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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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Warrenton High School Gymnasium  
1700 S.E. Main Street  
Warrenton, Oregon

Wednesday, May 21, 2008

The above-entitled matter came on for scoping  
meeting, at 7:10 p.m., Doug Sipe presiding.

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

2 MS. KOCHHAR: Good evening, on behalf of the  
3 Federal Energy Regulatory Commission I would like to  
4 welcome all of you here tonight. This is an environmental  
5 scoping meeting for the proposed Oregon LNG and Pipeline  
6 Project.

7 Let the record show that the public scoping  
8 meeting began at 7:10 p.m. on May 21st, 2008.

9 My name is Medha Kochhar, and I am the FERC  
10 project manager for the project. I have with me tonight  
11 Mr. Doug Sipe, he is, outside now, he would be sitting  
12 here. He is designated as an Oregon Project Coordinator  
13 for us, because we have several projects in Oregon, so we  
14 have one point of contact, and his name is Douglas Sipe.

15 And I also have Doug Boren with me from FERC, he  
16 is outside, and then we have Mr. Todd Madsen, who is our  
17 Third Party Project Manager from HDR, and also today we  
18 have Kimbra Davis, she is representing U.S. Department of  
19 Transportation, Office of Pipeline and Safety.

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

25 Tonight's meeting will be organized in four

1 different parts. First, I will spend a few minutes  
2 describing the FERC and FERC's review process. Next we  
3 will have Kimbra Davis who make a short presentation about  
4 their role in the pipeline and LNG project. Then in a  
5 representative from Oregon LNG will make a short  
6 presentation about the project.

7 Finally, a majority of the meeting will be  
8 dedicated to gathering comments from you all on this  
9 project. During that portion of the meeting those who  
10 would like to present comments or concerns about the  
11 project would be asked to come forward and present comments  
12 to us. These comments will be recorded by the court  
13 reporter in the project record.

14 FERC is an independent agency, and it regulates  
15 the transmission and sale of natural gas for resale in  
16 interstate commerce. FERC regulates the transmission of  
17 oil by pipeline in interstate commerce.

18 FERC also approves the siting and abandonment of  
19 interstate natural gas pipelines and storage facilities,  
20 and ensures the safe operation and reliability of proposed  
21 and operating LNG terminals.

22 FERC also oversees environmental matters related  
23 to natural gas and hydroelectricity projects and major  
24 electricity policy initiatives; and finally, of course,  
25 FERC also approves the siting and abandonment of interstate

1 natural gas pipelines and storage facilities.

2 FERC also has licensing authority and inspects  
3 private municipal and state hydroelectric projects.

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

9 Commissioners serve five-year terms, and have an  
10 equal vote on regulatory matters. One member of the  
11 commission is designated by the President to serve as chair  
12 and FERC's administrative head. FERC has approximately  
13 1200 staff employed, including myself.

14 The Commission includes Chairman Joseph  
15 Kelliher, Chairman, sorry, Commissioner John Wellinghoff,  
16 Commissioner Mark Spitzer, Commissioner Suedeen Kelly,  
17 Commissioner Phillip Moeller.

18 The National Environmental Policy Act of 1969 is  
19 the law that requires participation of an EIS for, sorry,  
20 preparation of an EIS for most major construction projects  
21 that are overseen by the federal government. For the  
22 Oregon LNG and Pipeline Project FERC is the lead agency for  
23 the preparation of the EIS.

24 The U.S. Coast Guard and the U.S. Army Corps of  
25 Engineers will assist the FERC as official cooperating

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

5           Regarding our process, we have begun what is  
6 called FERC's Pre-Filing environmental review of this  
7 project. The purpose of the Pre-Filing process is to  
8 encourage involvement by governmental entities, the public,  
9 the other interested stakeholders in a way that allows for  
10 the early identification of environmental issues as the  
11 best way to avoid or minimize environmental impacts. A  
12 formal application has not yet been filed with the FERC.  
13 However, the FERC and cooperating agency's staff have  
14 already started our environmental review.

15           Since starting the Pre-Filing 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 Pre-Filing  
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 back in  
24 September to 2007. These meetings were held after the  
25 original Notice of Intent to prepare an EIS for the project

1 was issued on August 24th, 2007. The purpose of that  
2 Notice and those meetings was to gather information from  
3 the public on issues or concerns that we should be aware of  
4 in preparing the EIS. Since the original Notice of Intent  
5 was issued, Oregon LNG has changed its project, now it  
6 includes a nine-mile long pipeline lateral as well as an  
7 electric compressor station in northern Washington County.

8 Because of these changes, the FERC recently  
9 issued a Supplemental Notice describing the current project  
10 and public scoping meetings, including this meeting, to  
11 gather additional input from the public. The purpose of  
12 the Supplemental Notice and the additional scoping meetings  
13 is to provide the public with a formal opportunity to  
14 provide any new comments on the project that we should be  
15 aware of as we prepare the EIS.

16 In addition to the FERC's sponsored public  
17 meetings, you may also have attended the public open houses  
18 held by Oregon LNG to provide information about the project  
19 to landowners that might be directly or indirectly affected  
20 by the project; and to get feedback from landowners and  
21 other stakeholders about issues they had concerning the  
22 initial routing work on the pipeline that had been done to  
23 date. During those meetings, Oregon LNG provided  
24 information about the project and had staff on hand that  
25 could answer questions about the routing process that was

1 used, engineering, design and construction of the pipeline,  
2 and the environmental review process. Oregon LNG also has  
3 made available detailed maps and aerial photos showing the  
4 pipeline route to all interested parties. Today also they  
5 have brought the information, it is outside, anyone who is  
6 interested can discuss this matter with Oregon LNG.

7 The routing issues and concerns that were  
8 collected from those meetings were subsequently documented  
9 and filed with FERC as part of the Pre-Filing process.  
10 Oregon LNG has indicated that they have revised the route  
11 in several locations based on the comments received at  
12 those meetings, and are continuing to work on route  
13 refinements with landowners and agency staff.

14 Because this is a formal scoping meeting, held  
15 to meet the scoping requirements of the National  
16 Environment Policy Act, the main purpose is to solicit  
17 input from the public on issues you feel should be  
18 addressed in the EIS that we will prepare. These issues  
19 generally focus on the potential for environmental impact  
20 including economic impacts, but may also address  
21 construction issues, mitigation, the environmental review  
22 process, and need for the project.

23 During our review of the project, we will  
24 assemble information from a variety of sources, including  
25 Oregon LNG, you, the public, other state, local and federal

1 agencies; and our own independent analysis and field work.  
2 We will analyze the information and prepare a draft EIS  
3 that will be distributed to the public for comment. If you  
4 want a copy of the draft EIS, either a paper copy or in CD  
5 form, there are three ways to let us know. You can send  
6 original comments to the FERC, or you can sign up at the  
7 sign-in table tonight, or you can return the information  
8 request form that was included in the Supplemental Notice  
9 of Intent. You must do one of those three things to ensure  
10 that you stay on the mailing list. Make sure you provide  
11 your correct address. If you received a copy of the  
12 Supplemental Notice in the mail, you are on our mailing  
13 list.

14           After the draft EIS is issued, you will have at  
15 least 45 days to review the comments on it. Towards the  
16 end of the comment period, we will schedule a public  
17 comment meeting similar in format to this one to hear  
18 comments on the draft EIS. At that meeting you will have  
19 an opportunity to provide your comments on the draft EIS  
20 orally or in writing, however you choose to. Of course,  
21 anytime during the comment period you can submit written  
22 comments. At the end of the comment period we will use  
23 your comments and any new information that we have gathered  
24 to finalize the EIS. The final EIS will be mailed to  
25 people who are on our environmental mailing list. If you

1 receive a copy of the draft EIS you will receive a copy of  
2 the final. After the final EIS is issued, the FERC  
3 Commissioners will use our findings to assist in their  
4 determination on whether to approve or deny a certificate  
5 for the project.

6 Before we start taking comments from you  
7 tonight, Kimbra Davis of U.S. DOT, Office of Pipeline  
8 Safety, will make a short presentation to explain their  
9 role in the pipeline project. After that we will have  
10 Oregon LNG, two folks from the CH2MHill, Mark Bricker and  
11 Ted Potter, will give a short presentation about the  
12 project, and they will also explain what are the new  
13 changes.

14 For most part, tonight's meeting -- during  
15 tonight's meeting you are encouraged to provide comments on  
16 environmental issues for this project. This meeting is a  
17 public scoping meeting, we are here tonight to learn from  
18 you. We would like to hear your comments or concerns about  
19 the proposed project, and learn about issues that you think  
20 should be addressed. It will help us the most if your  
21 comments are as specific as possible regarding the  
22 potential environmental impacts and reasonable alternatives  
23 of the proposed project. If you prefer to send written  
24 comments please pick up one of the handouts from the  
25 sign-in table, which provides instructions on how to make

1       it easy for you to send written scoping comments us to. It  
2       is very important that any comments you send include the  
3       internal docket number for the project. The docket number  
4       in the supplemental docket number, is in the Supplemental  
5       Notice of Intent, and is included on the handout at the  
6       sign-in table, but let me also give it to you.

7                If you do send a comment letter please put this  
8       number on it, and the docket number is PF10 -- PF 07-10.

9                PARTICIPANT: I am sorry, ma'am, we can't  
10       understand, I can't hear whether it was a B or --

11               MS. KOCHHAR: Okay. No, the docket number is P  
12       as in Peter, F as in Frank, 07-10-000. Again it is P as in  
13       Peter, F as in Frank, 07-10-000. Thank you.

14               The written comments period will end on  
15       June 12th, 2008. That period is only for the NOI comments  
16       but you are still welcome to send your comments anytime  
17       after that, too. However, we encourage you to submit your  
18       comments as soon as possible in order to give us time to  
19       analyze and research the issue.

20               I would like to add that the FERC strongly  
21       encourages electronic filing of all comments. The  
22       instructions for this can be located on our web site,  
23       www.ferc.gov, g-o-v, under the e-filing link. The comment  
24       hand-outs at the sign-in table provide additional  
25       information about electronic filing of comments.

1           If you want to speak tonight and have not  
2 already done so, please sign up on the speaker list and  
3 come to the microphone when your name is called. That will  
4 allow the process to be orderly and your comments will be  
5 recorded by our court reporter. Let's do this in a very  
6 civilized manner, we are here to receive your comments, so  
7 let's do it together.

8           Again, the purpose of tonight's meeting is for  
9 us to gather information from you. However, at the end of  
10 the meeting if we have more time, I or one of other FERC  
11 staff members will be here to help answer your questions.  
12 I will also ask a representative from Oregon LNG to try to  
13 answer questions that you may have about the project  
14 itself. Doug Sipe will be here to answer questions  
15 regarding FERC policy. Each person will be given three  
16 minutes to begin with, and if we have time at the end you  
17 can come again and give us rest of your comments.

18           Now, I will request Ms. Kimbra Davis to come  
19 forward and make a presentation about DOT's role. Kimbra.

20           Thank you very much.

21           MS. DAVIS: Thank you, Medha.

22           PARTICIPANT: Speak into microphone, I can't  
23 hear you. It is awful hard to hear back here.

24           MS. DAVIS: Is that better?

25           My name is Kimbra Davis, and I am a Community

1 Assistant for Technical Services Project Manager for the  
2 Office of Pipeline Safety, which is a branch of the U.S.  
3 Department of Transportation and Hazardous Materials Safety  
4 Administration. This is abbreviated or also known as  
5 FEMCA.

6 I would like to thank FERC for the opportunity  
7 to provide an overview of the LNP Pipeline Safety Program  
8 as well as liquified natural gas oversight.

9 First I would like to address Pipeline  
10 Regulatory Oversight and then conclude with information on  
11 the role FEMCA plays with respect to regulatory oversight  
12 of LNG facilities.

13 If Oregon LNP receives permission from FERC to  
14 construct the pipeline, the Office of Pipeline Safety in  
15 cooperation with our state partner, the Oregon Public  
16 Utilities Commission, will maintain regulatory oversight  
17 over the safety of the pipeline. This oversight includes  
18 inspection to ensure the pipeline is constructed of  
19 suitable material, welded in accordance with industry  
20 standards by qualified welders, installed to the proper  
21 depth, protected from external corrosion and properly  
22 pressure tested before use.

