical sites. Thank you.

14 MS. CARL: My name is Kathleen Carl. I'm on the  
15 Board of Marion County Farm Bureau, the County, for those of  
16 you who don't know, which we're standing in right now, and  
17 our Board voted unanimously last night to oppose the  
18 pipeline proposed by LNG Development Company, LLC and Oregon  
19 Pipeline Company.

20 (Applause.)

21 MS. CARL: Since our opposition letter still  
22 needs to be composed, I'd like to express my personal  
23 reasons for opposing this pipeline.

24 First, I do not believe we need this. In the  
25 western regions, based on figures from a FERC website,

1 Oregon uses four percent of the natural gas in the region;  
2 California uses 59 percent.

3 This pipeline is for Californians, who have  
4 already rejected having a pipeline sully their shores and  
5 countryside.

6 Since each terminal proposed, will have a daily  
7 output capacity that is much greater than what Oregon  
8 consumes -- and this is from the Oregon Department of  
9 Energy, ODE's report on May 7th -- these larger and more  
10 numerous pipelines are planned for gas that Oregon does not  
11 need.

12 From that report, it says natural gas from North  
13 America can likely provide adequate natural gas to meet  
14 Oregon's needs for the foreseeable future.

15 Second, if we need more natural gas, it would be  
16 cheaper to get it from sources in the Northwest. ODOE  
17 Director Michael Graney -- that's Oregon Department of  
18 Energy -- said that liquified natural gas supplied to  
19 Oregon, would likely cost substantially more than natural  
20 gas produced in North America, so we can get it cheaper and  
21 closer here.

22 Third, environmentally speaking, this project is  
23 not clean, in spite of what some have suggested. Again,  
24 from the Oregon Department of Energy, quote, "Liquified  
25 natural gas supplied to Oregon, would have significantly

1 more life cycle CO2 costs than local gas."

2 That is because of the large transportation costs  
3 to bring gas here to Oregon and because of the process used  
4 to liquify and regasify the natural gas.

5 I'm also concerned about when they said two to  
6 three vessels a week. I cannot imagine those vessels coming  
7 over the entrance to the Columbia and unloading all of that  
8 every week.

9 All of this does not even reflect the terrible  
10 damage that will be done to forests, farms, and possibly to  
11 the beautiful Columbia River.

12 So, my last reason for opposing this pipeline, is  
13 that it will ruin the farms of many Oregonians and the  
14 natural resources that keep our hillsides forested and full  
15 of wildlife, and our Columbia River clean and all those  
16 other streams that it's going to pass over.

17 Those of us who farm and want to continue to  
18 farm, have fought many battles to keep farmland safe in  
19 Oregon. Within the last year, this County and the State  
20 supported Measure 49, an attempt to keep as much farmland  
21 viable as possible.

22 The LNG proposal is an imposition from  
23 outsiders, who simply want to make money in a way that will  
24 decimate our countryside. Oregon Pipeline is wasting our  
25 time. We don't need this; we don't want this.

1                   We have gone to hearing after hearing, sometimes  
2                   learning about those hearings secondhand, and we have  
3                   protested. Please, FERC, reject this and the other two  
4                   unnecessary LNG terminal proposals in Oregon.

5                   These pipelines are not the smartest option to  
6                   meet the need for natural gas supplies in our region. And,  
7                   again, it says in here, that we don't -- in the report --  
8                   there is an overcapacity of existing LNG facilities in the  
9                   United States, and there's a huge LNG facility being built  
10                  in northern Baja California, part of Mexico, that will  
11                  supply enough.

12                  So I say no. Thank you.

13                  (Applause.)

14                  MR. SIPE: Thank you. Next to speak is Pat Ross,  
15                  and then the next speaker I have, is Ivan Vistica (ph.)

16                  MS. ROSS: My name is Pat Ross. I'm here as a  
17                  member of the Mollala CPO and of the Mollala Chapter of the  
18                  Oregon Citizens Against Pipelines.

19                  This Oregon LNG project, if completed, will  
20                  devastate many farmers and small woodland owners in this  
21                  area, for no good reason.

22                  This and the other LNG projects, have already  
23                  caused a tremendous amount of emotional stress on those  
24                  landowners who stand to lose millions of dollars from loss  
25                  of crops they cannot raise on forest pipeline right-of-ways.

1           A one-time condemnation fee is insufficient  
2           compensation for a lifetime easement.

3           I can't see very well.

4           (Pause.)

5           Let me clean my glasses. Sorry.

6           (Pause.)

7           Okay, as other landowners will tell you of  
8           specific and personal harm, due to the project and its  
9           changes, I would like to speak of the process, the  
10          application and review process of siting foreign fossil fuel  
11          installations and associated pipelines in Oregon and the  
12          U.S.

13          The fact that my governmental agency, FERC,  
14          leaves the analysis of the need for a project, the expected  
15          benefits of its project, and the environmental and social  
16          impacts of a project, to a private company who stands to  
17          reap huge financial rewards, appears to be more like a  
18          dictatorship than a democracy.

19          A democratic government should be of the people,  
20          by the people, and for the people. FERC's first  
21          responsibility should be to American citizens of the United  
22          States, not private, for-profit speculative companies.

23          I would like to think that FERC processes are  
24          truly transparent and objective, but, unfortunately, FERC  
25          appears to be a federal body charged to provide the illusion

1 of regulation, while working in partnership with private,  
2 for-profit energy speculators to facilitate their project  
3 applications.

4 (Applause.)

5 MS. ROSS: I have witnessed during meetings, that  
6 neither FERC nor the private corporations proposing these  
7 projects, appear to have any appreciation for the Oregon  
8 style of land use goals and planning that have made our  
9 state such a desirable place to live.

10 When FERC states that the market will determine  
11 the need, that clearly demonstrates just how out of touch  
12 FERC is with citizen values in Oregon and many other states.

13 Remember, we are a country of individual states  
14 with individual state laws and rights.

15 The present context of carrying out Section 311  
16 of the 2005 Energy Act, siting a foreign LNG terminal, which  
17 carries with it the Natural Gas Act that provides  
18 Certificates of Necessity and Convenience in the interest of  
19 the public good, eminent domain, is very flawed.

20 I could not find in the Energy Act, any wording  
21 that the determination of need shall be left to the market.

22 This portion of the Energy Act, as interpreted by  
23 FERC, is moving America in the wrong direction, and I, as a  
24 taxpayer, object.

25 The objective should be to become independent of

1       unstable, manipulative countries, for our energy needs.  
2       Once LNG gas is available, it will undermine the plans  
3       already underway to convert to renewable energy.

4               It may not affect my present generation, but the  
5       future of our planet is doomed, if we do not change our  
6       energy philosophy now.

7               Oregon and America are working for renewable and  
8       sustainable energy sources. Senator Wyden of Oregon, has  
9       submitted Senate Bill 2822, to repeal Section 311 of the  
10      Energy Act.

11              The state or regional governments should  
12      determine the need for public utilities and services, if  
13      eminent domain is involved. Making Oregon the gas station  
14      for California, is not the answer. If California needs gas,  
15      natural gas, the only rational way is to put stations as  
16      close as possible to the end users.

17              You have that authority and you should use it  
18      wisely. Thank you for the opportunity to speak. I do not  
19      believe that --

20                      (Pause.)

21              I do not believe that my comments will make any  
22      change to FERC's decisions, but as a concerned citizen, I  
23      must speak out against something that is truly wrong for our  
24      state and country. Thank you.

25                      (Applause.)

1                   MR. SIPE: I think I missed Kay Peterson. I did  
2 that, so she could be next on the list. That was my fault.

3                   MR. VISTICA (Ph.): C. Ivan Vistica (ph.),  
4 landowner. I want to read a little bit out of an editorial  
5 from the Capital Press of January 10, 2003:

6                   Pipeline Doesn't Fit On Farmland: One size  
7 doesn't fit all in a diverse state shared by a rain forest  
8 and desert life, but without the land use laws.

9                   This man said he and his neighbors would be out  
10 of business, and the rich soils from which they entice  
11 choice foodstuffs would be quickly paved over.

12                   He goes on. Perhaps one size does not fit all,  
13 but a proposal to run a gas pipeline through the fertile  
14 farmlands of Washington County, is a reminder of the reasons  
15 land use laws were enacted three decades ago by the State of  
16 Oregon's citizens.

17                   Some of the finest agricultural land to be found  
18 anywhere, was turning into factories, housing, strip malls,  
19 freeways, and related developments, all trampling over  
20 supplies in favor of development.

21                   Other choices do not amount to an invasion of  
22 farmland and should be examined, using rights-of-way already  
23 committed to roads or utilities, and moving the pipeline  
24 closer to where most of the people live.

25                   And we go on here, no matter how much effort goes

1       into making the pipeline unobtrusive, it constitutes and  
2       infringement on choice farmland and a further erosion of the  
3       farmers' right to farm.

4               A gas pipeline through the fertile fields, just  
5       isn't a good fit.

6               Now, I put something together here a while back,  
7       for the Grange, and I'll read that to you, also, tonight, to  
8       get it in. Where it fits in your Environmental Statement, I  
9       don't know.

10              The Federal Energy Regulatory Commission has the  
11      authority legislated by Congress, to grant permits to  
12      pipeline companies for construction of port terminals and  
13      pipelines.

14              The FERC, Federal Energy Regulatory Commission  
15      permits allow the pipeline companies to use eminent domain  
16      procedure to obtain involuntary temporary and permanent  
17      easements to construct port terminals and pipelines on and  
18      across private property zoned exclusive farm use and forest  
19      land use.

20              The pipeline companies state that they require  
21      125-foot wide temporary easement construction corridor for  
22      constructing the pipeline, retaining a 50-foot wide  
23      permanent easement upon completing construction.

24              Now, 50-foot wide permanent easement excludes  
25      fences, deep tillage, growing woody vegetation that involves

1 trees, shrubs, nursery products, as well as trellised  
2 berries and other vines requiring trellises.

3 I said that it excludes all that. Private  
4 property owners must continue paying the annual real  
5 property taxes on the involuntary easements, without any  
6 compensation from the pipeline companies.

7 Now at this point, I'm standing up here and I  
8 just want to tell you that I'm deadly opposed to the  
9 terminals up there on the Astoria area, and the one on the  
10 Columbia River there near Bradwood, and I don't want to see  
11 any pipelines this big in the state of Oregon.

12 It's not serving us people here in the country,  
13 in the farmland, and there's been talk that they've got to -  
14 - in the future, it's going to be, but there's other things  
15 coming down the line, other things that the Department of  
16 Energy from Oregon has submitted to you folks.

17 (Pause.)

18 And they had statistics here about gas  
19 consumers, natural gas consumers, by state, in 2005, and you  
20 had California that had consumed 59 percent of the region  
21 over here, which is the Rocky Mountains west to the coast,  
22 Pacific Coast.

23 Oregon fit in there with only four percent, so I  
24 don't know where it come all of a sudden that they had to  
25 have a lot of gas here in the Northwest.

1           Now, when you started out tonight, I didn't  
2 understand a thing that was said and what they read from. I  
3 did get this in the mail, about this scoping process, and I  
4 don't know how you're putting this EIS together, or will put  
5 it together.

6           I've told the pipeline companies, project  
7 managers, a long time ago there in 2007, that I'm not going  
8 to let them on the place to do anything.

9           Now, I've got telephone calls and they were  
10 turned down. So I don't know how you can do your job.

11           Now, when you was over there at Mollala, that was  
12 for a different pipeline company, but it was the same idea.  
13 I had mentioned that over there, too. And I think you were  
14 over there at Mollala.

15           I was, and you had a nice crowd over there. We  
16 could hear and it was one of the best shows we had that  
17 evening.

18           The last time you were in Woodburn, you were down  
19 at the City Hall and that worked our real well.

20           And I see security people floating around here  
21 tonight, just because somebody yelled out down there at the  
22 City Hall, and that got more publicity in the local  
23 newspaper, than we get today for this meeting.

24           Now, I want to read something out of here that I  
25 read that you folks sent to the federal, state, and local

1 government agencies and elected officials, potentially  
2 affected landowners, and Indian tribes and other interested  
3 groups, and to the local libraries and the newspapers.

4 And then you have, we encourage government  
5 representatives to notify their constituents of this planned  
6 project, encourage them to comment on their areas of  
7 concern.

8 I didn't look around tonight earlier, but I don't  
9 see them here tonight, so I don't know what's happening that  
10 the message didn't get out. We got nothing in the local  
11 newspaper, which we get quite a bit about the groups here  
12 that are against this pipeline.

13 I'm looking through here at what I thought you  
14 was reading from tonight. I'm not done yet, so I've got --  
15 how many have you got left over there? Quite a few?

16 I am? I'm getting the floor for awhile. I feel  
17 pretty good here, because I think you're all against the  
18 pipeline. Is that right?

19 (Applause.)

20 MR. VISTICA: Okay. I'm trying to be respectful  
21 of these people who work for the government, because I did  
22 at one time myself, in the military, as well as the State  
23 Highway Division here in Oregon.

24 (Pause.)

25 Okay, it says the EIS will discuss the impacts

1 that could occur as a result of construction, operation, and  
2 maintenance of the proposed project under these general  
3 headings. And not one thing is said in here about the human  
4 beings involved.

5 If we are not part of the environment, why aren't  
6 we?

7 It says here to ensure your comments are  
8 considered, please follow the instructions in the Public  
9 Participation Section of the NOI, Notice of Intent of some  
10 kind.

11 Okay, when you was here before, you had some  
12 things you identified and some things you didn't. I see  
13 half the list here, you have finally listed what the folks  
14 had to tell you.

15 There's one here, though, that sticks and, that I  
16 don't like, and it says use of eminent domain for project  
17 development. It's going to be more than that.

18 It's going to take a few acres on our place, out  
19 of the regular farm work, the way we were set up, and they  
20 have to weave around an irrigation pump and also have to  
21 weave around what they call a service water source for your  
22 irrigation. That will have to be -- they'll probably try  
23 and have me move the thing down the river or up the river.

24 I'm already up the river with just this program.

25 Then you have in here, potential cumulative

1 impacts resulting from multiple pipeline projects in the  
2 region, and that is for sure.

3 Again, I'm going to say that I don't know how  
4 you're going to put this EIS together, when you can't get on  
5 the land to see what's there, and I don't know what's in the  
6 public document, unless you're relying on that, public  
7 documents.

8 The one thing I didn't like here last Fall, was  
9 that the -- I don't remember which one it was, but one of  
10 the pipeline companies had a meeting in Portland, and  
11 invited members from the Marion County Soil and Water  
12 Conservation District up into that meeting in Portland.

13 And the only way I found out about it, was  
14 through my brother, who is Board of Directors on that Soil  
15 and Water Conservation District. And I got to see a copy of  
16 what the guy wrote as a memo to the file, and I just --  
17 there's too many things that these companies have been  
18 doing, coming in the area, going with these public agencies,  
19 getting their confidence and favoritism, then when we come  
20 in before these public agencies and squeal about this thing  
21 that's happening to us, it looks like we're just being  
22 nullified right off the bat.

23 Now, I still intend to give you a written  
24 statement. I get how many days after tonight to get that  
25 in? Forty-five?

1                   What do you mean, a lot? You guys quitting or  
2 something? I see a 45-day period allowed to review -- oh,  
3 that's the review of that Draft EIS.

4                   Now, tell me again, how thick is that EIS when  
5 you get it printed up in book form or on paper? Is that  
6 about the size of a Sears Roebuck catalog, before they went  
7 out of business?

8                   My poor mailman, when I get that, and poor me, I  
9 have to read all that.

10                  What's the deadline here? We have to get it all  
11 into you folks, you've got to have it in by June 12th; is  
12 that right?

13                  MR. SIPE: That's the scoping time.

14                  MS. VISTICA: Yeah, that's what I'm asking.

15                  MR. SIPE: That's the NEPA scoping timeframe.  
16 Certain projects under NEPA are very small, and after the  
17 scoping period is over, that project (inaudible) public  
18 comment. We follow NEPA also, but you have a lot of time.

19                  Oregon LNG does not plan on filing an  
20 application (inaudible.) Oregon LNG has not filed an  
21 application, but they plan on doing this later, and when  
22 that's going on, we use the 4/4/2 method.

23                  Once they file an application, four months after  
24 that, we'll have a draft EIS on the street; four months  
25 after that, a final EIS on the street; two months after

1 that, will be a Commission decision.

2 The example for that schedule, is the Bradwood  
3 Landing project, and they did not meet those timeframes.  
4 That is a general timeframe.

5 MR. VISTICA: Well, I sure appreciate that long-  
6 term steps they have to go through there. If they were  
7 flying an airplane, I don't know where they'd land it with  
8 what the process has to go through, but I'm glad about that.

9 I'm hanging on to this mike here, so that I don't  
10 give it up here, so that you people get delayed going home.  
11 I think you're staying in town here someplace.

12 I hope you've gone out along the -- been here --  
13 I think you people were here this morning, in front of  
14 Clackamas County's Board of Commissioners, or somebody was,  
15 from the Federal Energy Regulatory Commission. I hope  
16 you've gone out there and actually looked at all this  
17 pipeline route, but I haven't seen you on my place and  
18 better not see you on there without you coming to the house.

19 I thank you for allowing me to have a little ease  
20 of expressing myself here tonight, and I do want to tell you  
21 that I've been around this farm country for quite a number  
22 of years, and I feel very disturbed about this pipeline  
23 attempting to come through here.

24 And that fellow that was written up here a few  
25 weeks in the Sunday Oregonian, Barnett or something like

1 that, was his name, he's some head of one of the petroleum  
2 companies or whatever it was, and he says the people are not  
3 using logic; they're all emotionally upset about this, but  
4 what else does he expect from us when he's over there  
5 encroaching on our property.

6 Sure, we're upset, we're darn mad about it.

7 (Applause.)

8 MR. VISTICA: Now, how do you put that in an EIS  
9 statement? I don't know. If it's any example of the way  
10 you used to do for me when I was in the State Highway  
11 Division, I wrote a paragraph in a suggested draft that they  
12 wanted me to put together for the Federal Highway  
13 Administration.

14 When it got down on the front desk of the State  
15 Highway, it never showed it in the letter that I got back  
16 that they sent out. That paragraph stayed out of there, and  
17 it was a thing that I felt the State of Oregon had to object  
18 to, and they didn't want to put it in there, because they  
19 get 90 percent of their funds from gasoline taxes from the  
20 government for their roadways at the time.

21 I had a little story I wanted to tell here  
22 tonight, but I forgot it. Oh, I know what it was. I think  
23 you do need a little levity here tonight.

24 There was these three kids talking to each other  
25 one day out there, and they were little kids. I don't think

1 they were in school yet.

2 And they said that -- one said, he said, I really  
3 got -- able to do things that I can wear out a pair of  
4 pants in about a week. And he said he can wear a pair of  
5 shoes out in about tend days.

6 And the other one says, I can do better than  
7 that; I can wear out grandpa and grandma in just a few  
8 minutes.

9 (No response.)

10 MR. VISTICA: I don't think this mike works.

11 (Laughter.)

12 MR. SIPE: Thank you, sir. I have a number of  
13 things on my list that I can talk about, but I will let the  
14 public speak here. If you do want to ask me any questions,  
15 that's why I'm sitting up here, but the way that the  
16 presenters are going now, they want to present to FERC and  
17 that's fine, but I can answer questions.

18 So the next speaker on the list, is Kay  
19 Peterson, and after that, I have Mel Olven (ph.).

20 MS. PETERSON: Hi, my name is Kay Peterson. I'm  
21 a landowner. This box contains information about LNG, the  
22 proposed pipelines, but the facts don't seem to matter to  
23 FERC or to Oregon LNG, Palomar, or any of those other  
24 private companies.

25 This whole process has been a joke. You all have

1 already made up your mind. This is just like the show  
2 trials of the former Soviet Union or Nazi Germany.

3 So my only comment, is that I am against this  
4 project, however, I have a few other things I'd like to say.

5 I, too, work for the Federal Government. I work  
6 for the military, and I also worked for the Forest Service,  
7 so I am not anti-government, but this whole process, like  
8 other people have said, is not about we, the people. It is  
9 about a few select people who have decided that they want to  
10 earn millions and billions of dollars off of our backs by  
11 taking, grabbing and stealing our private property for  
12 personal gain.