23 Beyond the construction process we conduct  
24 periodic inspections of operation and maintenance  
25 requirements of the code as defined in 49 CFR part 192.

1 CFR is Code of Federal Regulations. The operator must  
2 establish comprehensive written procedures describing the  
3 types and frequencies of monitoring to ensure the continued  
4 safe operation of the pipeline.

5 The monitoring that an operator must perform  
6 includes the adequacy of external corrosion prevention  
7 system, the operability of pipeline valves and pressure  
8 control equipment, patrols of the right-of-way and leak  
9 detection surveys. In addition to this routine monitoring  
10 FEMCA regulations now require transmission pipeline  
11 operators to implement integrity management programs.  
12 These programs include periodic integrity assessments of  
13 transmission pipelines in highly populated areas. These  
14 assessments help provide a comprehensive understanding of  
15 the pipeline condition and associated risks.

16 A well constructed and maintained pipeline must  
17 be properly operated. Operators must ensure that personnel  
18 performing operations, maintenance or emergency response  
19 activities are qualified to perform these functions.  
20 Additionally, FEMCA ensures that pipeline operators must  
21 also implement public awareness programs to improve  
22 awareness of the pipelines within communities.

23 If safety inspections find inadequate procedures  
24 so that an operator is not following their procedures the  
25 Office of Pipeline Safety is authorized to require remedial

1       action, assess civil penalties and initiate criminal  
2       action. Safety is the primary mission of the Office of  
3       Pipeline Safety and we understand how important this  
4       mission is to your community.

5               Now I would like to had a dress FEMCA authority  
6       with respect to liquified natural gas facilities. The  
7       Office of Pipeline Safety has regulatory authority for the  
8       safety of land based LNG facilities. These regulations  
9       apply to the construction, operation and maintenance of the  
10      land based facilities. OPS regulations are codified in 49  
11      CFR part 193, which incorporates many of the requirements  
12      of the National Fire Protection Association standards 59-A.

13              During construction OPS regional staff inspects  
14      to ensure that construction complies with construction  
15      requirements of part 193. Impoundments around tanks and  
16      pipelines controls the spread of an LNG release if it  
17      occurs. Firefighting and vapor suppression systems are  
18      installed to mitigate the consequences of any release.

19              Prior to commencing operations the facilities  
20      operator must establish detailed procedures that specify  
21      the normal operating parameters for all equipment. When a  
22      piece of equipment is modified or replaced, all procedures  
23      must be reviewed and modified as necessary to ensure the  
24      integrity of the system. All personnel must complete  
25      training in operations and maintenance, security and

1 firefighting.

2           The facilities operator must develop and follow  
3 detailed maintenance procedures to ensure the integrity of  
4 various safety systems. Gas detectors, fire detectors and  
5 temperature sensors automatically activate firefighting and  
6 vapor suppression systems. Emergency shut down devices  
7 activate when operational parameters exceed beyond the  
8 normal range.

9           The liquified natural gas facility operator must  
10 coordinate with local officials and apprise them of the  
11 types of fire control equipment available within the  
12 facility. Since the regulations require tight security for  
13 this facility, including controlled access, communications  
14 system, enclosure monitoring, and flow control.

15           Regional staffs for federal Department of  
16 Transportation Office of Pipeline Safety, FEMCA, expects  
17 each LNG facility once each year to ensure that all  
18 equipment has been properly maintained and that the  
19 operator has and follows operations, maintenance, security  
20 and emergency procedures that ensure the continued safe  
21 operation of the facility.

22           Our agency enforces violations that it finds.  
23 Enforcement can include civil penalties or orders directing  
24 action. In addition, if the Office of Pipeline Safety  
25 finds circumstances that are hazardous, we can

1 expeditiously require correction through corrective action  
2 orders.

3 Again, thank you for the opportunity to provide  
4 an overview of the Federal Office of Pipeline Safety  
5 program.

6 MS. KOCHHAR: Thank you, Kimbra.

7 (Inaudible)

8 PARTICIPANT: Could you please use the  
9 microphone, we can't hear you.

10 MS. KOCHHAR: Now, Mr. Mark Bricker from  
11 CH2MHill.

12 PARTICIPANT: We can't hear you.

13 PARTICIPANT: Speak up.

14 MS. KOCHHAR: It is not on. I don't know, it is  
15 just turned off.

16 Now, we will request Mr. Mark Bricker --

17 PARTICIPANT: It is still not on.

18 PARTICIPANT: I don't know, it is not my mike.  
19 I don't know how they work.

20 MS. KOCHHAR: I don't know. It was working  
21 before, I don't know what happened. Test, test.

22 PARTICIPANT: Try the button on the lower  
23 center.

24 MS. KOCHHAR: Anyway, I will try to speak loud  
25 if I can.

1                   We will request Mr. Mark Bricker and Ted Potter,  
2 both of them are from CH2MHill, they are consultants for  
3 Oregon LNG, and they will make a short presentation about  
4 the project, and they will also explain what are the new  
5 changes in the project. Mark and Ted.

6                   MR. BRICKER: My name is Mark Bricker --

7                   PARTICIPANT: We can't hear you.

8                   MR. BRICKER: I don't know what is wrong. It  
9 goes right out.

10                  Hello. Testing, testing.

11                  Okay, forget this, I can speak loud enough.

12                  My name is mark Bricker, I am with CH2MHill, we  
13 are the environmental consultant and pipeline engineering  
14 consultant for Oregon LNG. My specific role on the  
15 project, I am the overall project manager. With me this  
16 evening is Ted Potter, who is the lead pipeline engineer.

17                  I want to start by giving you a brief, second,  
18 next slide, please, a brief overview of what the proposed  
19 project is. The proposed project is a import LNG terminal  
20 and send out pipeline system. The terminal has a nominal  
21 capacity of one billion cubic, standard cubic feet per day,  
22 with a peak capacity of 1.5 billion cubic feet per day.

23                  The markets served by the project will be the  
24 Pacific Northwest, Oregon, Washington and Idaho. The  
25 Portland metro area will be the closest major service area

1 to the project, and will be the first served. Gas that is  
2 not used in the Pacific Northwest would be available for  
3 other western markets.

4 Next slide, please. The proposed marine  
5 facilities for the project consist of a dock, turning  
6 basin, pier -- huh, is this going to work?

7 PARTICIPANT: No.

8 MR. BRICKER: Do you want me to use the mike or  
9 keep talking without the mike? Doesn't matter. Okay.

10 Where was I? Okay, a dock, turning basin, pier  
11 and LNG loading equipment. The marine facilities are  
12 located in an area zoned Aquatic Development A1, which is  
13 an aquatic development zone consistent with shore based  
14 water dependent industrial zone, zoning areas.

15 The project will have dredging requirement of,  
16 for the turning basin and the dock, there is about 1.3  
17 million cubic yards of dredging for 97 acres. Some of you  
18 probably may recognize that is the number that has  
19 increased over from previous estimates. The reason that is  
20 is we have done docking simulation work with a Columbia  
21 River barge pilots and they have identified a wedge  
22 materials, what we refer to as, it is adjacent to the  
23 Skipanon River that they wanted removed into it, in  
24 addition to what we had previously proposed, which makes  
25 the entranceway in to the turning basin more in alignment

1 with the Columbia, the main navigation channel, so that is  
2 somewhat of a new feature.

3 The next slide, please -- oh, excuse me, I  
4 forgot one other bit of information. We have characterized  
5 the dredging material, it is mostly clean sandy material,  
6 but there is some indications of some woody residue and  
7 those samples are nearest Skipanon River.

8 Next slide. The LNG terminal is located at  
9 river mile 11 1/2 on the East Skipanon Peninsula. The  
10 shore based area is zoned water dependent industrial shore  
11 lands, I-2. The predominant features on the proposed  
12 terminal site will be dirt, three full containment LNG  
13 storage tanks, each storage tank is about 160,000 cubic  
14 meters in capacity, approximate dimensions are 250 feet in  
15 diameter and 175 feet in height.

16 There is a spill containment and collection  
17 system. There is vapor handling system, including  
18 emergency flare. The vaporization equipment will be  
19 ambient air vaporizers, with supplemental heaters for, gas  
20 fired heaters for supplemental vaporization. There will  
21 also be administrative offices and control room.

22 If I can step around here. Okay, I wanted to  
23 give you a brief overview of the project location. This  
24 area here is the East Skipanon River, here is the East  
25 Skipanon Peninsula, this is the Skipanon River. I think

1       you can see the Astoria airport in the background and the  
2       coast range in the even further background. This is  
3       looking east.

4               Next slide. Here is a plan view. If you were  
5       looking at the proposed project site, down, here is the  
6       three LNG storage tanks. This oval area here is a  
7       containment dike. The tanks themselves are a tank within a  
8       tank, so they are full containment sites. In addition  
9       there is a dike, concrete dike around the tanks. That is  
10      primarily there for purposes of protecting the tanks from a  
11      tsunami flood level.

12              The vaporization equipment, ambient air  
13      vaporizers are located down here in the southern end of the  
14      site. The supplemental gas fired boilers are located down  
15      in here. Right in this general area is where we will have  
16      our metering station where the pipeline starts, and then  
17      the gas enters into the pipeline system. And then over on  
18      this side here will be the administrative offices,  
19      warehouse, that type of thing and here is the Skipanon  
20      River.

21              This is a simulation of what the project,  
22      proposed project might look like on the Klaskanine bluffs,  
23      and you can see the tanks. Here is a projection of what an  
24      LNG tanker would look like out at the dock and the pier,  
25      the vaporizer down in this area, and then the office and

1 that types of structures are over here.

2 I will now turn this over to Ted Potter.

3 MR. POTTER: I am Ted Potter, I am a pipeline  
4 engineer with CH2MHill. What you are seeing here is the  
5 pipeline route as currently proposed, per our detail map,  
6 throughout the project, and you certainly could go out and  
7 take a look at those if you want more detailed routing.

8 Go ahead, Mark. Okay, Oregon pipeline is a  
9 36-inch diameter steel pipeline that will run 121 miles  
10 from Warrenton down to the Mollala, Oregon. It has an  
11 MAOP, maximum allowable operating pressure of 1440 psi,  
12 pounds per square inch. It has, as I mentioned, an  
13 interconnect at the Mollala Gate Station next to the  
14 Williams system, as well as the local attachment system.

15 In routing we go to route the pipeline along  
16 existing corridors such as rail lines, power lines, roads,  
17 and property lines where possible. The construction would  
18 be 100-foot wide construction width, and that includes a  
19 50-foot permanent easement and a 50-foot temporary  
20 construction easement. In wetlands it is a 50-foot  
21 permanent easement and a 25-foot construction easement.

22 The new elements that Medha had talked about  
23 earlier are the laterals, the 9 1/2 mile, 24-inch lateral  
24 that runs from about the Timber or Highway 26, this  
25 junction, Timber Junction and Highway 26 location over,

1 over east, over to the MIST, and Northwest National South  
2 MIST Pipeline Extension, and the South MIST feeder  
3 pipelines that feed into and out of the MIST storage fields  
4 and that is a new facility that we have added.

5 I also, when the flow Oregon pipeline gets to  
6 below 1.1 billion cubic feet per day, there is a  
7 requirement to have a compressor station. So if in fact if  
8 the flow gets above that, a compressor station would have  
9 to be added, and that was located just south of the  
10 connection I just mentioned, it is a little bit south of  
11 the Timber Junction and Highway 26 crossing. It would be  
12 connecting in to an electric grid gas compressor station,  
13 28,000 installed horsepower to get that one get to that 1.5  
14 billion cubic feet per day. I will mention where it is  
15 located, it is section -- well, that's it.

16 MS. KOCHHAR: Thank you, Mark, and Ted. Now, I  
17 will have Doug Sipe calling the names of the speakers, and  
18 one by one he will call, so you can come forward, say your  
19 name in microphone so the court reporter can get your name  
20 correctly.