13 None of these pipeline are sponsored by a public  
14 utility. This is often overlooked in any of the information  
15 that you're reading.

16 The other thing I want to bring up, is, last  
17 January, I went to a town hall meeting where Senator Wyden  
18 appeared in Salem. I raised my hand and was called on.  
19 There was a crowd of about 150 people there.

20 And I complained to him about the FERC process,  
21 about the fact that not all the landowners were notified of  
22 the meetings, about the fact that the meetings were not  
23 publicized, about the fact that none of the people  
24 attending, wore name tags.

25 Well, I am happy about the fact that many of us

1 did receive something in the mail, and that some of the  
2 people or most of the people are wearing name tags.

3           However, again, this was not well publicized.

4           The other thing that concerns me, is when I  
5 signed up at the table out there, I was told -- now I could  
6 be mistaken, but I was told that I needed to sign up again,  
7 to make sure that I continued to receive mailings. That is  
8 patently unfair and wrong.

9           If people have not shown up for this meeting,  
10 they should still continue to receive all of the mailings,  
11 as required by law, from FERC. So I want to have you make a  
12 note of that, please.

13           The other thing is that Senator Wyden promised  
14 that I could meet with one of the Commissioners, who was  
15 going to be in Oregon in a few weeks, and that one of his  
16 aids would contact me.

17           I did so. It was on January 28th. One of the  
18 Commissioners from FERC, Mr. Wellinghoff, was there in  
19 attendance. He looked me in the eye and he apologized for  
20 part of this process.

21           It was a good meeting, a lot of information was  
22 exchanged. At the very end, he said -- he looked at us,  
23 because everybody but one person was against the proposed  
24 pipelines -- he said, you can stop this, you can stop this.

25           (Applause.)

1 MS. PETERSON: It doesn't matter about that law  
2 that was passed under the Bush regime, taking away our  
3 rights as citizens, we can still stop this. The FERC  
4 Commissioner said that. He said, you can stop this, so  
5 don't give up, keep writing, keep coming to meetings, keep  
6 complaining.

7 You've got to show up, you've got to complain,  
8 and don't stop. They want to wear you down and wear you  
9 out, so don't give up. Thank you.

10 (Applause.)

11 MR. SIPE: Thank you. Mel Olven? And the next  
12 on the list, is Bernard Hitts.

13 MR. OLVEN: My name is Mel Olven, and can  
14 everybody hear me? And I want to make sure of that, because  
15 I want to say that I'm here in support, I am here in support  
16 of the previous speakers, Lolita, Kay, and the others, who  
17 had well-reasoned and well-researched testimony.

18 I am here in support of the rights of the  
19 individual landowners. I am here in support of States'  
20 Rights, all of those things covered by the other speakers.

21 And I am here in support of opposition to the  
22 pipeline and terminal. Thank you.

23 (Applause.)

24 MR. SIPE: Thank you, Mel. The next speaker is  
25 Bernard Hitts, and, after that, Mary Wilson.

1                   MR. HITTTS: I just want to state that I'm opposed  
2 to this. My name is Bernard Hitts. I'm a property owner.

3                   I'm opposed to the pipeline, because I don't  
4 believe we need foreign energy. We're dependent on foreign  
5 oil right now and look at the price of gas. And what's the  
6 price of natural gas going to be, if we get LNG in here? Is  
7 it not tied to the price of crude oil coming from foreign  
8 countries?

9                   In Colorado, there's an article in the Capital  
10 Press, that in Colorado, a rancher cut up a thousand-acre  
11 piece into parcels so they can build their fancy houses in  
12 there, and one guy's house blew up. Why? Because of a coal  
13 reserve underneath it, a coal bed below it.

14                   The methane gas come up with the water and blew  
15 his house up when he was just about finished with it.

16                   You want to save energy, but how much  
17 electricity would you use altogether on the pumping  
18 stations, pumping that down there?

19                   Why not put it in California. Oregon only takes  
20 four or five percent of the natural gas needed.

21                   It's my understanding that they're drilling --  
22 they've got plenty of natural gas in Wyoming. Thank you.

23                   (Applause.)

24                   MR. SIPE: Thank you, sir. Mary Wilson, and next  
25 is Earl Powers.

1 MS. WILSON: I'm Mary Wilson. My husband and I  
2 are farmers in the Dayton area. We farm 750 acres with his  
3 parents and our son.

4 Our family has been farming in this area for  
5 close to 60 years. Oregon LNG is proposing to place a  
6 length of their pipeline roughly one and one half miles  
7 across the ground of our farm.

8 The area close to this proposed route, is near  
9 four underground water wells; two are on our nearby  
10 neighbor's property and two are on our property. We each  
11 have a domestic well and an agricultural use well.

12 The present route will go right through the drain  
13 fill of our septic system and right beside our house, right  
14 outside my bedroom window. This is just not acceptable.

15 These wells and our drain fill, will certainly be  
16 affected by the digging for the pipeline, especially since  
17 the area where they are to be placed, is tiled and the gas  
18 company's answer to tiling areas, is to go beneath the  
19 tiling where it needs to be, and to lay -- not lay -- excuse  
20 me -- where the tiling needs to lay, to properly work.

21 Who will be responsible for the wells and the  
22 septic system working properly? Not just during the  
23 construction, but in ten or 20 years? Oregon LNG? I highly  
24 doubt it.

25 In regard to the high-value farm ground that we

1 farm, the digging for the pipeline will disturb layers of  
2 the soil. The pipeline company states the ground will be in  
3 the same condition when they are done, as when they started,  
4 and this is impossible.

5 The ground will never be the same, not the same  
6 soil quality that was there in the beginning, not the same  
7 from being disturbed during construction, not the same after  
8 heavy construction equipment has run over top of it, and the  
9 tiling will never be of the same quality; not that same  
10 high-value farm ground that we now have.

11 If the pipeline -- after the pipeline passes our  
12 house, a 50-foot swath of wooded hillside with a spring-fed  
13 pond at the bottom of the hill, will be destroyed to make  
14 room for this proposed pipeline. Since trees are not  
15 allowed over the pipeline area, we would not be able to  
16 replant the old-growth trees that are there, and it would  
17 just be bare.

18 Our family, like many Oregonians, are hunters,  
19 and -- okay -- we have a place that our -- and we have a  
20 place that our family and friends enjoy sighting their  
21 rifles and trapshooting and target practicing. And you  
22 think that we will be able to continue this activity with a  
23 36-inch, highly-pressurized gas pipe right there? I don't  
24 think so.

25 This brings us to the part of our farm that is in

1 the Willamette River bottom ground. This is great farm  
2 ground and it's very special farm ground. It's very sandy,  
3 unstable soil, with the majority of the area flooded in the  
4 Winter from the rains and the flooding of the Willamette  
5 River.

6 The soil shifts and changes with the flooding.  
7 This is not a good place for a pipeline. No one will be  
8 able to do anything with the pipeline, if there is trouble  
9 there during the flood. The erosion of the sandy soil is  
10 also a definite possibility with the construction of a  
11 pipeline.

12 There is a lot of duck hunting in the river  
13 bottom, that goes on in the winter months, and hunters will  
14 have no way of knowing where that dangerous pipeline lies  
15 under the flooded ground, while they're out shooting a  
16 shotgun and this will be a very unsafe situation.

17 We currently have mining rights to the ground in  
18 the river bottom, and materials extracted to an average of  
19 75 feet below the surface level, using a lot of heavy  
20 equipment. We are concerned about having the gas pipeline  
21 so near to this operation, have the excavation equipment and  
22 a highly-pressurized gas pipeline are not a safe mix.

23 A portion of the proposed pipeline is to go  
24 directly through the mining area. This is just not a good  
25 choice.

1           We were told that they could just bore right  
2 under that, deep, and it doesn't make any sense.

3           In the almost 60 years that our family has been  
4 farming in the county, agriculture has seen a lot of  
5 changes. When my in-laws started farming, we -- excuse me.

6           We had strawberries and poll beans and turkeys,  
7 which were common for farmers to grow and make their living.  
8 With every business, times change. Today, in our area,  
9 hazelnuts, blueberries, vineyards, and nurseries are more  
10 profitable.

11           With the restrictions put on the property owners  
12 by the gas companies, with what will and will not be able to  
13 be grown on top of the pipelines, none of these crops will  
14 be allowed to be grown.

15           We will own the property, pay the property taxes,  
16 but we will not be able to do with our land, what we choose  
17 to do. We will not be able to make the decisions about what  
18 we want to do with our own property. This is not right.

19           The small monetary compensation we would be  
20 forced to settle with, to give the gas companies permanent  
21 easements to our land, is not fair treatment. This is a  
22 private company. We should not be forced to give up control  
23 and ownership of property, if we do not choose to.

24           From our property, the pipeline would cross the  
25 Willamette River to Marion County, however, if it is decided

1 to cross the Willamette River, I do not know of any good  
2 choice. The River, particularly Lambert Bend, is  
3 experiencing active river cutting and erosion.

4 We believe it would be environmentally unsound,  
5 an environmentally unsound decision, to place the pipeline  
6 anywhere between Lambert Bend and Westin Bend where it is a  
7 possibility for active river erosion.

8 Our family is proud to be a family farm of three  
9 generations. We love our land and we know how important it  
10 is to be responsible stewards of the land. Please do not  
11 limit our future of our property. Please do not allow the  
12 Oregon LNG and the pipeline project to go through. Thank  
13 you.

14 (Applause.)

15 MR. SIPE: Earl Powers.

16 MR. POWERS: Thank you. Well, I guess I will not  
17 review all the reasons why we shouldn't take and have a  
18 pipeline in Oregon, and in Mollala, in particular.

19 I want to basically speak about the Palomar  
20 portion of this line.

21

22

23

24

25

1                   PARTICIPANT: Right now everybody has went over  
2 many reasons and given all the environmental reasons why we  
3 shouldn't have it, in fact we really don't need it. But  
4 south of Mollala, I am kind of speaking for the Herman Road  
5 folks, they had a death tonight in the area, so a hot of  
6 them couldn't get over. One of the long time members there  
7 Roy Lay, passed on, I am sure a few of you know him.

8                   But, Doug, I kind of wanted to take and address  
9 this basically to you. Part of what I am really upset  
10 about with the Palomar thing is the secrecy on the routing,  
11 bringing nobody into it. There are many of us in the  
12 Mollala area that can read a topographic map, and there are  
13 ways you could go through Mollala and almost not touch any  
14 farm.

15                   It is just unbelievable to me that we are just,  
16 act like we are just a bunch of country hicks out there,  
17 and you are going to just drive through, no matter what we  
18 say. And that is the impression we are getting. You need  
19 to bring us in on the beginning of this thing, determine  
20 the route, and you will find you get a lot more cooperation  
21 with a little honey, an old saying, I guess.

22                   But that is basically I am opposed to the  
23 pipeline, obviously. But if we have to have it, and if it  
24 is going to come through, it should be brought through  
25 where it is at the very minimum of interruption or changes

1 to the people in the area. And, as I say, knowing the area  
2 fairly well, not like a lot of the people who live there, I  
3 have only lived there like 35 years, but we have a pretty  
4 good idea of what is it could go through without touching  
5 the farmers.

6 So anyhow, folks, I really enjoyed a lot of your  
7 comments, and your facts that you brought up. So thank you  
8 very much.

9 MR. SIPE: Thank you.

10 That is the last speaker I have on the list.  
11 Sir.

12 PARTICIPANT: Sure.

13 MR. SIPE: Yeah, I don't have another speaker on  
14 the list so I am not going to be calling anybody else, but  
15 you can come up, and raise your hand and I will try to take  
16 as many speakers as I can that way, but we have to have you  
17 come to the mike.

18 Again, I will answer questions. I have a number  
19 of things, if you guys want me to answer them, I will.

20 MR. LEO MOCK: Hello. I am Leo Mock, formerly  
21 out of Scapoose, own hand out in Astoria, I love America  
22 and Oregon.

23 One important thing that I know is that you have  
24 to have a transmitter, and it is not working. Then the  
25 receiver is not going to receive, and that is for FERC,

1 LSD, PEQ, whatever that is, you should speak English up  
2 here so we understand. Speak to where people will  
3 understand.

4 I don't like the route through Oregon going to  
5 California. You come all the way from the upper left-hand  
6 corner of Oregon to go south. Wouldn't it be easier just  
7 to take the gas directly to California instead of involving  
8 Oregon people, which I heard tonight was 4 percent. Steam  
9 rolling the people with this process just doesn't sit right  
10 with a bunch Oregonians. We are being steam rolled. And  
11 then having domain put on us, that is really, that is sick.  
12 And this is for corporate profit and it is not for people,  
13 and we won't see the benefit of the money.

14 I have a feeling that my feelings will not be  
15 heard here and a lot of these people, what they spoke, what  
16 they said, what they felt from their heart, won't be even  
17 measured at all, and that is unfortunate. I really wish  
18 that it would be.

19 What is it about no that you do not understand  
20 about this route? Thank you.

21 (Applause.)

22 MR. SIPE: Any -- Miss?

23 Thank you, sir.

24 PARTICIPANT: When you were talking about the  
25 EIS, you said that the need for the project was one of the

1 things that they would look at, and given what Oregon  
2 Department of Energy said that we don't need this, how --  
3 what do you have to say about that?

4 MR. SIPE: Need was one of the top things on my  
5 list to talk about. The Governor of Oregon asked us, along  
6 with a number of other constituents, to look at the need  
7 for gas in the State of Oregon. I explained this a lot  
8 this week, and we responded to the Governor in a letter  
9 that stated that the market will determine the need for  
10 these projects. The reason why that is, is because we as a  
11 federal agency do not look at the need for individual state  
12 need for gas. We look at it as an entire infrastructure  
13 grid for the nation.

14 I tried to explain that. Right now the, you  
15 know, I had a three-hour meeting with Oregon Department of  
16 Energy this week discussing their report that they just  
17 sent in last Friday, I read it on the airplane coming out,  
18 the fact that they want us to look at need. Right now the  
19 gas coming into the state of Oregon, which a number of  
20 folks mentioned, comes from two different areas basically  
21 right now. It comes from Canadian gas, comes down through  
22 the State of Washington, into Oregon. Also it comes down  
23 through the State of Idaho into Oregon. It comes from the  
24 San Juan Basin, where it will come over from the Wyoming  
25 and San Juan Basin in New Mexico, the Rocky Mountain gas

1 through a number of states over into the State of Oregon.  
2 That is just part of the grid. These LNG terminals that  
3 are being proposed right now would feed more gas into the  
4 grid.

5 There are a number of -- there is a number of  
6 LNG terminals, there was a big high for applications for  
7 LNG terminals several years ago, that number has dropped  
8 off. We looked at a number of proposals for LNG  
9 facilities, only a small number of those have been built.

10 We at FERC have to look at it. If a company  
11 proposes an application at FERC, we need to review that  
12 application, that proposal, do the environmental analysis,  
13 the environmental disclosure of that application to the  
14 public.

15 That is not a decision document. The EIS that  
16 we are going to do, the Environmental Impact Statement that  
17 we are going to do on this project, that will not be a  
18 decision document. That document is used, as Mehda  
19 mentioned earlier, along with markets and rates analysis,  
20 along with a number of other things within the FERC, that  
21 information gets sent upstairs as recommendations to our  
22 commission for them to vote upon.

23 PARTICIPANT: Okay, my next question is, we have  
24 several different LNG proposals and I, what I don't  
25 understand is why we have to keep looking at them

1       separately. We are in one area, one state, we have three  
2       different proposals running all over the place, trying to  
3       talk about Palomar, talk about Oregon pipeline. Why is  
4       FERC not looking at these as a whole, as a regional thing?  
5       Why is this separate, three separate people, it is driving  
6       us crazy, and it seems like it is not really looking at the  
7       regional need.

8               MR. SIPE: The public in general, you, and the  
9       federal agencies and the state agencies we have been  
10      working with, especially Fish & Wildlife Service and NOAA,  
11      that is one of their major questions on why are we looking  
12      at these proposals separately.

13             If an application comes in the door at FERC and  
14      can act independently, is not dependent on another project,  
15      supplying them with anything, we need to look at that as a  
16      single project. Now, in that EIS, in that analysis that we  
17      will do, we will look at the cumulative impact of all the  
18      projects in the area. But if the project is enacted,  
19      Bradwood Landing is an example, Bradwood Landing is  
20      proposed to have a send out line that goes east and hooks  
21      into the northwest Williams line. They also have an  
22      option, Palomar is proposing to go up and connect in to the  
23      send outline for Bradwood. That is an option for them, and  
24      the secondary option for them to move their gas.

25             They don't need each other. Palomar does not

1       need Bradwood, Bradwood does not need Palomar. We are  
2       looking at each project separately, but we will talk about  
3       the overall cumulative impact of all in the document.

4               PARTICIPANT: Okay. Also in this report by  
5       Oregon Department of Energy it says there is an over  
6       capacity of existing LNG facilities in the United States.  
7       It also says, it is questionable whether the capacity of  
8       any LNG facilities located in Oregon would be substantially  
9       utilized, especially with the presence of the new LNG  
10      facility in Baja California, Mexico. That LNG facility  
11      will initially be the same capacity as one of the proposed  
12      terminals in Oregon, and by 2010 could be expanded to  
13      nearly the same capacity as all three of the LNG terminals  
14      proposed in Oregon.

15             So if there is an over capacity now in the  
16      United States, and there is one being built in Mexico that  
17      will give the same capacity as all three of them proposed  
18      in Oregon, why are we even looking at this?

19             MR. SIPE: Right now FERC, FERC's data right now  
20      states that as production of natural gas in the  
21      United States is about 56 percent, billion cubic feet per  
22      day, round about. That is an average number that was taken  
23      in a recent survey, that number always changes.

24             FERC, 56 percent billion feet per day of natural  
25      gas, that is what we are producing in the United States.

1 We need to produce 70 percent. That is what the studies  
2 show, that is what the market shows. So importing natural  
3 gas is essential to the nation to provide the natural gas  
4 that we need.

5 You are right with the Sempra Project down in  
6 Mexico, they are proposed, and they can keep expanding,  
7 too, to supply gas into the United States. That may be a  
8 way, and most definitely will be a way, to supply  
9 California with a good bit of gas, which may displace the  
10 gas right now that is going through the Williams system or  
11 the GTN system into California, it can move gas around.  
12 Think of it as an electrical grid, a molecule will go here,  
13 a molecule will go there. Gas is displaced everywhere.

14 Right now the number, you can look at that study  
15 that is ODOE, now they used a lot of assumptions in the  
16 study. I talked to a lot of FERC engineers with that and  
17 that site just came out, so we didn't have a chance to  
18 analyze that.

19 The LNG terminals in production right now, if  
20 you look at their numbers, whenever those numbers were  
21 taken, I can't exactly say when those surveys and such were  
22 taken or the market analysis was taken, you are right,  
23 production for those LNG facilities is lower, in comparison  
24 to other years. We, at the United States, have the luxury  
25 of, we have billions of cubic feet of storage, underground

1 storage for natural gas, MIST storage field right here in  
2 Oregon, they can store natural gas. That was the big push.

3 LNG facilities most recently have been for  
4 storage fields. We have the luxury of, there are only so  
5 many LNG terminals in the United States, comparison to a  
6 lot of other countries. We have the luxury of buying gas,  
7 which that is why the production is low right now, because  
8 natural gas is very high, the price of liquified natural  
9 gas is very high. We have the luxury of buying gas when it  
10 is low, bringing it into the United States and storing that  
11 natural gas.

12 When natural gas prices, liquified natural gas  
13 prices decrease, those numbers as in like over the past the  
14 several years, Cove Point, over by Annapolis, Maryland,  
15 where I live, that facility was not being used for years  
16 because liquified natural gas prices were very high. They  
17 came back down, that facility went back into production,  
18 they added additional storage tanks. So it all depends on  
19 the market.