21 Doug, do you want to come in?

22 MR. SIPE: Thank you. Thank you, everyone.  
23 Again, my name is Douglas Sipe, I a Federal Energy  
24 Regulatory Commission employee. I have been named as  
25 Oregon coordinator, due to the fact that we know that there

1 are multiple projects proposed in this state, along with  
2 three LNG facilities there are a lot of other pipeline  
3 facilities proposed. I have been named as the single point  
4 of contact for all agencies and stakeholders with questions  
5 about the project, because we understand that it does get  
6 confusing, not only for you guys, it also gets confusing  
7 for us.

8 As Medha stated, I will answer as many questions  
9 as I possibly can tonight, but I may not be able to answer  
10 all of your questions.

11 I see a hand back here, just one second.

12 I am going to go down the list of speakers that  
13 I have signed up here. During that, the people signed up  
14 on the list, I have to give them the opportunity to speak.  
15 After I make it through the list I will take, entertain  
16 individual questions and concerns that you may have.  
17 Please, when you want to speak, please come up to the  
18 microphone, state your name for the record, we can't state  
19 that enough, for our court reporter.

20 I can't have a bunch of cross talk back and  
21 forth and yelling out of questions out from the audience,  
22 because our court reporter will start throwing stuff at me.

23 So I just appreciate it, I wanted to start off  
24 with the first --

25 MS. KOCHHAR: (Inaudible.)

1                   MR. SIPE: So the first speaker on the list is  
2 Don West. Where I microphone? There are two microphones  
3 here.

4                   MR. DON WEST: Good evening. Thank very much  
5 for taking the time to speak with everyone here tonight, it  
6 is a very intense issue for all of us.

7                   Sorry, my name is Don west, Astoria. Not so  
8 long ago the Governor of this State sent a letter to the  
9 Federal Energy Regulatory Commission asking that a cease  
10 sighting of LNP facilities in this state until a needs  
11 assessment and environmental, independent environmental  
12 impact statement could be completed. Very recently he  
13 received a letter back from the Chairman of FERC, basically  
14 telling him forget it, it ain't going to happen.

15                   Is this the procedure when it comes to a  
16 governor of a state requesting something, or is this  
17 something that was provided and made possible by the Energy  
18 Act of 2005, and do you feel you are denying or usurping  
19 the rights of the states by refusing the Governor of the  
20 State?

21                   Second point, Oregon Department of Energy just  
22 completed an exhaustive study on needs, and their  
23 determination was that there is no need for LNG in the  
24 State of Oregon.

25                   (Applause.)

1                   MR. DON WEST: All the State's needs can be  
2 found domestically, and regardless of the spin that the  
3 last speakers put on, each one of these three proposed  
4 plans delivers 2 1/2 times the amount of natural gas that  
5 this state uses currently. There is no need. And to  
6 suggest any otherwise is ridiculous. So I respectfully  
7 request that a needs assessment be done before.

8                   I understand that CH2MHill, I would just like to  
9 know who pays their bill? Because, gosh, you kind of get  
10 what you pay for there. These are two and a half football  
11 fields across, each one, 17 1/2 stories high, and in my  
12 feeling, it is a blight on the environment. And when you  
13 have a leak in this massive pipeline running 121 1/2 miles,  
14 what guarantee is there that there will not be a disaster  
15 or incident?

16                   Thank you.

17                   (Applause.)

18                   MR. SIPE: Sorry about the mike situation. This  
19 happens in multiple locations. I apologize, we are going  
20 to do the best we can.

21                   Thank you for your comments, sir, I appreciate  
22 that. I would like to address some of those, if you would.  
23 I am going to try to explain the market need, for the needs  
24 analysis that was asked for from us from the Governor for  
25 us to do, and we did respond to that. It is a

1 congressional response. So when we receive Congressional  
2 letters from Congressionals, we respond to this in a  
3 Congressional way.

4 The needs analysis, the need was asked for the  
5 State of Oregon. We are a Federal Energy Regulatory  
6 Commission. We look at the need for natural gas for the  
7 entire nation. We do not look at the need specifically for  
8 a state. So when a project is proposed to us we review  
9 that project, we do the environmental analysis on that, as  
10 staff, along with other staff of FERC that do the markets  
11 and rates analysis of that project. We make those  
12 recommendations, we put those in front of our commissioners  
13 and they vote for the project.

14 So the analysis of need, think of it as right  
15 now Oregon receives their gas from a multiple locations.  
16 Right now they receive their gas from Canada, which comes  
17 down through the State of Washington, in to the State of  
18 Oregon. There are other pipelines running, that will be  
19 the Northwest Williams line. There is another trans Canada  
20 line coming out of Canada, coming down through Idaho and in  
21 to Oregon. There is a new LNG facility down in Baja,  
22 Mexico, that is soon going to go on line. They will be  
23 receiving gas from the south. They receive gas from the  
24 San Juan basin, from the east over to the west.

25 It is an interstate grid. FERC is not charged

1 with a need analysis for a given State, we are charged with  
2 the need for a nation in general, and that is how we  
3 responded to the Governor. A market need for the  
4 individual states, no, we won't do that, but we do the  
5 market analysis for the nation.

6 PARTICIPANT: (Inaudible.)

7 MR. SIPE: Again, I can't have -- I am not going  
8 to -- I can repeat some of -- I can't have the cross talk.  
9 I understand. If I had mikes for everyone we could  
10 probably do that.

11 There has been a lot of question in Oregon  
12 Department of Energy's report which we, a lot us have read,  
13 it just did come out, I read that on the airplane on the  
14 way out. I discussed that with them today in their offices  
15 at 10:00 a.m. for three hours, and their needs, it is a  
16 very good report. And in the letter we respond to the  
17 Governor we already said that. We may not do a specific  
18 needs analysis for the State, we may not do certain  
19 analysis that the State is requesting, but if the State  
20 does those studies, we will look at those and analyze those  
21 in our environmental impact statement, which those results  
22 will go to the commissioners to vote on the project.

23 So it is not that FERC, FERC is, you know, I am  
24 hearing that from the agencies, I am hearing that from the  
25 public, it is not that FERC is not going to do certain

1 things that the public is asking, it is just we are going  
2 to do those in a different way, either the States or our  
3 federal agencies that we are cooperating with, or our State  
4 agencies, or our counties, I am meeting with county  
5 officials tomorrow. I met with city officials along the  
6 pipeline route this week, explaining our process.

7 So, we have a process, and it is very  
8 frustrating for people right now to understand that this is  
9 the second scoping meeting you have had for this project,  
10 and you have not seen results yet. Remember they have, the  
11 company, Oregon LNG, has not filed an application with us  
12 yet. We have not produced an environmental impact  
13 statement producing the results that you are waiting to  
14 see. So give us time, let our process work.

15 And your question came up about, you know, the  
16 price of gas, which is real high right now, the price of  
17 natural gas, the price of LNG. The United States in  
18 general has billions of cubic feet of storage of natural  
19 gas. That is just another way of feeding the interstate  
20 grid to supply the gas to people who need it. That is  
21 another reason why this company is proposing laterals to go  
22 over to the MIST storage field, because the United States  
23 has the luxury of not buying the gas when it is at such a  
24 high price.

25 If you look at the Oregon Department of Energy's

1 report it states that the LNG facilities in production  
2 right now, their percentages are very low. They are  
3 running like 33 percent or 50 percent or 60 percent, and  
4 everyone is wondering why do we need more LNG terminals?  
5 It is 10 years in the planning stages for one of these LNG  
6 terminals, three to five years for construction. It is not  
7 for now, it is for the future to feed the interstate grid.

8 I know that is hard to understand, and if  
9 someone wants to ask another question later or whatever it  
10 may be, but that is just my brief summary of the need  
11 analysis that has been asked by the Governor.

12 A lot of things that the Governor has asked us  
13 to do we are going to do for or the State agencies. Just  
14 wait until our environmental statement comes out.

15 Thank you. Next speaker is Jean Dominey.

16 MS. JEAN DOMINEY: Madam Kochhar, with all due  
17 respect, this endangers our lives and our property, and we  
18 are given three minutes to talk about it, and then we have  
19 to come to you all talk in between all our talks. This is  
20 serious. I personally have been here before and have met  
21 with you all, and we are concerned.

22 Let me tell you that on we do not need this gas  
23 in Oregon. We want Arnold to build his own terminal. Now,  
24 we both want to hear no talk about a gas grid. This is our  
25 property, this is our state and we have state laws. I want

1 to read to you from a document that I will personally gave  
2 to you, and something that was adopted by the Democratic  
3 Party of Oregon in April at its convention in Eugene,  
4 Oregon, this is a legislative agenda for the entire state.

5 LNG tankers traversing the dangerous Columbia  
6 River bar and channel will adversely affect commercial  
7 shipping, commercial fishing, treaty rights and the tourism  
8 industry of the entire Columbia Basin. And it is addresses  
9 millions of jobs. So that is clear it is a State standing  
10 of the Democratic Party stands behind it.

11 These -- the proposed development gives prime  
12 generous targets, endangering people's property, quality  
13 and beauty of the Columbia Estuary. The LNG tanker escort  
14 by the Coast Guard requires the same designation as search  
15 and rescue, so that the Coast Guard will be constrained in  
16 its emergency response to other vessels, and its duties at  
17 sea and in the river.

18 I am going to skip because other people will be  
19 addressing no doubt some of the material I have in my  
20 sheet.

21 I want to stress, as I did before, the damage to  
22 salmon and other endangered species in the Columbia River  
23 Estuary through dredging, screening of water ballasts for  
24 the ships as they go back over the bar, deposit of foreign  
25 noxious species into our water, and destruction of habitats

1 food organisms. This is in direct violation of the  
2 sovereign State of Oregon, Planning Rule 16, Estuarian  
3 Resources; and I stand on our State's rights. We do have  
4 the right to fight back against federal government, should  
5 it seek to impose upon us things that are a danger to our  
6 citizenry. I say that this development does not fit here.  
7 Please go away.

8 (Applause.)

9 MR. SIPE: Thank you. Next speaker is Ted  
10 Messing.

11 MR. TED MESSING: Can you hear me? Okay, over  
12 here?

13 My name is Ted messing, I live at 44183 Peterson  
14 Lane, Astoria, Oregon. It is my understanding that the  
15 FERC siting process for LNG plants, that if an LNG plant  
16 meets certain standards, then FERC grants the permit.  
17 However, the market decides what gets built. But if two  
18 plants are proposed in the same area, then logically it  
19 follows that the market could decide that both plants would  
20 be built. So it is necessary that FERC take into account  
21 the cumulative impact of both plants proposed for the  
22 Columbia River, since both have the potential to be built,  
23 unless you know something about the market that we don't  
24 know.

25 We, therefore, demand that all testimony and

1 documents that have been submitted to FERC concerning the  
2 environmental impacts of the Bradwood proposal be reviewed  
3 by this team and considered with this Warrenton proposal.  
4 This includes all local, state and federal agency reports  
5 as well as citizen's comments.

6 In particular I call your attention to a letter  
7 submitted by Michael Tehan, Director of Oregon State  
8 Habitat Office of National Marine Fisheries, concerning the  
9 negative impact of LNG to this estuary, and the importance  
10 of the estuary to restoring salmon stocks on the Columbia.  
11 To make sure this important letter is read by the FERC  
12 staff, I am submitting a copy that was previously submitted  
13 to FERC in response to the Bradwood proposal, and you can  
14 just substitute Licadia for Bradwood.

15 I quote from page 3, "The Lower Columbia River  
16 estuary has been described as 'the most valuable spawning  
17 and nursery area for salmon in the continental  
18 United States.'" It is my understanding that in the last  
19 century we have lost 50 percent of our estuary habitat due  
20 to the destructive development, and now Oregon LNG wants to  
21 sink a tank farm with extensive dredging, filling and  
22 chronic disturbance, right in the middle of this critical  
23 estuary habitat.