20 United States has that luxury of having storage,  
21 having LNG facilities and having 300,000 miles of  
22 interstate natural gas pipelines. So when we talk about  
23 market there is a lot of economic analysis that goes into  
24 that. So we have several ways, you are right. Do we think  
25 that all the three LNG terminals, does FERC think that all

1 three LNG terminals will be built in this state? No.  
2 Market will decide which ones do get built.

3 Do we think just because we do the environmental  
4 analysis and the commission votes to approve the project  
5 that that means that will be built? There is a lot of LNG  
6 terminals right now that went through our process, have a  
7 Commission order to build, who haven't because they can't  
8 satisfy the environmental conditions or the market has  
9 changed.

10 PARTICIPANT: Okay, the whole process of this,  
11 it seems to me, has been that a county allowed, said you  
12 can build a terminal here, and then all of a sudden there  
13 is all these LNG's coming in. And what I don't understand  
14 is, is now they saying okay we can take Emminent Domain and  
15 run all over your farm because somebody in one county said  
16 oh, you can build a terminal here. If you can do Emminent  
17 Domain and run over all our farms, why didn't they just say  
18 give Emminent Domain and say let's build the terminal in  
19 California where most of the western gas goes to because of  
20 population?

21 So I don't understand that. It makes no sense  
22 to me.

23 MR. SIPE: Emminent Domain is under Section 7 of  
24 the Natural Gas Act, 7 (H), I believe, of the Natural Gas  
25 Act. LNG terminals, when application comes in for an LNG

1 terminal itself, they file under Section 3 of the Natural  
2 Gas Act. They don't have an Emminent Domain to site an LNG  
3 terminal itself.

4 The pipeline, once they, once the commission has  
5 voted for the project, to approve it, has issued a Public  
6 Need and Necessity for that, they do have the right to use  
7 Emminent Domain. That right of Emminent Domain process  
8 goes through this state, either through the state process  
9 or the federal district process, within the State of  
10 Oregon. So that the way the Emminent Domain regulations  
11 are set up in your state is how they go about getting  
12 Emminent Domain.

13 PARTICIPANT: So the fact that one county  
14 allowed a terminal means that all the rest of us are  
15 subject to it. I was thinking of Clatsop, so then the rest  
16 of us are screwed because of those people in that, a few  
17 commissioners in that county?

18 MR. SIPE: (Inaudible.)

19 PARTICIPANT: Okay, I have another question and  
20 then I will get out of here so other people can ask  
21 questions. When the man was talking about the site at  
22 Warrenton he said it was built on dredged fill, what is  
23 that?

24 MR. SIPE: When they dredged the Columbia River  
25 or whatever they dredged around that area, dredged spoil

1 piles, it is called spoil piles. Spoil. It is spoil  
2 piles, piles soil. Sorry it is my Pennsylvania accent.

3 PARTICIPANT: One more question, when I was out  
4 looking at the map, the striped shirt Oregon LNG person  
5 said, not the plaid one but the striped shirt one, he said  
6 to somebody looking at the map, they were asking about  
7 Palomar, and he said well, that is just a back-up project.  
8 That is totally a lie, isn't it? It is just a different  
9 project? Okay, that is what I wanted to know. Thank you.

10 MR. SIPE: A back-up project, come on guys.

11 No, no, no, it is a separate proposal. It is  
12 another pipeline project, it is not a back-up project.

13 LOLITA CARL: I have a couple questions, also.  
14 I have a graph here that shows natural gas consumers by  
15 state. Now, I notice that all of these LNG proposals  
16 always talk about the region. They very carefully talk  
17 about the region, because this was EIA data. What does EIA  
18 mean?

19 Okay, this is from FERC, you know, the Federal  
20 Energy Regulatory Commission, and it says Natural Gas  
21 Consumers By State, and it was updated January 11th, 2007,  
22 and I have copies here for everybody who wants this. And  
23 it shows that Washington uses 6 percent of the natural gas,  
24 Oregon uses 4 percent, and California uses 59 percent.

25 Now, they keep saying region because they think

1 we will then be snookered into thinking it is for us, but  
2 it is not. And I just find this extremely offensive. Like  
3 that gentleman said before, we are being treated like we  
4 are country hicks, and that we are just going to be steam  
5 rolled.

6 And I also, I have some concerns about that LNG  
7 terminal, if it is going to be on these dredging piles,  
8 because that is completely unstable land, anybody knows  
9 that. And we are having a 9.0 or more magnitude earthquake  
10 predicted here in the northwest. It happened 300 years  
11 ago, in January 1700, they have the exact date figured out.  
12 It was -- and the land fell along the coast something like  
13 nine feet and they are saying it is going to happen again.  
14 They have proof of this.

15 If you talk to the State Geology, from  
16 Washington State, there is a specialist who has found all  
17 of the evidence that proves this. And people from all over  
18 the United States have gone on tours, and I watched this on  
19 Oregon Field Guide. And so our, a sunami could easily  
20 completely uninundate that site. And I think that there  
21 has been very little concern about this earthquake. Just  
22 like there was very little concern about flooding until  
23 1996, which was only 12 years ago.

24 And I will tell you, where that pipeline goes  
25 across the Pudding River bottom land, which is

1       subirrigated, and is completely spongy and jelly like all  
2       year long, that pipeline could be completely ripped apart,  
3       and there is no way any equipment whatsoever could get in  
4       there for seven to nine months of the year.

5                It is, you know, this is insane. These routes  
6       have been looked at and just drawn in a line, trying to get  
7       around the UGB area of a town or you know, avoid a certain  
8       population thing, without any thought at all to the geology  
9       behind it, or the safety. And it is people on that  
10      pipeline's safety web site, there were something like 6000  
11      hazardous, injurious episodes where people were killed, and  
12      this pipeline is coming through our land, it is under  
13      enormous pressure. It has no odor.

14               We have little volunteer fire departments, and  
15      nobody cares at all from FERC at the risk, and they think  
16      it is just fine because it is just a few farmers out there  
17      that might, you know, blow up, when their tractor with a  
18      ripper hits the pipeline.

19               I just, it is completely insane. It is  
20      completely heartless. It is completely consumer -- it is  
21      not driven by the consumers, it is driven by the producers.  
22      They are trying to tell us we have this need that we do not  
23      have, and we do not have in the state of Oregon. And  
24      Oregon Department of Energy said it would be extremely  
25      difficult for us to meet the legislature's proposal of

1 renewable energy resources if we allow an LNG plant in our  
2 state. We will be going exactly opposite of the direction  
3 that our state legislators and our population has said that  
4 we want to go. And if this is some kind of like bridge  
5 energy source, it is the bridge to nowhere.

6 (Applause.)

7 PARTICIPANT: Anybody want to comment on that?

8 MR. SIPE: Thank you.

9 MS. KOCHHAR: Warrenton.

10 LYN OREN: My name is Lyn Oren. I am not really  
11 understanding of a whole lot of this, but I just have one  
12 simple question. This natural gas that is going to be  
13 brought in on ships to Astoria or Warrenton, where is that  
14 coming from?

15 MR. SIPE: It is liquified natural gas, it comes  
16 from all over the country, there is many areas, Qatar, that  
17 would be one of the producers, Australia, Russia, there  
18 is a lot of LNG coming from different countries. It would  
19 be imported in to the United States. There is many  
20 countries it could come from, yes.

21 Miss, in the back?

22 NANCY HAAGINS: My name is Nancy Haagins and I  
23 am a landowner. This really hits us hard in my family. I  
24 have three boys that live in the Warrenton area, that is  
25 definitely going to be affected if it goes through. These

1 three boys are also salmon fishermen. We already know what  
2 happened with our salmon, the dredging of the Columbia is  
3 an absolute disaster.

4 Last year we had a lousy crab season. You start  
5 dredging up the land, the soil, disturbing everything, it  
6 gets worse and worse. That is the boys.

7 Then we come through to my property, and I have  
8 a large wetlands area, it divides my property entirely, and  
9 what I have been told is that if the pipeline goes through  
10 then I can't allow my cows to cross over that section of  
11 land. There is about 40 acres on the other side.

12 So what do I do? Just leave that section over  
13 there for the gas line? No, it is not going to happen.  
14 Not too long ago I see people out there with their little  
15 yellow flags and they are flagging someone else's property,  
16 and I went right down and stood on my property line. I do  
17 not want them on my property, and I do not want this  
18 pipeline.

19 A few years ago we had an Exxon spill in Alaska.  
20 It is a disaster. That is exactly what I think that this  
21 pipeline is headed for. And, as far as the California  
22 thing, I just returned from Paso Robles, I was at a dinner  
23 there with several of the local heads of towns, and the  
24 idea of the pipeline came up and it was a big joke, you  
25 know. Why put a pipeline in California because we can

1 always send it through Oregon. That is what is happening  
2 down there. And I think it is terrible and I think that as  
3 Oregonians we should continue our fight.

4 Thank you.

5 MR. SIPE: Thank you.

6 (Applause .)

7 MR. SIPE: Comment on the one with your cow  
8 being able to cross the pipeline; in general, that is a  
9 misrepresentation you heard. The cattle are allowed.  
10 There are a number of things allowed to be over top of a  
11 pipeline, cattle will be one, parking lots will be one.  
12 There is just certain things that cannot be over a  
13 pipeline, it is above ground structures, large trees, but  
14 there are a number of things.

15 Fencing can be near a pipeline, it just can't be  
16 right over top of it. There is a number of things. Again,  
17 this is something you would want to ask your local land  
18 agent that you are dealing with.

19 I apologize, we just can't have cross talk in  
20 the audience. If you want to ask a question you can come  
21 up.

22 KAY PETERSON: My name is Kay Peterson. My  
23 question is, all this stuff is shown about what is going to  
24 be done, and it is always on the little slide show kind of  
25 stuff, but nothing has really been given to us about a list

1 of exactly what can be done and what cannot be done, and I  
2 really object to that. It is, I have heard different  
3 things, I have gone to all of the meetings, I have been  
4 told, I have read -- you know, I have got little handouts  
5 from Oregon LNG that if you look at it very carefully, the  
6 way I looked at the little graphics, the little pictures of  
7 trees and fence lines, you cannot put a fence post above  
8 the pipeline, so you cannot cross fence your property. And  
9 I want to know how far apart can a fence, does the fence  
10 have to be, how far away from where the pipeline is? Do  
11 you know?