24 Again, I quote from NMFS letter on page 4. "The  
25 survival and recovery of all 13 ESA-listed species of

1 Pacific salmon and steelhead that occur in the Columbia  
2 River Basin are dependent on the Columbia River estuary."

3 Evidence previously submitted to FERC concerning  
4 the Bradwood proposal makes it clear what an LNG terminal  
5 anywhere in the Columbia River estuary would mean to our  
6 river and our salmon. You must consider the cumulative  
7 impacts of all LNG projects proposed for the Columbia  
8 River. The Columbia is one river and one estuary and it is  
9 our home that we will leave to our grandchildren.

10 And I would like to just, another comment, on  
11 this, but I lost my thought so I won't say it. So here you  
12 go. Yeah.

13 (Applause.)

14 MR. SIPE: Thank you for your comments.  
15 Cumulative impact, very, very good point. How we will  
16 prepare our Environmental Impact Statement, that will have  
17 a cumulative impact section to it. How we will do that is  
18 again we look at each project, if it can act on its own as  
19 each is an individual project. But in the cumulative  
20 impact section we will discuss all the projects within the  
21 State of Oregon. That will be covered in the cumulative  
22 impact section.

23 Next speaker on the list, Carl Dominey.

24 MR. CARL DOMINEY: I would like to present this  
25 photo of the Columbia River area to FERC, being one of the

1 most beautiful areas in the world, because how ironic it is  
2 that Oregon LNG would propose to import foreign fossil fuel  
3 at the very site where Lewis and Clark spent the winter  
4 during their historic journey.

5 This proposal is to build a 1500-pound per  
6 square inch pipeline and unloading terminal to unstable  
7 wetlands. These wetlands are located right on the Pacific  
8 Rim, major earthquake zone, and right on the coast at sea  
9 level where the key watch word is tsunami preparedness.  
10 This proposed pipeline is also supposed to run through one  
11 slide area after another as it goes through the mountains.

12 At a depth of only three feet in an unreinforced  
13 excavation. By Oregon LNG's own admission this 1500 psi  
14 pipeline would not be hard for a terrorist to get to. All  
15 this is still being proposed in spite of the December 1st  
16 and 2nd, 2007, hurricane that ravaged this area with winds  
17 up to 150 miles per hour for three straight hours. We all  
18 know happened down with the Katrina hurricane.

19 This pipeline is proposed despite the proposed  
20 pipelines from Wyoming and Colorado that will bring  
21 domestic gas which is cleaner for the environment, costs  
22 less and would not have to contend with our local wetlands,  
23 tsunamis, slide areas and storms, not to forget the very  
24 real terror threat. See the attached article that I will  
25 give you.

1           The Oregon Department of Energy has reported to  
2 Governor Ted Kulongoski that there is enough domestic gas  
3 in the Rocky Mountains, Canada, Alaska to serve Oregon's  
4 long term needs, if that exists, and that this gas is  
5 cleaner for the environment because it does not need to be  
6 super cooled. It also reports that pipelines for this  
7 domestic gas would have less environmental impact, generate  
8 less pollution and deliver whatever small amount of gas  
9 that might be needed in the Northwest, less expensively.  
10 Please see the attached article.

11           We need to remember the Exxon Valdez pollution  
12 court case from 1989 is awaiting a decision from the  
13 United States Supreme Court. This oil spill caused serious  
14 damage to the fishing and environment in Prince William  
15 Sound. If Exxon is not held accountable for the damage its  
16 oil spill did, then who would be accountable for the  
17 horrific damage these foreign ships, LNG terminals and high  
18 pressure pipelines would cause in an accident.

19           The current commerce on the Columbia River is  
20 \$20 billion per year. The shipping, according to the  
21 Columbia River Channel Organization helps support  
22 approximately 44,000 jobs in the Columbia River Basin.  
23 There are 19 cruise ships docking in Astoria this year,  
24 bringing about 30,000 tourists. If this LNG project is  
25 allowed to be built all of this will be seriously impacted,

1 if not completely shut down. An accident could easily  
2 destroy the tourism, fishing and commerce of the whole  
3 lower Columbia River area. So, if a terrorist really  
4 wanted to shut down the entire lower Columbia area this  
5 would be the way to do it.

6 A quick review: Unstable shipping wetlands,  
7 major earthquake area, highly susceptible tsunami area,  
8 numerous slide areas to cross, documented 150-mile per hour  
9 hurricane, serious terrorism threat. Oh, and P.S., the  
10 Columbia River bar crossing is considered the second most  
11 dangerous in the United States.

12 What is wrong with this picture?

13 (Applause.)

14 MR. SIPE: Next speaker on the list, Lori  
15 Durham. I will try to pronounce everyone's name correctly  
16 but I may get it wrong, so you can correct me.

17 MS. LORI DURHEIM: I am Lori Durham, I live in  
18 Astoria, and I have been fighting LNG for 3 1/2 years. LNG  
19 in Oregon, the environment, need and cost of LNG versus  
20 reality, the cost, need and environment concerns of LNG  
21 have been addressed by our State Department of Energy, is  
22 FERC listening? The Oregon Department of Energy stated on  
23 May 7, 2008, in part, liquified natural gas supplied to  
24 Oregon would likely cost more than natural gas produced in  
25 North America.

1                   Contrary to what Oregon LNG and the other two  
2 companies vying to have an LNG terminal in Oregon have  
3 said, natural gas from LNG would cost much more. No  
4 savings here folks. Also, these gas speculators tell us  
5 that the gas from these facilities will go to our community  
6 when in fact this isn't how the gas market works. The gas  
7 goes to the highest bidder.

8                   While natural gas will continue to be needed,  
9 the three LNG terminals proposed in Oregon are not the only  
10 viable options. ODOE.

11                   Now, in the process of getting permits, the  
12 Sunstone Pipeline and the Ruby Pipeline from the Rockies in  
13 Wyoming, would bring domestic gas to Oregon and California.  
14 No foreign countries to deal with, who by the way, dislike  
15 us, to put it mildly. The newly opened Sempra LNG facility  
16 south of Ensenada, Mexico, will provide approximately  
17 50 percent its gas to Southern California.

18                   The Oregon Department of Energy declared "In  
19 general, the pipelines proposed for supplying Rocky  
20 Mountain natural gas to Oregon and California appear likely  
21 to have less environmental impact to Oregon and less life  
22 cycle greenhouse gas emissions than the three LNG  
23 facilities proposed for Oregon to serve the same markets."

24                   In 2007, under State law, House Bill 3543, and  
25 the Western Climate Initiative, Oregon is to reduce CO2

1 emissions. The regasification process at the LNG terminals  
2 produce greenhouse gas emissions, thus taking us back  
3 instead of forward in cleaning up our environment.

4 I ask the people of FERC to not grant siting  
5 permits to Oregon LNG or the other two LNG proposed  
6 facilities in Oregon.

7 (Applause.)

8 MR. SIPE: Thank you. Debbie Donnelly.

9 MS. DEBORAH DONNELLY: I am Debbie Donnelly,  
10 Astoria. I would like to address the need for LNG  
11 terminals in Oregon and the United States.

12 Oregon Department of Energy states that natural  
13 gas from North America will provide an adequate supply of  
14 natural gas to meet Oregon's needs in the future.

15 MR. SIPE: I can hear you fine, they can't.

16 PARTICIPANT: (Inaudible.)

17 MS. DEBORAH DONNELLY: The Rockies Express  
18 Pipeline System is expanding to supply natural gas to areas  
19 of the Midwest and in the future, the western U.S. a  
20 segment of the North Baja Pipeline System was recently  
21 modified to allow for future supplies of natural gas from  
22 the import facilities on the northwest coast of Baja,  
23 California to be delivered to customers in the U.S.

24 According to the Energy Information  
25 Administration, through the first four months of 2008 total

1 LNG imports were considerably lower than the total imports  
2 at this time last year. The shift of LNG away from the  
3 United States this year results from higher prices  
4 available to LNG suppliers for deliveries to both the  
5 Asia-Pacific region and Europe. The high demand in other  
6 parts of the world will continue to constrain LNG shipments  
7 to the U.S.

8 What is really incredible is that  
9 Conoco-Phillips, Alaska Natural Gas Corporation and  
10 Marathon Oil Company filed an application to export natural  
11 gas from existing facilities near Kenai, Alaska, to Japan  
12 and other countries on either side of the Pacific Rim.  
13 Also the U.S. Department of Energy is running commercials  
14 on TV stating that our country has an abundant amount of  
15 oil and natural gas to meet our future needs.

16 Small energy businesses could care less about  
17 our natural gas future. Their only goal is to build as  
18 fast as possible and sell out to a bigger energy  
19 corporation as fast as possible. FERC's regulatory  
20 responsibility is to also control the permitting of these  
21 facilities and not hide behind "let the market decide."  
22 According to multiple studies the market has already  
23 decided that we have adequate supplies of natural gas.

24 (Applause.)

25 MR. SIPE: Thank you. Laurie Caplan.

1                   MS. LAURIE CAPLAN: I am Laurie Caplan from  
2 Astoria. Science shows that there will be substantial air  
3 and water pollution and environmental damage from the  
4 construction and day-to-day operation of this proposed  
5 terminal and pipeline. Environmental damage from a routine  
6 industrial accident at the Warrenton site could be even  
7 more widespread, long term and destructive.

8                   Experts tell us there is no way to put out a  
9 fire after gas vapor ignites. Firefighters simply have to  
10 let the fire burn itself out. However, that same fire can  
11 ignite buildings, boats, vehicles, trees, animals, and  
12 people. What happens then? Won't smoke, chemicals, and  
13 burning gas vapors affect our air and water quality and our  
14 health and our lives? Erin Brockovich, where are you?

15                   It is likely that the few professional  
16 firefighters in our county would need our many volunteers  
17 of the combined Knappa, Astoria, Warrenton and Klaskanine  
18 Fire Districts to fight an LNG fire at both Warrenton and  
19 Bradwood.

20                   The Knappa Fire District wanted to know how to  
21 prepare for this. It researched the four LNG terminal  
22 facilities in the U.S., incidents at the two LNG peak  
23 shaving plants in Oregon, and got information from the  
24 Coast Guard and Northern Star Natural Gas. In its  
25 testimony last fall to the Clatsop County Commissioners,

1 the fire district identified serious gaps in its resources.  
2 The district says that more employees, vehicles, equipment,  
3 training, and a new fire station facility are needed to  
4 cope with just the quote "predicted routine emergencies"  
5 unquote.

6 The Knappa report says this spending will not be  
7 enough to deal with quote "catastrophic incidents" unquote.  
8 This is because this spending does not include resources  
9 needed for emergencies on LNG tankers or along the shipping  
10 channel or along the proposed pipeline. This spending does  
11 not include resources needed by other emergency responders  
12 such as police, security, HazMat and ambulances. Please  
13 carefully read the attached Fire District Report.

14 FERC must consider the environmental dangers of  
15 an LNG emergency. FERC must consider that the taxpayers of  
16 Clatsop County cannot afford essential public safety  
17 resources. FERC must support local communities as they  
18 seek accurate information, most of it now classified and  
19 unavailable to local governments and the public, about how  
20 best to prepare and plan for routine and catastrophic LNG  
21 emergencies. I challenge FERC to advocate for the safety  
22 of the people of Clatsop County.

23 If FERC is not willing to protect the public,  
24 then it must reject LNG on the Columbia River and in Oregon  
25 and protect us and the Columbia River from this destructive

1 and wasteful project. Thank you.

2 MR. SIPE: Thank you.

3 (Applause.)

4 MR. SIPE: Roger Rocca.

5 MR. ROGER ROCCA: While I am sure it has not  
6 escaped your attention that the natives are somewhat  
7 restless tonight. This is the sixth or seventh or tenth  
8 opportunity for the public to testify about LNG on the  
9 Lower Columbia. Most of us would frankly rather be  
10 somewhere else, but we do our best to keep showing up for  
11 fear that absence will be interpreted as acquiescence.

12 We have repeatedly testified about environmental  
13 damage, about harm to our local economy and concern about  
14 public safety, about the subduction zone, tsunamis,  
15 et cetera, et cetera, et cetera.

16 Tonight I would like to talk about something a  
17 little bit different. Here is the bottom line. We don't  
18 want LNG on the Lower Columbia River.

19 (Applause.)