12 MR. SIPE: Usually, they will have a 50-foot  
13 permanent easement, overtop of that pipeline right-of-way.  
14 They maintain that 50-foot permanent easement for aerial  
15 inspections, for ground inspections, for additional  
16 maintenance activities they would have to do over top of  
17 that pipeline itself. Usually when, if you want to grow  
18 trees and such back over into the right-of-way, there are  
19 certain distances that you can do that, you can and you  
20 cannot do that.

21 Now, they can come through and clean up their  
22 permanent easement whenever they want to, that is part of  
23 their permanent easement. But that is something like a  
24 fence, or a parking lot or something of that nature can be  
25 negotiated with the company that you can do, they will not

1 allow you to stick a fence post right over top of the  
2 pipeline itself. They usually try to keep stuff at least  
3 five to 10 feet on either side of the pipeline, clear of  
4 the overtop of the centerline, because what that can do is  
5 that could damage the pipeline itself and cause emergency  
6 harm.

7 KAY PETERSON: So you are saying that this has  
8 to be negotiated. Is this negotiated on an individual  
9 basis, and is there proof, actual factual proof that other  
10 pipeline projects that are already in existence with the  
11 same companies or similar companies over farmland. I would  
12 like to find out what exactly has happened to these people.  
13 Was this really truly negotiated so they could cross fence  
14 their land, could they move their horses and cattle back  
15 and forth? So do you have information or can you get me  
16 information on that?

17 And again, what did you mean by negotiated?  
18 Because to me the word negotiate means that it is not a  
19 given, that they may just decide arbitrarily, because I  
20 have fought this tooth and nail and I will continue to  
21 fight this tooth and nail to the very end, that they may  
22 decide because I am on their little list, that they are  
23 just not going to negotiate, and they will tell me that  
24 just because I fought this, that I can't put certain things  
25 on. So how do I know?

1                   MR. SIPE: You may be on the pipeline's list but  
2 you are not on FERC's list. So remember when you are  
3 negotiating something with the pipeline right-of-way and it  
4 is something that they are telling you that is different  
5 from your neighbor or different from another pipeline  
6 project that you may know about, let FERC know, we can talk  
7 to the pipeline company.

8                   Now, the problem with a lot of pipelines in the  
9 country is the fact that, yes, you may have had a pipeline  
10 with hundreds of feet on either side of it at one point,  
11 housing developments come in and they encroach right up on  
12 top of the pipeline. I just dealt with one, the Williams  
13 pipeline up in the Seattle area, where they had literally,  
14 sometimes fences that were right over top the pipeline  
15 right-of-way, trees, landscaping, rocks, and it was kind of  
16 like a handshake deal over the years, stuff kept  
17 encroaching up on the right-of-way. Well, people do have  
18 to understand they need to maintain that right-of-way.

19                   So what I am talking with about negotiating with  
20 the pipeline company, they will keep the center line over  
21 their pipe clear, but there are certain things, as in  
22 fences or something, that can be easily moved if the  
23 maintenance activity would have to come in, that can be up  
24 closer to the pipeline.

25                   Usually it is a 15-foot center right over the

1 top of the pipeline or right-of-way. Some companies want  
2 10 on each side. DOT may have certain regulations on that  
3 also, but there are certain things that can be put up on  
4 the right-of-way. But you have to understand if  
5 maintenance activities need to come through over that  
6 50 feet, that stuff has to be removed. That is why the  
7 negotiation comes back in.

8 KAY PETERSON: So, to repeat what you just said,  
9 if, for example, it is a horse farm and they are using  
10 board fencing and it goes across this 50-foot easement,  
11 because they cross fence their land, if the pipeline  
12 company wants, even though you have negotiated with them,  
13 if they need to do maintenance you have to take that  
14 fencing down; is that correct?

15 MR. SIPE: (Inaudible.)

16 KAY PETERSON: Okay, either the landowner would  
17 take down that fencing and then could you put it back up  
18 after they are done with their quote maintenance project,  
19 work?

20 MR. SIPE: During a pipeline, say I am going to  
21 give an example, during construction, when they are coming  
22 through your land during construction, if you have cattle  
23 or if you have horses, you have sheep, whatever it may be,  
24 they are required to work with the landowner on where to  
25 take these animals, board the animals during construction,

1       move them to a different field, lease land during  
2       construction; after construction they need to put that  
3       fencing back up to use that field, just like a farmer, you  
4       know, an agricultural land during construction, that would  
5       have to be out of construction for a good bit of time,  
6       maybe -- wherever they are coming through the pipeline  
7       project.

8                   Some pipelines go through rather quickly.  If  
9       you have wetlands or you have certain soil or geology  
10      situations it may take longer to go through.  That will all  
11      be discussed with you and you are right-of-way agent, but  
12      after the fact.  Farmers need to come back in and farm  
13      their fields, they need to resume normal practices over  
14      that, unless it was negotiated between the company and the  
15      farmer that they don't farm that piece anymore.  That could  
16      be negotiated also, and then that one part of the  
17      negotiations you would have one on one with the company.

18                   KAY PETERSON:  Sorry to do this to you, but are  
19      you saying that if I want to have fencing and it is cross  
20      fenced across the pipeline in strips back and forth for  
21      paddocks for horses for example, that I may not get what I  
22      want because it is still negotiated, so ultimately the  
23      pipeline company could say no, you can't have this.  Is  
24      that yes or no?

25                   MR. SIPE:  The pipeline company can say no to a

1 lot of things. Now, if you are talking about a fence,  
2 across it, they are not going to let you post right over  
3 top in that 15 to 20-foot area, so there would have to be  
4 some other type of fencing used in that area where you are  
5 not actually jamming a post down through the ground on how  
6 many feet, to go over top of that pipeline.

7 KAY PETERSON: So then you are saying that you  
8 can't jam a post down in there, and this to me leads to the  
9 fact that I think, Lily just laughed, but she was talking  
10 about the fact that when you farm sometimes you use a  
11 ripper, and that can go fairly deep. So you are saying  
12 that that could burst a pipeline then, accidentally?

13 MR. SIPE: Yeah, you could burst a pipeline if  
14 you hit it with tillage equipment, but if you are farming  
15 that area, we just had a situation with a midwestern  
16 pipeline project, where there is a ton of farming are in  
17 the area just like there is here and we worked with the  
18 local ag districts, and there are three-foot of cover  
19 minimum over a pipeline project.

20 But, if they are farming in the area and your  
21 normal tillage depth is set to four or five feet, then they  
22 need to lower the pipeline through that area, so when you  
23 are farming that area you no longer, you know, you would  
24 not hit the pipeline project.

25 Yeah, they can do that, yes.

1 KAY PETERSON: (Inaudible.)

2 MR. SIPE: Do they have to?

3 KAY PETERSON: Yes.

4 MR. SIPE: If you file comment with FERC you  
5 would normally -- you normally would farm that in a certain  
6 way. It is happening all across the Midwest, yes. We  
7 worked with local ag districts, it becomes part of the  
8 permit that they do have to lower the pipe in certain areas  
9 due to farming activities.

10 KAY PETERSON: (Inaudible)

11 MR. SIPE: Up to, yeah, up to FERC as the lead  
12 agency, but it also has to do with a lot of other local and  
13 state agencies here in this state.

14 KAY PETERSON: Thank you.

15 MR. SIPE: Okay. Sir?

16 PARTICIPANT BERNARD \_\_\_\_\_: I am Bernard  
17 (inaudible). I would like to ask you, at the first meeting  
18 you had here, they said they would not go through an  
19 orchard, it could be too expensive, is that right?

20 MR. SIPE: (Inaudible.)

21 PARTICIPANT BERNARD\_\_\_\_\_: Well, that is not what  
22 they told us.

23 MR. SIPE: A pipeline company in general will  
24 try to route around a number of different things. They do  
25 not want to go through orchards, they do not want to go

1 through certain areas of housing, certain areas of  
2 commercial development. They will try to route the  
3 pipeline around a lot of things. But if they need to go  
4 through an orchard or a housing area, that is all part of  
5 the process, and all part of the negotiation with whatever  
6 they are affecting.

7 PARTICIPANT BERNARD\_\_\_\_: Okay, the comeback to  
8 that again, they would go through my apple orchard, they  
9 would go through my peach orchard, and basically destroy my  
10 walnut orchard, young walnuts which would take 30 years to  
11 rebuild, or to build, to get going, and if they even just  
12 got half the walnut orchard, I would not have a dryer to  
13 dry the rest of them because there is no dryer around small  
14 enough that handles the small volume.

15 And in Palomar literature that come out it, said  
16 they went through your woods. Okay, a guy has got a -- for  
17 example, he has got a 50 acre woods on hillside there, and  
18 it is 30 years old. They said there they would pay him for  
19 the value of the timber at the time. Well, 30 years old,  
20 there is no timber there. Basically all you have got is  
21 chip wood. The price of timber is down right now and chip  
22 wood is lower than that now. You mean that farmer is going  
23 to lose 30 years of production? Because his production  
24 begins at 30 years, 40, 50 years before he gets any timber  
25 out, wood out of it. They are going to pay him for pulp

1 wood? Or crap --

2 (Applause.)

3 PARTICIPANT BERNARD\_\_\_\_: -- firewood, instead  
4 of what the true value of that timber would be in 50 years  
5 from then? It would take them another 30 years to get it  
6 going. Timber, they would have to find more land, they  
7 would be stripped through, he could never farm, they go  
8 through my orchard I could find some back on both sides,  
9 yes, but there is still a 30 to 50-foot strip through there  
10 I can't do a damn thing with.

11 The tiling would be shot, bury your irrigation  
12 lines. How is he going to compensate you for that?  
13 Besides that, we have got a fruit stand. Are they going to  
14 bring me in walnuts so I can take care of my customers for  
15 the next 30 years until the new orchard gets going?

16 My garden right now in the strip they want to go  
17 through, I have got potatoes in there. If they would come  
18 through there I can't plant any vegetables there for the  
19 garden, because they take that, what am I going to do? I  
20 have to tell the customers be patient people, pipeline just  
21 took your property, your vegetables out, and the walnuts.