20 MR. ROGER ROCCA: That is we, as in we the  
21 people who live here. Yesterday we had an election in  
22 Oregon. Across the board the candidates who oppose LNG  
23 won, but the candidates who support LNG lost. We the  
24 people are not going to let a bunch of would be big time  
25 speculators from somewhere else, gamble away our state, our

1 economy and our way of life for their own petty fortunes.

2 The promoters will claim that we are just  
3 nimbies; we are foolish, narrow people who don't want this  
4 in their back yard. Well, this is not about nimbies, it is  
5 about Dumpy. The speculators couldn't get this smelly deal  
6 past the noses of the people in the government in places  
7 where the gas would be used, so they figured let's dump it  
8 on those rubes up in Oregon. We will make some promises of  
9 jobs and taxes and donations, and we will have them in the  
10 palm of our hand. But you know what, we have heard all  
11 this before. We have heard all the exact same baloney from  
12 the speculators who tried to con us into ship breaking, one  
13 of the dirtiest, most dangerous businesses there is.

14 And we have seen some of the same people  
15 testifying in favor, mostly people from somewhere else, who  
16 see a chance to make some dough and don't care about the  
17 consequences.

18 So what about FERC? If you, FERC, think that  
19 you are letting the free market decide, then I want you to  
20 know that this is not the free market, it is a sleaze  
21 market, with money passing hands, that personal financial  
22 promises being made to grease the skids and win the race to  
23 the pot of gold. This is not the free market looking for  
24 the best place to site a terminal, it is speculators  
25 looking for a place that they can politically bulldoze.

1                   Republicans or Democrats, liberal or  
2           conservative, since when is it American to shove something  
3           like this down we the people's throats? And if you, FERC,  
4           are truly looking out 10 to 15 years for our energy needs,  
5           then let's look for energy that doesn't come from the same  
6           old places, with the same old dangers that we have now.

7                   Thank you.

8                   (Applause.)

9                   (Chanting by the crowd.)

10                  MR. SIPE: That is good. LaRee Johnson.

11                  MS. LaREE JOHNSON: Thank you very much. I am  
12           LaRee Johnson, and I live here in Astoria, and much of what  
13           I have to say has already been said tonight, but it is  
14           short and sweet.

15                  The Oregon Department of Energy issued an  
16           independent analysis finding that there was no need for LNG  
17           in Oregon; which you did explain us to somewhat. LNG would  
18           generate much greater greenhouse gas emissions than relying  
19           on available domestic gas resources. The proposed LNG  
20           terminals will only be costly distractions from the  
21           important work ahead of us.

22                  The Oregon legislature approved a package of  
23           renewable energy policies that immediately secure Oregon's  
24           place near the front of the sustainability frontier.  
25           Oregon has the reputation as one of the nations' greenest

1 states.

2 LNG is expensive. As reported by the Oregon  
3 Department of Energy, LNG currently costs roughly twice as  
4 much as domestic or Canadian gas. This makes it clear that  
5 LNG could actually increase the price of gas for our state.

6 LNG projects would import twice the amount of  
7 gas Oregon uses in a year. More than 300 miles of  
8 pipelines through family farms, vineyards and private  
9 property are proposed, just to send gas to California, a  
10 state that has refused to allow an LNG terminal on its  
11 land. And I would like to know what they know that we  
12 don't?

13 This information is not original by me, this was  
14 presented and written by Bradbury, our Secretary of State,  
15 and provided by the Oregon Department of Energy. Thank you  
16 very much.

17 (Applause.)

18 MR. SIPE: Thank you very much. Next speaker on  
19 our list, Andy and Helen Rosenberger.

20 We can bring the mike over to him, if you would  
21 like that.

22 Would you like that, Mr. --

23 MR. ANDY ROSENBERGER: My name is Andrew  
24 Rosenberger. My wife and I live on Airport Road, we have  
25 for quite a while. Pardon me.

1                   We have lived there and we have bought most of  
2                   the property around us during the years, and we cleaned it  
3                   ourselves. We pulled trees, and stumps, filled holes and  
4                   everything else, and LNG wants to put a line right through  
5                   the center of our property. And we had it sold, it was  
6                   going through escrow, but to be good people to the people  
7                   that were going to buy it, we notified them that we got a  
8                   letter from LNG, and they were going to put a line through  
9                   our property. Well, that ended the sale, thanks to LNG.

10                   They never gave us nothing, think never gave us  
11                   a notification before or anything else. We have lost the  
12                   sale of that. I am 90 years old and my wife is 83. What  
13                   the hell would we do? We are on a very limited income, and  
14                   I am getting sick and tired of this trying to shove  
15                   something down our throat.

16                   Thank you.

17                   (Applause.)

18                   MR. SIPE: Thank you, sir. Next speaker on the  
19                   list, Cheryl Johnson.

20                   MS. CHERYL JOHNSON: I am Cheryl Johnson,  
21                   Astoria, Oregon.

22                   Clatsop County wisely saw the need for an  
23                   independent study and analysis of resources that would be  
24                   needed to respond to the safety challenges imposed on our  
25                   county by the potential importation and regasification of

1 LNG. In their report to the county dated July '07, PBS&J,  
2 the company hired by Clatsop County to undertake this  
3 analysis reported, "The emergency response plan should plan  
4 for the worst events, even if the probability of their  
5 occurrence seems low. Clatsop County residents need to be  
6 assured that appropriate measures can and will be taken to  
7 deal with catastrophic events such as major explosion if  
8 there is credible evidence that such an event should  
9 occur."

10 The Oregon Department of Energy also has  
11 concerns about the value of these independent reports and  
12 sent a letter to Scott Derrickson, our county manager, on  
13 September 27, '07. Deanna Henry of the Oregon Department  
14 of Energy expressed deep concerns over this independent  
15 analysis and referred to it as garbage. There is nothing  
16 in the now uncompleted report that ODE can use and they  
17 have initiated a complete review of the 12 areas of safety.

18 I am especially alarmed regarding these major  
19 areas of concern and safety in Clatsop County. Both of the  
20 Clatsop County hospitals, Columbia Memorial and Providence  
21 Seaside Hospital, would be responsible for treatment of  
22 burn victims resulting from an accident or intentional  
23 spill of LNG. Neither of these hospitals are designated  
24 burn centers. Either hospital will require funding,  
25 facilities, equipment, personnel and training to become a

1 designated burn center.

2 If instead of treating locally the community  
3 believes that it was responsible care to transport  
4 potentially large number of victims to Portland or other  
5 designated burn centers, then we will require additional  
6 ambulances, helicopters, helicopter landing pads.

7 My second safety concern is a lack of a signed  
8 cost sharing plan. In preparing an emergency response plan  
9 for the proposed Bradwood Landing, someone who has been  
10 doing this for years, the fire chiefs in our communities  
11 took this responsibility very seriously, including  
12 undertaking their own studies to compare our firefighting  
13 resources.

14 The fire chiefs in our communities took this  
15 responsibility seriously, including undertaking their own  
16 studies to compare our firefighting resources and major  
17 incidents response times with communities of similar size.  
18 The discovery that our Rural communities are in no way  
19 prepared to deal with LNG should surprise no one.

20 While the Knappa Fire District did an excellent  
21 job of identifying their needs for LNG and firefighting,  
22 their concerns have not been adequately addressed by  
23 Northern Star. For example, Knappa Fire District has  
24 requested eight full time employees and six interns,  
25 Bradwood Landing's proposal is to give them one.

1           Quote "The local emergency response community  
2 was not in agreement on the amount of resources that would  
3 be needed to respond to a fire associated with the LNG  
4 terminal, and as a result, no agreements were reached on  
5 the resources needed to respond to a fire at the Bradwood  
6 LNG terminal. Currently there is not a signed mutual cost  
7 share agreement between all parties," close quote. This is  
8 from the Response and Cost Share Report, November of '07,  
9 pages 21 and 22.

10           As long as these out of state energy speculators  
11 know that their permitting process will proceed smoothly  
12 right up to the moment of obtaining the building permits,  
13 there is no motivation to negotiate with the local fire,  
14 police and sheriff's departments concerning who pays for  
15 what. These requests seem to be the bare minimum  
16 requirements if this hazardous industry is to be allowed in  
17 to our communities for a national need.

18           We request that FERC, number one, include all  
19 analysis and requests from Oregon Department of Energy  
20 concerning true emergency response needs in our  
21 communities, and number two, require Oregon LNG to have a  
22 written cost share agreement in place prior, prior to the  
23 FERC permitting.

24           Our communities should not be left holding the  
25 bag wondering who will pay for what costly measures to

1 ensure our safety while big corporations make a profit from  
2 importing dangerous and unnecessary LNG.

3 Thank you.

4 MR. SIPE: Thank you.

5 (Applause.)

6 MR. SIPE: This is a tough last name, I will try  
7 it, Jack Marenkovich.

8 PARTICIPANT: He is not here. He has seen you  
9 talking for 3 1/2 years about the same old thing --  
10 (Inaudible.)

11 MR. SIPE: Okay. Thank you.

12 Susanna Gladwin.

13 MS. SUSANNA GLADWIN: My name is Susanna  
14 Gladwin. I am not quite as organized as some, but I wanted  
15 to start off asking pipeline safety woman, how many  
16 inspectors are there nationwide, and how many per mile of  
17 pipeline per inspector are there? Do you know those  
18 figures?

19 MS. DAVIS: I can't answer the question per mile  
20 on the pipeline, but I can tell you we have about 250  
21 inspectors nationwide.

22 MS. SUSANNA GLADWIN: Nationwide 200?

23 MS. DAVIS: That is federal inspectors, then we  
24 have state partners.

25 MS. SUSANNA GLADWIN: Because a lot of these

1 companies are LNG -- limited liability companies, and you  
2 talk about penalties, I would like to have written into the  
3 FERC document how penalties can be applied and that limited  
4 liability companies will be liable to any problems.

5 I am also wondering how are the lines going to  
6 be tested? In reading past documents sometimes it was  
7 water, and that is an incredible amount of water in some  
8 places. How are they going to be tested?

9 MS. DAVIS: For construction we require that  
10 pipelines have (inaudible).

11 MS. SUSANNA GLADWIN: With water, because the  
12 amount of trucks needed to fill the section would create an  
13 incredible amount of weight on the construction corridors,  
14 and I think that needs to be looked at in determining  
15 construction corridors. Also there have been two 100-year  
16 floods in the last 10 years, and I think any water crossing  
17 has to be designed in a way that any 100-year floods or  
18 even worse than any 100-year floods we have seen so far  
19 could cope with the amount of force of that kind of water  
20 coming down.

21 The '96 flood in the Nehalem was incredible.  
22 The flood we had in December in my part, I live in Jewel,  
23 in my part of the Nehalem was three feet under the '96  
24 trouble, but in Vermonia it was over the '96 flood level.

25 Also, if you are going to have, in Bradwood LNG

1 proposals you had, there was a 750-foot, I think you call a  
2 blast zone to the side of the pipeline, that it took me a  
3 long time to figure out how they got 750 feet. Well, the  
4 one study that referred to has people, gives them five  
5 seconds to respond, and then that at five miles an hour,  
6 run away from what they perceive in those first five  
7 seconds as the source of the explosion. So Andy and people  
8 and even me, if I regard it really (inaudible) -- we are  
9 all dead ducks.

10 And the other thing I want is that the gas be  
11 scented, because when it is over a 15 percent saturation it  
12 asphyxiates you. If you cannot smell it, we will be  
13 asphyxiated before it reaches the less than 15 percent  
14 saturation. It then becomes where it can explode.

15 Also as for needs, there is an Associate Global  
16 Risk Assessment, a group of consultants, that consult to  
17 the fixed use companies as to whether something is a good  
18 financial risk. I read e-mail after e-mail that stated  
19 that this is a high risk investment because there is so  
20 much demand now worldwide, that the suppliers are really  
21 irregular, it is really iffy. We don't know, as a  
22 financial risk it is a really high risk. I just wanted to  
23 throw that in there.

24 I live in Jewel, I know there are a lot of  
25 native American sites along the Nehalem River that has

1 never been looked at. I have talked to them in the  
2 historical museum and some of the people around here, they  
3 know nothing about the Native American sites along the  
4 Nehalem River where there will be crossings.