22 If they come in and want to give me California  
23 walnuts, they are not worth crap compared to Oregon  
24 walnuts. The walnut growers in California will even tell  
25 you that.

1                   So where are they going to get the walnuts to  
2                   supply me with walnut customers while my walnut orchard is  
3                   going to be dismantled and I try to bring it back in  
4                   30 years from now after I am probably dead?

5                   MR. SIPE: For example, if they are going to go  
6                   through and take out 100 of your walnut trees --

7                   PARTICIPANT BERNARD\_\_\_\_: (Inaudible).

8                   MR. SIPE: Okay, if they would take out your  
9                   orchard that would be part of the negotiation process  
10                  between you and the applicant. For now and for future  
11                  walnuts.

12                  They would have to pay you, they would have to  
13                  negotiate in good faith with you the fact that they are  
14                  taking out your trees now, you will not be able to grow  
15                  those trees for 30 years. How much money could you have  
16                  made on that in the future? If you guys don't degree with  
17                  the applicant on that and it gets taken in Emminent Domain  
18                  court, the court will decide by using those factors, by  
19                  using those numbers on how much money you would receive for  
20                  that.

21                  PARTICIPANT BERNARD\_\_\_\_: There is still a  
22                  question that comes back though. Where do I -- what do I  
23                  do with my customers? I will lose the customers over the  
24                  next 30 years because I can't supply them with the apples  
25                  or peaches or walnuts you know. It is up to -- it doesn't

1 make sense. Where do -- what is the idea of this Emminent  
2 Domain crap? It is imminent theft.

3 And I still have to go through there 50-foot  
4 right-of-way I have to maintain and keep the weeds down,  
5 you better believe the gas company isn't going to do it,  
6 are they? What do I do with it? It is waste land, it is  
7 complete waste land. Just to put a strip through my place  
8 and the home place will be down in the dairy, it will be a  
9 50-foot strip through there, basically is waste land.

10 Then we have got the dangers of your non  
11 odorous, odorless gas going through there. I know one  
12 couple in Georgemont Angel, they are between Angel and  
13 Hollow Prairie where it is at, a small gas line come  
14 through there and the soil moves where you plow. There is  
15 a ridge there the ridge wears down, maybe it builds up  
16 someplace else.

17 Well, they were out there just tiling, they were  
18 supposed to be plenty deep, the tile pipeline was supposed  
19 to be plenty deep; well, guess what, they hit the pipeline  
20 with the tiling machine. Shoot, they had the dam city in  
21 there, choppers and the whole dam works in there in no time  
22 flat. The farmer is scared stiff he is in trouble while  
23 they measured it.

24 No, it wasn't deep enough. It should be more  
25 than 15 feet deep if he wants his farmland leased.

1                   MR. SIPE: Thank you, sir. Why have the maps  
2 been removed? They shouldn't be. I can't answer that  
3 question.

4                   Whoever is -- is Oregon LNG, the maps are  
5 removed?

6                   (Inaudible.)

7                   MR. SIPE: I agree with you. I do not know the  
8 reason why they were removed, but -- if you give me your  
9 name, if you guys give me your name I will make sure that  
10 they give you maps for what they were supposed to show you.

11                   (Inaudible.)

12                   MR. SIPE: I can close the formal part of this  
13 meeting and we can talk like this until I have to leave  
14 which would be here in about 25 minutes.

15                   KAY PETERSON: Well, I would rather all of this  
16 be on the record, though, okay, because I want people to  
17 somehow, someday read everything that is going on. This is  
18 a complaint that I made to Senator Weiden personally, and  
19 this was a complaint that was made when I think it is John,  
20 Mr. Wellinghoff from FERC, was in Salem for that meeting,  
21 that the maps are not made available. And you know, to me  
22 it doesn't do any good for us to give you our name for that  
23 gentleman to give you his name, because the maps that we  
24 get from either Palomar or Oregon LNG, they are so, they  
25 are fragmented. They are little teeny things that are only

1 quote "concerned with our area."

2 We can't see all of the maps in the and the  
3 entire big picture and one of those things that was  
4 suggested is that they be put in every public library in  
5 the area, for example, the Woodburn library, Canby library,  
6 Hubbard, if they have a library or if not the city hall,  
7 Mollala, this should be out there, and also at a FERC or at  
8 that meeting with Mr. Wellinghoff, I commented about the  
9 fact that a lot of the stuff that we are supposed to be  
10 doing is through the Internet.

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1           Not every body has a computer, or, you know, uses  
2 the Internet. And so I told him that that was unfair.

3           Also, at the beginning of the meeting, every  
4 acronym in the world was thrown out to us, and, you know,  
5 none of us knew what was being said. I think that was one  
6 of the complaints that you heard earlier from somebody.

7           So, that's just a side issue, but I do want this  
8 to go on the record. I have maps from Palomar and from  
9 Oregon LNG. They're tiny little things that is only a  
10 segment that covers my property and a little bit of my  
11 neighbor's property, and that's not what we're asking for.

12           We're asking for it in a public area, where it's  
13 always there, that we can go look at it.

14           MR. SIPE: Once a company files an application,  
15 that is a requirement, that they put all the maps and the  
16 whole application, into the local libraries, but not during  
17 prefiling. That's something we are working out with the  
18 industry, because mapping is a major issue. We're trying to  
19 work it out with the industry on when they put maps in the  
20 local libraries for everyone to see.

21           I do understand that with Palomar and Oregon LNG,  
22 if you want a map, they will give you a map of your  
23 property. If you want to see the entirety of the route, you  
24 can set up an appointment with that right-of-way agent or  
25 someone with Oregon LNG, and they will show you all the

1 maps.

2 If they are not doing that, please let us know.

3 PARTICIPANT: (Inaudible.)

4 MR. SIPE: That would be between you and Oregon  
5 LNG, on whether they may bring them to your house, they may  
6 do something of that nature. They may have you meet them  
7 somewhere, but if you request that, you should be able to  
8 get it.

9 But they're not going to give a full set of  
10 alignment sheets for the whole project, to everyone. But  
11 they will set up places where you can go see those.

12 PARTICIPANT: (Inaudible.)

13 MR. SIPE: The commenter -- and what's your name,  
14 Miss?

15 PARTICIPANT: (Inaudible.)

16 MR. SIPE: Roseann Richardson mentioned that  
17 she's from St. Paul, which is a small town, and she feels  
18 that she's been totally overlooked. There is no local  
19 library.

20 That would be a pure example of when you would  
21 work with the right-of-way agent, that you should have the  
22 number for. You should have that contact information for  
23 that.

24 If you don't have that contact information, let  
25 us know that and we'll make sure you get that. That's

1 something where, if you are in a remote area, that's  
2 something the land agent should be able to work out with you  
3 and bring you a set of alignment sheets, show you your  
4 property and work those things out.

5 These are the kinds of comments we need to have,  
6 because if this is happening, you need to come up and let us  
7 know. That's the only way we can help you.

8 PARTICIPANT: (Inaudible.)

9 MR. SIPE: Yes, the notification process -- a lot  
10 of people may not be getting notified of, like, of this  
11 meeting, or other meetings or other scoping meetings.

12 By the way, this is an avenue for you to produce  
13 -- or give us your comments, remember that. Remember that  
14 these companies have not filed an application yet. We have  
15 not issued an Environmental Impact Statement or an analysis  
16 on this, so, give us a chance with our process.

17 But you should be -- if you are an affected  
18 landowner, you definitely should be able to set up something  
19 with Oregon LNG or with Palomar. If you are an abutting  
20 landowner, you should be getting notice.

21 If you are within a half mile radius of a  
22 compressor station, you should be getting notice, but if you  
23 are a local concerned citizen, it would just be like an  
24 elected official, and, yes, you should be able to call that  
25 company and set up something so that they can work with you.

1 PARTICIPANT: (Inaudible.)

2 MR. SIPE: At oregonlng.com, they also have maps  
3 on their website for people to look at.

4 PARTICIPANT: (Inaudible.)

5 MR. SIPE: I agree with you, so if you -- I agree  
6 with you that everyone does not have a computer, and some  
7 people may not have phones. Some people may not have  
8 computers, so if that's happening, that's when you need to  
9 get in contact with the right-of-way agent or the company,  
10 in general, to set up a meeting, wherever it may be, and to  
11 have that work out for you.

12 If that's not happening, please let us know.

13 PARTICIPANT: (Inaudible.)

14 MR. SIPE: If you're going to have a big  
15 question, could you come up to the mike, please? This has  
16 to be recorded. I can stand here until 9:30 tonight, if we  
17 take everything off the record.

18 Then we don't have to have everything on the  
19 record. I apologize for that, but it is what it is.

20 Just state your name, please.

21 MS. SPENCER: My name is Tony Spencer. I'm a  
22 landowner. And I can see all this now, our land abuts up  
23 against this land, which -- and our land abuts up against  
24 Kay's property, and all these people do not want LNG on  
25 their land.

1                   So, if LNG comes and negotiates with Mr. Hitts,  
2 not to go through his field, are you going to come through  
3 mine? That's going to make me very unhappy with my  
4 neighbors.

5                   So, it's going to be -- I can just see it all  
6 now, because we all are neighbors in good standing with each  
7 other. We all have the same opinion that we don't want LNG  
8 there.

9                   This is socially going to impact us, too, because  
10 it's going to be like water wars, you know. You just start  
11 pitting landowner to landowner. It's not a good thing for  
12 the community that we live in.

13                   And as far as the community we live in, I'd just  
14 like to look you in the eye and look you in the eye, and  
15 look you in the eye, and say, would you like this pipeline  
16 in your backyard with your children and your grandchildren  
17 playing on it. That's all I have to say.

18                   (Applause.)

19                   MR. SIPE: Thank you.

20                   PARTICIPANT: (Inaudible.)

21                   MR. SIPE: I'm gonna'. Hold on. Once a  
22 proposal is made, once they file an application, that is the  
23 proposal that the company proposes to FERC to look at.

24                   They're not going to just -- that's one thing  
25 that FERC does not do, is trade impacts. We don't just move

1 a pipeline to a different landowner, unless there's a good  
2 reason to do that.