5 I know of one site that is within a mile of the  
6 crossing that is proposed. I want to say by Pope's corner,  
7 by River Bend Ranch, I think. I think that is all of my  
8 comments. Thank you.

9 MR. SIPE: Thank you.

10 (Applause.)

11 MR. SIPE: The next speaker on the list  
12 Representative Debra Boone.

13 (Applause.)

14 MR. SIPE: That is a great idea with the chair,  
15 I like it.

16 REP. DEBRA BOONE: My name is Debra Boone, I  
17 live in Clatsop County, south of town. And I just wanted  
18 to, I know that we are trying to do this on an  
19 environmental aspects of this, but there are a couple other  
20 things that go with it. Since the last meeting here at  
21 this building I have been contacted by hundreds of my  
22 constituents, more about the pipeline issue now that the  
23 routing has been vetted, and that is what I wanted to speak  
24 to. But first before that, I wanted to just mention my  
25 concerns about this site. And as you can see I did my very

1 formal speech here on my card.

2 I am concerned a little bit about the location  
3 of the tanks and on being placed on a sand base, on a fault  
4 line, which maybe it comes from my chairmanship of my  
5 Committee of Emergency Preparedness, and so I hear a lot  
6 about earthquakes, et cetera --

7 (Applause.)

8 REP. DEBRA BOONE: I am also concerned about  
9 how, where the pipeline crosses the timberland, farmland,  
10 and I went on a tour not long ago of where the pipe, took  
11 the 12-mile section of the pipeline near Gales Creek in  
12 western Washington County, and it might even be in  
13 Tillamook County, but that line in my district is a little  
14 fuzzy. But one of the areas had, where the pipeline will  
15 lay, is over an area that, the best way I could describe  
16 it, is a bathtub. The big nursery, the third largest  
17 nursery in the country, and their water system has,  
18 underneath it is lined and then they have a very  
19 complicated water irrigation system because of the way the  
20 Gales Creek runs there. And this runs through this, so it  
21 would disturb this pipeline or pipe, the pipeline would  
22 disturb their pipeline, so to speak, their water irrigation  
23 system, and it would be a huge cost to them, and that is  
24 just one little area.

25 Another area that we visited, a vineyard, and

1       there are several vineyards, but the one we visited had  
2       over 20 years of vines that they had a specialty vine that  
3       they had in that area, it was running right through the  
4       middle of this, which would take out most of these very  
5       expensive and quality, high quality vines, and that would  
6       affect them, and I don't know the numbers on their  
7       economics.

8               Somebody mentioned the salmon issue, I am not  
9       going to go into that but right now we are experiencing a  
10      disaster situation with salmon anyway. And it is always,  
11      you know, who knows what the next disaster is going to be,  
12      but it is just one more notch, you know, against our  
13      commercial and recreational fishing.

14             The Skipanon River where this particular  
15      installation would be, is a slow moving river, and so I am  
16      concerned about any kind of spillage, of either diesel or  
17      the gas itself, or any kind of the dredging issue, that  
18      would affect the fishing that is in this river.

19             And then I wanted you to notice this mural over  
20      here, depicting the Native Americans on the river. We have  
21      just got this area designated as a National Heritage site,  
22      and that means, that is a federal designation, and people  
23      will be coming from all over the country, and the world, to  
24      see what we have got here in terms of our cultural history.

25             And one other thing I wanted to say about that,

1 I was worried about the trestle holding the pipeline and it  
2 is particularly low above the water, six feet or whatever  
3 it is, and I am not sure on the numbers there, but that,  
4 what concerns me is the high velocity of the tides in this  
5 river, coupled with fog, maybe a bad storm, some somebody  
6 brought up the storm and the tremendous pressures of wind  
7 and water, what will happen to that trestle?

8 And I am doing this without glasses, the last  
9 thing I wanted to mention, and somebody did mention some of  
10 our, a piece of legislation we passed in the renewable  
11 energy, I think that -- and that is not to do with the  
12 environmental statement on this, but it seems to make more  
13 sense to go toward renewables at this point, especially out  
14 in the future.

15 But one other environmental issue that I am  
16 concerned about with these ships, and somebody did mention  
17 invasive species being brought in, and all you have to do  
18 is get one little Mitten crab and there you go. It takes  
19 over the entire thing, or a milfoil could fill a river.  
20 And we have a ballast water, we have two or three different  
21 pieces of legislation regarding ballast water exchange, and  
22 that would affect our river and the estuary.

23 So a lot of people have spoken and I want to  
24 give the rest of my time to anybody else, too.

25 MR. SIPE: Thank you.

1 (Applause.)

2 MR. SIPE: Jim Shellar.

3 (Applause.)

4 MR. JIM SHELLAR: Jim Shellar, 32607 Turley  
5 Lane, Warrenton, Oregon, thank you for being here. The  
6 number one job of a County Commissioner is the safety of  
7 citizens. I think you are going to hear plenty, you have  
8 heard a lot already about the safety and the lack of safety  
9 that this project represents. But I want to take this as  
10 locally as I can because my family moved from Seaside in  
11 1980, and built a small solar home and farm out on the  
12 Skipanon River. About 400 yards from here the Skipanon  
13 flows out to the Columbia River day and night, and in 1997  
14 I helped co-found the Skipanon Watershed Council, we did  
15 that with Mr. Steve Porter who is the biology teacher here.

16 We have lived in the area long enough to talk to  
17 pioneers and folks, old-timers like Harold Turley and  
18 Harold Tagg and Larry Ballman. Those folks reliably told  
19 us about the salmon that were so thick on this river you  
20 could take them out of the river with pitch forks and feed  
21 them to the hogs.

22 The whole state has been involved in what is  
23 called the Oregon Plan for Salmon and Watersheds. This is  
24 a locally driven, volunteer-operated endeavor to restore  
25 our salmon and watersheds, and we have been doing that for

1 a long time.

2 Over a decade of work have restored the Salmon  
3 in the Skipanon river, albeit a small and struggling run,  
4 as Debra Boone mentioned, it is a statewide disaster, it is  
5 a regional disaster, one more death blow is not needed.

6 All of these pipelines, all of the work that is  
7 proposed here seriously would jeopardize and threaten all  
8 of the work we have done for decades. We don't need it, we  
9 don't want it, please don't let it happen here.

10 Also we need to know the geologic history of  
11 this area, I have been working with the Disaster Planning  
12 folks in Seaside and the county. Skipanon Peninsula didn't  
13 exist 150 years ago, it is dredge spoils. When they tried  
14 to build a bridge in Seaside and tried to find the bottom  
15 they drove piles down over 150 feet, there is no bottom  
16 here.

17 When Portland State University did vibracore  
18 studies just right outside here they couldn't find a bottom  
19 either, they found layer after layer of sand, bog, sand and  
20 bog, because when you have a subduction earthquake, the  
21 ground sinks, oh, 5, 10, 20 feet, well, what is going to  
22 happen to a pipeline? This happens on average every 325  
23 years, we are at year 308. We have a 50 percent chance of  
24 that happening again any day, 10 to 20 percent very likely,  
25 any day.

1           Seaside is getting ready, our County needs to  
2 get ready. We don't need this to add to a natural disaster  
3 that is already happening tomorrow. Please don't let it  
4 happen here. Thank you.

5           (Applause. )

6           MR. SIPE: Richard Johnson.

7           MR. RICHARD JOHNSON: Good job, Jim.

8           Richard Johnson, I live in Warrenton.

9           I fully appreciate the job that you have, and  
10 the job that FERC has to address future needs, future  
11 energy needs in the country. Three years ago, I think, I  
12 was almost pro-LNG, at least I was neutral. I leaned  
13 towards thinking, well, maybe this might be a good idea.  
14 But after listening and paying attention as I have over the  
15 years, coming to some of these programs, I have come to see  
16 that it appears to me to be a bad idea.

17           Now, when I vote I can't possibly understand  
18 issues really well most of them, I mean it is just too much  
19 information. I am not an expert on most of it, I can't  
20 understand in depth what the issues are, so what I do is I  
21 look to who supports the issue and who doesn't, and I try  
22 to get a sense of the quality of the support or the non-  
23 support, and the intelligence of the issues as best I can  
24 discern it from paying attention to the people.

25           I listen to the people, I look at what they have

1 to say, that starts to influence my thinking a great deal,  
2 and I think the collective wisdom of the people is what we  
3 should be paying attention to, and I have paid attention to  
4 the -- there is, I don't know how many stacks of reports  
5 and letters that have been offered up for in opposition to  
6 this, but I think it is several stacks high, maybe this  
7 high, it is a lot. There is a lot of people that are not  
8 in favor of this for a lot of good reasons. Tonight you  
9 have heard a lot of good reasons.

10 Jim Shellar just gave you, I don't know, we  
11 don't need to go any further, that is a good enough reason  
12 right there, I would think.

13 But there is dozens and dozens of reasons like  
14 this that I think are well-founded and scientific that  
15 tells me this is not a good idea. The people are speaking,  
16 and I have noticed that the opposition has grown to I think  
17 probably over 50 percent, and when I have listened to what  
18 these people are saying, I am going, you know, these people  
19 are smart, they are thinking about this, they are  
20 researching this, they are not nut balls, they are not  
21 goofy people that, you know, have some crazy notions that  
22 they are -- you know, these are smart people.

23 So I think it is probably a really good idea for  
24 you guys to pay attention to the people and what they are  
25 saying and how they feel and that they have basis for this,

1 true, honest, well-researched basis. They are concerned  
2 about collective well-being of the community, all of us.  
3 These aren't individual agenda's that are people that are  
4 concerned about their own houses and their own little back  
5 yards, they are concerned about their entire community, and  
6 what is good for the nation.

7 I think we should pay attention to the people.  
8 Listen to them, respect them, and I hope you take that back  
9 to your commissioners. Your commissioners aren't going to  
10 see these people, they are going to look at, I don't know  
11 how they are going to evaluate this, but if they could be  
12 here, you are here, you can tell them. Look at the people,  
13 listen to them, get it, they mean it, and they have got  
14 basis. They are serious. Please, take this back to your  
15 people. Thank you.

16 (Applause. )

17 MR. SIPE: Thank you.

18 Dick Elber.

19 MR. DICK ELBER: I am Dick Elber, I live in  
20 Warrenton here, 900 Southeast Anchor. I was born in  
21 Clatsop County over in Astoria in 1938, there are a few  
22 here that are older than I am, and I know all of these  
23 people, I see a lot of them frequently at these hearings,  
24 the few that I have had to attend to, but what concerns me  
25 I guess is our basic -- well, I am going to start out first

1 with, last time I looked Oregon was part of the  
2 United States, we settled the state sovereignty issue in  
3 the Civil War in about 1863 or so. Anyway, I don't see  
4 anything wrong with bringing something through Oregon to  
5 help the rest of the country, but I really have a problem  
6 with this thing that we have to use anything that shows up  
7 here.

8 When I grew up I long shored, I fished on the  
9 river here, I have been a commercial fisherman for nearly  
10 50 years, I was a schoolteacher for a while, done a marine  
11 survey business --

12 PARTICIPANT: Speak to FERC.

13 MR. DICK ELBER: Well, I am speaking to -- I am  
14 going to try to speak to the audience a little bit here.

15 One of the things that bothers me, I guess, I  
16 find that when I come to speak about something, when I came  
17 to protest something it was because I was really upset  
18 about it, and I know these folks are upset about it, and I  
19 appreciate the position of the person that had the pipeline  
20 in their back yard and lost the land sale, I think that was  
21 unfortunate, should have been handled differently.

22 But eventually we have to do what is good for  
23 all the people in this country, and one of the things that  
24 has bothered me right now is the cost of diesel oil. I am  
25 paying, what is it, four and a half, something like that,

1 to put in my truck, I pay about 375 for 200 gallons of  
2 diesel to heat my house, that is furnace oil, same as No. 2  
3 diesel.

4 A year ago I paid, oh, \$1200 for 700 gallons of  
5 diesel to a thousand for my winters or for my whole year  
6 for heating. The year before that it was around \$750. I  
7 am looking at the price of diesel for next year to heat my  
8 house I am going to need about 3200 to \$3300, maybe more.  
9 I think I am going to change my house over to natural gas.  
10 I wonder how many millions of gallons of furnace oil are  
11 sold in Oregon and the nation, and at this price how many  
12 folks that can't afford \$3,000 to \$4,000 a year to heat  
13 their house are going to change over to natural gas? I  
14 suspect there is going to be a lot of you.

15 The point is, I guess, is when you change over  
16 you free up how many millions of gallons of diesel that  
17 will allow then the price to come down on the diesel oil so  
18 that the food that is brought here from everyplace in the  
19 world and trucked all over. Oregon, if we grew our own,  
20 could only feed one-third of the population. You can't  
21 grow food without diesel. Our energy supply for the nation  
22 is, at least the research that I have looked at, my son did  
23 a paper for his year Master's said about, I think it is a  
24 30 percent shortfall for energy in general.

25 Now, every bit of this masses together, whether

1       it is natural gas, diesel, we want to eliminate greenhouse  
2       gases. Are you going to build more dams? Is that what we  
3       want as fishermen, to have more dams on the river? That is  
4       not going to work. The only place you can get out of using  
5       fossil fuel is nuclear energy. How many of you would  
6       support that one?

7                Someplace along the line in the next 50 years we  
8       may figure this one out, but in the meantime we need to  
9       have fossil fuels here, and natural gas is the natural  
10      extension of how we are going to get through this period  
11      before we find something that we can really use.

12              Case in point: Alaska produces a lot of  
13      petroleum and crude oil. A lot of it is sold in Japan.  
14      Why is it sold in Japan? Everybody complains, it is our  
15      gas, our oil, we can't have it. You know why? Because the  
16      environmental movement will not allow us to build  
17      refineries in Oregon and California so you can get cheaper  
18      gas. We have always got the highest in this country, and I  
19      have got to go fishing this summer, what is it going to  
20      cost me for my diesel? Four or \$5 a gallon, and I am going  
21      to use 10 or 1200 gallons, that is going to take a big bite  
22      out of how much money I can make.

23              The same with the drivers, it is putting them  
24      out of business here.

25              So we didn't allow the refineries, we didn't

1 look ahead ten years ago, so now we have got these huge  
2 prices for energy. So now we are not going to look ahead  
3 and we are not going to bring in the natural gas, and I  
4 know everybody says, well, it is all coming from Arabia and  
5 Indonesia, and all these Muslim countries that just hate  
6 us. Maybe that is right, but I happen to know that there  
7 is natural gas that is already brought out here in the  
8 Kinai in Alaska and it is going to Japan. How come?  
9 Because the only way to get it out is liquid natural gas  
10 and the Japanese love it. They built four or five of these  
11 portable deals in Tokyo. Right now it is being burned,  
12 then there is going to be natural gas coming out of the  
13 north slope, right now it is being burned, there is  
14 supposed to be a pipeline from Alaska to the Lower 48.  
15 They kicked out a Republican governor that didn't like the  
16 pipeline, and the material that I have read said the  
17 cheapest way to get it out is liquid natural gas.

18 Then we have the Aleutian Peninsula that hasn't  
19 even been talked about, and there is natural gas there.  
20 How are we going to take part in this? Liquid natural gas,  
21 but we don't have a port, we are going to get none of it,  
22 not one bit, it all goes to Japan.

23 PARTICIPANT: Thank God.

24 MR. DICK ELBER: Well, thank God when you are  
25 paying the \$3,000 for heating oil, and thank God when you

1 are paying \$5 a gallon for your gasoline, and thank God  
2 when we don't have any economy left.

3 So that is all I have got to say, and I  
4 understand that I am not in good stead with all of you, I  
5 respect what you said, but some of you are saying stuff  
6 that you know very little about, so thank you.

7 (Applause. )

8 MR. SIPE: Thank you, sir.

9 Next speaker on the list, David Ambrose.

10 MR. DAVID AMBROSE: My name is David Ambrose, I  
11 live at 1179 Jerome Avenue in Astoria. I took as much of a  
12 detailed look at the pipeline map as I could because I  
13 have -- I work for the Salt Water Conservation District  
14 here and I work with a lot of the landowners in the  
15 wetlands and the estuary part of our county.

16 Right now, and I wish that someone from the  
17 county was here to talk a little bit more about this, FEMA  
18 has come out with a new set of floodplain maps, and they  
19 have to do with all of our diked lands here along Young's  
20 Bay and the City of Warrenton, it is a very extensive part  
21 of this area is diked, is diked land.

22 FEMA is now saying that all of that land is in  
23 the 100-year floodplain, and that all of the dikes have to  
24 be recertified in order to get back out of that 100-year  
25 floodplain. Unfortunately, some of these dikes are in

1 diking districts that are now, the term is inactive, we can  
2 use the term defunct. They don't meet the original  
3 standards that the Army Corps has for those dikes when they  
4 were constructed back in the 1930s.

5 The diking districts that do exist and are  
6 active have an agreement with the Army Corps, they come  
7 down once a year and inspect them, they meet that standard  
8 then they are under the protection of the Army Corps for  
9 catastrophic events. The Army Corps will come in and back  
10 them up if there is a major breach in one of those dikes.

11 Starting at Mile No. 3, the proposed pipeline  
12 goes through Diking District 11, which is an inactive  
13 diking district. It has a few homes in it and a few  
14 businesses, but they collect no fees to speak of to keep it  
15 in good repair. They are trying to get it into repair  
16 because it is in hydraulic connection to all the dikes that  
17 surround Warrenton. So if there was a breach in Diking  
18 District 11, Warrenton would also suffer.

19 The certification process that FEMA is now  
20 imposing on these diking districts is a two-year process  
21 that would set a new standard for these dikes, and in most  
22 cases they would have to be raised about three and a half  
23 feet above their present levels. Three and a half feet.

24 Three and a half feet of dirt in one spot is not  
25 a lot, but over the miles and miles of dikes that we have

1 here, that is an awful lot of dirt. Some of the estimates  
2 are reaching, just for the dirt itself, into the millions.

3 Starting at Mile No. 5, I hope that I am right,  
4 at the Lewis and Clark River crossing close to the State  
5 park, or the Fort Clatsop National Memorial, down to Mile  
6 No. 5, goes through what is now a defunct diking district  
7 called Diking District 8. Most of the land behind it is a  
8 dairy. There are a couple of residences. These dikes  
9 would probably never be built up to the certified level  
10 that FEMA would want them to be at.

11 There is a lot of concerned people. Some of the  
12 diking districts are well organized, they are trying to do  
13 something about the problems that may come up with flood  
14 insurance, mostly. And I guess my concern here is if there  
15 is a breach in one of these areas, particularly in the one  
16 in the Lewis and Clark crossing down to Mile No. 5 in  
17 Diking District 8, what happens to that section of the  
18 pipeline? It is going to be twice a day inundated in a  
19 couple of feet of water. How will the pipeline operators  
20 keep good maintenance on that? Would they be willing to go  
21 to the landowners behind Diking District 8 and spend the  
22 millions of dollars to get their dikes certified, and it is  
23 even unclear whether they could, because if you are in a  
24 diking district that is now inactive, from what I  
25 understand from the Army Corps, they won't come and certify

1 under any condition.

2 It is a big problem for this county right now  
3 and we are just starting to realize that it is a big  
4 problem for a lot of landowners.

5 So I will try to make some written testimony and  
6 e-mail it to you, give you some maps, some of the data that  
7 I have on this to help you better understand that.

8 Also, the final crossing that crosses the Lewis  
9 and Clark River is proposed just downstream of a large  
10 project that my agency along with U.S. Fish and Wildlife  
11 and Natural Resource Conservation Service and the Oregon  
12 Watershed Enhancement Board all had a hand in, to stabilize  
13 a part of the river bank. It was a 10-foot high vertical  
14 wall that was eroding about 15 feet a year towards a  
15 landowner's house, he had a small ranch, a horse ranch, and  
16 we spent about \$100,000 to stabilize that bank. The  
17 landowner is eternally grateful, but if you start to look  
18 at the photos of that double bend in the river, it won't be  
19 many years until it would reach the spot where the pipeline  
20 that I saw is crossing the river.

21 It is a very unstable river because of the  
22 development in the flat land of the river basin has taken  
23 away much of the vegetation, the large vegetation cover,  
24 and it is a very flashy river, and large events like the  
25 one we had this past year, you won't recognize the river

1       anymore, and I mean people who regularly go there fishing  
2       won't recognize the river anymore.

3               What they would propose, how they would propose  
4       to get under that river, and not knowing what it is going  
5       to look like next year, I just don't understand.

6               I have talked with one of the engineers out  
7       there about the problem just at that site, but I think that  
8       FERC or somebody should be looking at much more in detail,  
9       particularly with the problem we had with the December  
10      storm last year, we have lost a lot of our tree cover, our  
11      major tree cover in the slopes above a lot of our rivers.  
12      I have talked with people in forestry and they are unclear  
13      what is going to happen in our next big rainy season.

14              How much of that water that has been absorbed by  
15      those trees in the past years, how much of it is now just  
16      going to come flowing down into our rivers, and change  
17      again the whole river bottom, the whole river courses?  
18      Nobody seems to be sure.

19              So I think there is a lot of unknowns there with  
20      these river crossings. Our dike lands should be looked at  
21      a little more carefully to see what the problems are going  
22      to be, and how, if the pipeline does get built, how they  
23      are going to be maintained because of the lack of  
24      maintenance on a lot of our dikes.

25              Thank you.

1 (Applause. )

2 MR. SIPE: Thank you.

3 McLaren Eines.

4 PARTICIPANT: McLaren Eines.

5 PARTICIPANT: She left.

6 MR. SIPE: McLaren Eines, she left? Okay.

7 Robert Register.

8 MR. ROBERT REGISTER: Hi, my name is Robert  
9 Register, I live in Warrenton, but I was born in Astoria.

10 PARTICIPANT: Get closer to that mike.

11 MR. ROBERT REGISTER: Hello, are you there?

12 Okay, good. Anyway, I was in Illinois for 12 years, came  
13 back and I have kind of rediscovered how beautiful the area  
14 is, I always loved it anyway, but it is like a new eye  
15 opener, you know, rediscovering the little beaches and  
16 forest around here, and everything, and then I see this big  
17 project coming into the area and I just go, this can't be.  
18 And I have heard everyone speak, and I have read a lot of  
19 material on this, and I just don't see how it could  
20 possibly work, and I say why take the chance? Why if one  
21 chance in a million that this place could be ruined, why  
22 take it?

23 How many people up here live here, live around  
24 here? I don't know if there is any actual LNG people here,  
25 but I bet they don't live around here.

1 PARTICIPANT: Maybe one.

2 MR. ROBERT REGISTER: Maybe one?

3 Okay, well anyway, all of us live here, we have  
4 raised our kids here, we have gone to school here, we have  
5 worked here, et cetera, et cetera, we have something to say  
6 about this, and this is our backyard, our front yard, our  
7 side yard, this is our world, and if this world changes  
8 drastically in the negative, it is all going to, you know,  
9 it is going to affect every one of us.

10 And our logging and our fishing industry has  
11 gone down the toilet a lot. Since I was a little boy until  
12 now, it is a fraction of what it used to be, and our main  
13 industry now is tourism, and if that goes, we are about  
14 history. I don't want to be history in the negative, I  
15 want to be history in the positive.

16 So, please, tell your folks, no thanks.

17 (Applause. )

18 MR. SIPE: Thank you, sir.

19 I have here Nancy and/or Richard McGathan.

20 MS. NANCY MCGATHAN: I am Nancy McGathan, I live  
21 at Lewis and Clark Road where it turns into Lewis and Clark  
22 Lane and ends at Lewis and Clark River.

23 When I look out -- first of all, I have to say  
24 this LNG is not just about me obviously, I have all the  
25 same concerns that all the previous speakers have given. I

1 worry about my great grandchildren, they may not be until  
2 15 years, but I won't be here to see that maybe, but what  
3 about all our kids and schools, and everything that we have  
4 always worked for here? So it is not just about me, but I  
5 would like to share with you what this project will do to  
6 our family and our home.