3 We're not going to start pitting landowners to  
4 one another, saying, well -- unless there's an environmental  
5 reason for the pipeline maybe going down through one  
6 landowner's property, taken out a 100-foot swath of trees,  
7 going down through wetlands, while the next landowner over  
8 here, just has a field or something that would be less  
9 environmentally harmful.

10 That's the areas we look to, to move the  
11 pipelines to.

12 PARTICIPANT: (Inaudible.)

13 MR. SIPE: I understand that I'm giving you the  
14 process of how the routing is done. We have a question up  
15 here.

16 PARTICIPANT: What is FERC's position when you  
17 have not given them permission to come and they still  
18 trespass on your property?

19 MR. SIPE: If that happens, and they come on your  
20 property, surveyors or right-of-way agents or whoever it may  
21 be from the company, if anybody would come on your property,  
22 you would call the local sheriff. You should also let FERC  
23 know that surveyors and right-of-way agents, are coming to  
24 your property, and we will talk to the company about it.

25 PARTICIPANT: (Inaudible.)

1                   MR. SIPE: Yes, you definitely need to tell us  
2 that.

3                   PARTICIPANT: (Inaudible.)

4                   MR. SIPE: You should sit up closer.

5                   PARTICIPANT: Oh, yes, about negotiating, a  
6 couple months ago, I was here at a meeting with Mr. Hanson,  
7 and, I guess that's what? Oregon LNG? God, I --

8                   And either he or somebody else, started kind of  
9 bullying the crowd about the fact that you better negotiate  
10 now, that it would be in your best interest.

11                   And somebody made a remark about that, are you,  
12 know, threatening me or something to that effect. I find  
13 that offensive. It has happened. I was here. I know that  
14 other people were here that heard that.

15                   And that is what Tony was trying to also talk  
16 about, is that these companies are saying, they're going to  
17 people, and I think they're just flat out lying. They're  
18 saying, well, I talked to your neighbor down the road,  
19 without naming that person, and they say, I've already  
20 negotiated with him, you better do it, too, because you'll  
21 get a better deal now, because if you wait, you won't get  
22 as good a deal.

23                   So that, to me, is part of the tactics that they  
24 -- I believe that they are using. I do not have proof, but,  
25 you know, as far as I'm concerned, these guys don't have any

1 conscience, they have no ethics, they're sociopaths or  
2 sociopathic behavior, as far as I'm concerned.

3 So I don't trust them, and I believe this is what  
4 is going on or has gone on. I'd have to get witnesses or  
5 testimony, but, again, how do we stop them from doing that?  
6 They already came out in a public meeting and said, you  
7 better negotiate now.

8 MR. SIPE: How you stop them from doing that, is,  
9 you're telling us now on the public record. If that's  
10 happening to a landowner, if they're being negotiated by or  
11 -- not negotiated -- bullied by a right-of-way agent or a  
12 company official, that's the kind of information we need to  
13 know, because we sit back in Washington, D.C., we regulate  
14 these companies, but if we don't know that's happening, we  
15 don't know it's happening.

16 If there are a number of cases where that starts  
17 happening, or even one, we are going to talk to the company  
18 about that and ask them why that's happening, have that  
19 company person removed, or whatever it may be.

20 If you're not comfortable with the right-of-way  
21 agent you are talking to, or if you don't want to talk to  
22 them, that's your choice, too, but if you're not comfortable  
23 with the right-of-way agent you're dealing with, you can  
24 request a different one.

25 PARTICIPANT: Thank you, because Palomar finally

1 did lay off. They were calling my husband's office and  
2 asking for our home phone number, and they were bullying the  
3 staff and they complained to me, and I complained at a  
4 hearing. I think it was with you, Mr. Sipe, and that was a  
5 number of months ago.

6 And they have quit calling. So, that did work,  
7 and I appreciate that, because, to me, calling someone's  
8 office and bullying employees for the owner's home phone  
9 number, is wrong.

10 So this is why I don't trust them, because that's  
11 what they did in the past. And then they misquoted me and  
12 were quoted in the newspaper, Palomar did, so this is the  
13 history. I'm just going by history, and I just wanted to go  
14 on the record.

15 I don't trust them, I don't believe them, and  
16 they're not -- to me, I don't think they're going to act in  
17 good faith. Thank you.

18 MR. SIPE: We have about another ten minutes of  
19 questions, just to let everyone know. I have to be out of  
20 this facility by 9:30. That's what I'm being told. I just  
21 got a letter.

22 PARTICIPANT: When you say to contact you and let  
23 you know, do you want -- how do we do that? I mean, do I  
24 just call up a number or do I have to do this sort of filing  
25 thing.

1           I have two trespassing incidents that I could  
2 tell you about, one with Oregon LNG and one with Palomar,  
3 and so I don't know what -- okay, Oregon LNG last August, I  
4 came outside.

5           I live a half mile off the road on a gravel  
6 drive, and this black pickup with my dog in the front yard,  
7 and here's this black pickup turning around, so I go walk  
8 over to this man, and he's trying to -- he's just kind of  
9 going to turn around.

10           I actually do have his name in my folder. I can  
11 tell you his name.

12           Anyway, he said -- I said, what are you doing,  
13 and he goes, oh, I'm just looking for a through road, and I  
14 said, well, did you not see the No Trespassing sign, no  
15 trespassing? And he says, oh, kind of sheepishly -- he gets  
16 down and goes, oh, I didn't think you'd mind.

17           And I said, yeah, I do mind. And so he goes, oh,  
18 I was trying to find my way down to that gravel pit, and I  
19 said, well, this isn't a through road to the gravel pit, and  
20 that's no trespassing, too.

21           And he said, oh, do you own that? I said, yeah,  
22 our family owns that. Did he at that time -- he knew who I  
23 was then. Did he say -- obviously, he knew, too, because he  
24 saw my name on the mailbox.

25           But did he say who he was? No. So he turns

1 around and starts driving off, and I turn around and he's  
2 got this digital camera out the window, clicking pictures, I  
3 don't know of what, down at my -- we have a fuel storage  
4 tank and I just -- I was -- I was just thinking, what the  
5 heck are you doing.

6 And so then later that week, we had arranged a  
7 meeting with Oregon LNG, some of the gravel people, our  
8 family, and then some of the folks from CH2MHill, and the  
9 one fellow was there, this guy with the beard. I have his  
10 name, Jim something. I can get it for you.

11 And he looked familiar and then he -- the  
12 meeting, he goes, oh, I'm the one that was on your driveway.  
13 And I said, oh, you're the one? He goes, I'm just  
14 trespassing and I said -- and I was so angry, I could hardly  
15 speak to him, because he was in the yard, going, you  
16 shouldn't have been there.

17 I go, you went right past, and so, really, I have  
18 no -- obviously, they don't think the rules apply to them,  
19 if they can just go right by there and think, oh, I'm just  
20 going to go by there.

21 And then just about in the middle of April, so he  
22 acknowledged that he did it, but it isn't right that he did  
23 it, and he -- okay, so then, a month ago, my son was down in  
24 our river bottom, and there was a Palomar, there was a rig  
25 down there, driving on this field road, not a public road.

1                   And so we -- my son going over to see what it  
2 was, he gave him his Palomar card, was Roy, anyway, he, my  
3 son, he went by two -- he said he was trying to find Green  
4 Acres Road, which is clear over there. Nobody that I know  
5 of in our area, has given him permission.

6                   So I did call, we did call the sheriff's office,  
7 but obviously, well, I tried to get a copy of the case  
8 number, but there was no case, because they have more  
9 important things to do, you know, than worry about  
10 trespassers that are just, you know, not doing any  
11 vandalism, but not anywhere they should be, but, anyway,  
12 it's on a computer file somewhere, so I don't have -- I  
13 couldn't get a case number, but -- and so if it happens  
14 again, and they do something.

15                   So, anyway, they aren't doing -- I don't trust  
16 them, because I don't think they think the rules apply to  
17 them.

18                   MR. SIPE: There are many ways to let us know if  
19 that's happening, through the e-Filing, which I know  
20 everyone does not have a computer. We just did come out  
21 with a Quick Comment. It's very easy to go on there,  
22 online, put a Quick Comment in, and send it in to FERC.

23                   If that's not working, you can hand-scratch a  
24 letter down, make sure you have the docket number on it, and  
25 send it to our Secretary, and that will get on the record.

1           It's very simple to put down on a piece of paper,  
2           you know, try to get it as specific as you can, file it into  
3           FERC and let us know that's happening.

4           Any other questions?

5           PARTICIPANT: (Inaudible.)

6           MR. SIPE: I'm actually looking at my clock. We  
7           have the -- our notice said that this meeting is going to  
8           9:30. If we need till 9:30, we'll stay to 9:30.

9           MS. ROSS: I'm Pat Ross and I spoke earlier.  
10          Anyway, you had made a comment earlier, that all of the  
11          eminent domain would be done in Oregon courts or in  
12          accordance with Oregon procedures.

13          Isn't there a threshold whereby it will be in  
14          Federal Court?

15          MR. SIPE: They either use -- if they have to go  
16          through the eminent domain process, they need to either use  
17          the state court or Federal District Court. It's one or the  
18          other for the eminent domain proceedings.

19          But eminent domain, I'm not an attorney, so this  
20          is what I'm telling you: They have two options, which are  
21          Federal District Court or state court, for eminent domain  
22          proceedings.

23          MS. ROSS: I think I read where the threshold was  
24          anything over \$3,000, would be in Federal District Court.

25          MR. SIPE: I don't know if that's true or not

1 true. Thank you.

2 Any other questions?

3 (No response.)

4 MR. SIPE: We're going to be here till 9:30, so  
5 if anybody has any other questions, we will be here.

6 I apologize that Oregon LNG has removed the maps  
7 already. They should not have done that. I will talk to  
8 them about that. They will provide maps for the people who  
9 ask on the way out.

10 Without any more questions, I would like to thank  
11 you all for coming tonight, on behalf of the Federal Energy  
12 Regulatory Commission and the Department of Transportation.  
13 I'd like to conclude the formal portion of this meeting, and  
14 let the record show that the meeting for the Oregon LNG  
15 public scoping meeting concluded at 9:10 on May 22nd, 2008.  
16 Thank you.

17 (Whereupon, at 9:10 p.m., the scoping meeting was  
18 concluded.)

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