7           When I look out our window I see the Lewis and  
8 Clark River bend right in front of my house, from the  
9 center of the river comes back to the top of the dike,  
10 which is now Fort Clatsop National Park Trail especially  
11 preserved for its beauty and its history of our area and  
12 hopefully of the nation and bring more people here to learn  
13 about it.

14           From the dike is the corner of the county road  
15 and our property, and then it is my front yard. Your  
16 pipeline is about a hundred to 150 feet from my front door.  
17 Your 50-foot easement would take out the last big old  
18 spruce trees that we have since the December hurricane  
19 wiped out all the rest. Those two spruce trees are a  
20 favorite perch for an eagle every day.

21           Our home was built in about 1860, possibly the  
22 oldest in the Lewis and Clark valley. We chose that area  
23 after living in Astoria for quite a number of years because  
24 of its peaceful, historic, country values so our children  
25 could grow up in a safe farming environment, raise animals,

1 learn how to grow vegetables in a healthy environment.

2 Our home is our main asset because we chose to  
3 put our two girls through college and one through graduate  
4 school. We hope to pass this home on to our children, and  
5 a safe country environment for our grandchildren, and if  
6 that was not possible or if that was not their choice, we  
7 would hope to sell it to another family with similar values  
8 and similar hopes and plans and dreams.

9 We are now faced with the LNG pipeline in our  
10 front yard. Our concerns: Will our home still be safe for  
11 children? Will it be safe for our neighbors and friends?  
12 What will this pipeline, how will it impact the value of  
13 our home, the value financially to our retirement? If we  
14 were to sell it could we imagine to get the price that we  
15 have been told we could get a year or two ago? We are most  
16 concerned about this.

17 What about the land close to it that all our  
18 neighbors and friends own and possibly would also like to  
19 sell? We have no base mark, baseline, benchmarks what  
20 financial values are going to be with the land surrounding  
21 your pipeline.

22 After choosing this precious spot to meet our  
23 family's country values of peace, love of the land and  
24 safety, it is most upsetting to think that we may have no  
25 choice in preserving the safety and the value of this land.

1 We do not want the LNG pipeline in our front yard. Thank  
2 you.

3 (Applause. )

4 MR. SIPE: Thank you.

5 Carol Newman.

6 MS. CAROL NEWMAN: I am Carol Newman, and there  
7 are a lot of new faces here tonight, you may not be aware  
8 of it, but those of us who have been doing this for three  
9 and a half years are very aware, and it gives us the energy  
10 to keep on going.

11 So, a couple of items, earlier I heard you say  
12 that FERC will not handle state requests because it is not  
13 charged with dealing with individual states, but it will  
14 incorporate the state analyses, in this case the Oregon  
15 Department of Energy analysis, which in this case concluded  
16 that there is no need for LNG in the state, and I also  
17 heard you say it will do so cumulatively for the state.

18 Am I correct that I heard correctly?

19 MR. SIPE: I stated that FERC would not do the  
20 need analysis for Oregon State in general.

21 MS. CAROL NEWMAN: Right, but if the state did  
22 it, that FERC would take it into consideration.

23 MR. SIPE: We would, yes, they did the need  
24 analysis, we will look at that site study, which they did  
25 file.

1                   MS. CAROL NEWMAN: Okay, and you are aware at  
2 this point from the many speakers that the Oregon  
3 Department of Energy did do the analysis and did have a  
4 complete conclusion that there is no need, so that is on  
5 the record?

6                   MR. SIPE: It is right here.

7                   MS. CAROL NEWMAN: Great. Okay, that is what I  
8 wanted to make sure.

9                   And that this is cumulative for the entire  
10 state, so we have got three out-of-state corporations  
11 working on this.

12                   Second point was the price of LNG. Now or in  
13 ten years, ten or 15 years, as you mentioned, there is no  
14 question that this will be higher than any of the  
15 corporations are admitting, and anyone who believes that  
16 LNG will be cheap has his head in the sand. There is no  
17 question about that.

18                   Look at the sources, Russia denying Belarus and  
19 Georgia, the price is going up, cutting off the gas, the  
20 fact that many people have mentioned already, that the gas  
21 will go to the highest bidder, and as we all know, China  
22 and India are on top of the list right now for growing  
23 needs and desires, and we all know about the carbon  
24 footprint, I hope we all know about that, the fact that  
25 liquified natural gas is not, you know, there is that equal

1 sign with the line through it as far as natural gas goes in  
2 terms of the carbon footprint. Huge difference. And then  
3 there is the hidden cost, including what people have  
4 mentioned already, the public safety especially in this  
5 case.

6 Third, seeing the photo I saw, I was struck with  
7 the proximity of the one and only public airport in our  
8 area, and wonder how this might be affected. In our case,  
9 not that most of us use it all the time but this is an  
10 emergency airport, and it is, what, about an  
11 inch-and-a-half a way on a map, you know, that is how I  
12 read maps.

13 Fourth, the tsunami region, everybody around  
14 here, and I am sure all of you are aware of how this came  
15 to the fore. We had everybody dealing with tsunami plans  
16 around here, and in addition to the December '07 storm  
17 which we experienced, and you have heard about, I  
18 personally just returned from China, I was one province  
19 away from Chengdu in Szechwan. I landed at 2:28 on Monday,  
20 which was exactly when the earthquake hit. Need I say  
21 more.

22 To the pipeline representative here, I heard you  
23 use the word "integrity" several times in terms of pipeline  
24 safety during your introduction, and I believe I heard you  
25 say that integrity monitoring is to be done by the

1 operator. My understanding by the word "operator" is the  
2 group that is operating the pipeline; is that correct? Or  
3 as opposed to the FERC? Or a public agency?

4 MS. KIMBRA DAVIS: What I was referring to was  
5 integrity management regulations, there are specific  
6 requirements that the operator has to follow that, there is  
7 a whole fleet of requirements for the operator, so it is to  
8 be cleared by the operator. Our agency has the oversight  
9 to ensure that those regulations are adhered to.

10 MS. CAROL NEWMAN: Right, and that is done once  
11 a year --

12 MS. KIMBRA DAVIS: And those regulations are  
13 enacted --

14 MS CAROL NEWMAN: So in a way we are depending  
15 on the integrity of the operator to follow your monitoring  
16 or your standards, is what I am hearing, I don't know if  
17 that is correct, but I --

18 MS. KIMBRA DAVIS: To respond to that, our  
19 agency has oversight for the pipeline, and they are  
20 inspected, so if there are any problems found during the  
21 inspection we would promptly have enforcement action which  
22 rates from probable violations to civil penalties, even as  
23 far as criminal action in response to any problems that we  
24 found with the operator.

25 MS. CAROL NEWMAN: Okay, and how frequent? I

1 thought I heard you say once a year though for those --

2 MS. KIMBRA DAVIS: For liquified natural gas  
3 facilities it is once a year.

4 MS. CAROL NEWMAN: Okay, that is what we need,  
5 because we are the only ones here, so that is once a year  
6 that you would be checking on this, so in my mind that  
7 means that we would have to be depending on those 364 days  
8 a year, unless somebody squeals or turns somebody in or  
9 finds out about it, or there is an explosion when it is too  
10 late, we would be depending on the integrity of the  
11 operators to follow the rules that have been set, and  
12 unfortunately all of us here who are speaking tonight,  
13 except I believe one person, have witnessed over and over  
14 the lack of integrity on the part of the would be operators  
15 attempting to push their projects on this community, so it  
16 is hard for us to depend on a once-a-year inspection by the  
17 organization or the agency. That is where I am having a  
18 problem.

19 MS. KIMBRA DAVIS: I appreciate your comments  
20 and understand your perspective. If you would like to  
21 research further the records of our enforcement, you can  
22 find our enforcement actions and associated correspondence  
23 with all operators on our web site which is  
24 [www.ops.dot.gov](http://www.ops.dot.gov).

25 MS. CAROL NEWMAN: Okay, and I have no doubt

1 that your standards are high. My problem is, as I say,  
2 with one inspection a year, that leaves the operator free  
3 for 364 days to do whatever the hell they want, pardon my  
4 French, so that is where I am having the problem.

5 A couple of other things, just the public  
6 safety, it has already been covered, but that is something  
7 that I personally as well as many people here are concerned  
8 with. We have heard from our local fire chiefs for the  
9 rural communities, that is who we are, we are rural Oregon  
10 and proud of it and glad to live here, that is why we have  
11 chosen to live here, whether we were born here or came from  
12 far away, we have chosen to stay here and be here, and we  
13 like being rural, and we want some respect for that, and  
14 the fact that our hospitals are not burn centers and that  
15 we want to keep the hospitals available for all different  
16 kinds of uses, not just an emergency.

17 Lastly, I just want to say that sadly some of  
18 these sessions that we have had, and, again, I have been  
19 involved in this since November 2004, along with other  
20 people, have come to have -- they seem to be relevant  
21 mostly to inform the corporations on the need to change on  
22 paper their plans to fit your requirements. It is very  
23 disturbing when the plans change in order to keep up to  
24 what you say is your requirements. I respect and  
25 appreciate your requirements, but when, you know, I see

1       there are lots of teachers here, you know what kids do, we  
2       have all been kids. Oh, the teacher wants to hear that,  
3       okay, let me just write that down. We have seen it happen  
4       over and over here.

5                So I hope that -- we have said it all before,  
6       those of us who have been speaking, and I hope that tonight  
7       you have been able to listen well and hear what we have  
8       said and will take this clear message back to FERC and  
9       Washington, D.C., that we don't want any liquified natural  
10      gas terminals in Oregon, we are not liquified natural gas  
11      acceptable risks, and as I just heard, I love it, tell your  
12      folks, no thanks. Thank you.

13               (Applause. )

14               MS. KIMBRA DAVIS: I just want to respond to  
15      this lady that asked about the number of inspectors we  
16      have, I want to make sure that I am clear in my response to  
17      you. I gave you the number of employees we have, and those  
18      employees have a lot of different functions, not just  
19      inspection.

20               When we look at inspection, we have five  
21      different regions, and it ranges from 15 to 30 inspectors  
22      per region.

23               The Western Region, which is the region which  
24      would have responsibility if the LNG facility was cited  
25      here in Oregon, has about 25 inspectors. We have

1 inspectors in --

2 PARTICIPANT: How big is the region that you  
3 have these 25 people, inspectors in?

4 MS. KIMBRA DAVIS: 12 states.

5 PARTICIPANT: 12 states, okay.

6 MS. KIMBRA DAVIS: So if you would like to learn  
7 more about our structure, again, please refer to our web  
8 site which is [www.ops.dot.gov](http://www.ops.dot.gov). I wanted to make sure that  
9 I represented that accurately.

10 Additionally, our agency, its headquarters has  
11 employees that deal with performance evaluation, research  
12 and development, program development, rule-making,  
13 enforcement, those are all employees who are supporting  
14 functions for the inspectors, so I just wanted to clarify  
15 my response.

16 MR. SIPE: Thank you.

17 Georgia, and I cannot read the handwriting for  
18 the rest of it, I am sorry.

19 MS. GEORGIA MARINCOVICH: I didn't really come  
20 prepared to speak but I want to. My name is Georgia  
21 Marincovich, M-a-r-i-n-c-o-v-i-c-h. My husband is a  
22 commercial fisherman, and he represents the fishing  
23 industry on the Columbia River, the fishermen's  
24 organization.

25 My family has been here since the, I think the

1 1870's, and we have been in the fishing business since  
2 then. My grandfather was a packer, and my family has been  
3 fishing, my cousins fish, and my uncles were vice  
4 presidents of Bumble Bee Seafood. The fishing in Astoria  
5 and Warrenton and the Columbia River is so important to the  
6 State of Oregon and also to the nation, to the  
7 United States. We have been called the fishing capital of  
8 the United States, and if you put something like liquified  
9 natural gas on the Columbia River, it will be a crime.

10 The salmon that are in the Columbia River are,  
11 we call them King, and they are the prize fish in the whole  
12 world, you know, the Columbia River salmon, the King  
13 Salmon, they are the prize fish in the whole world, and if  
14 you destroy those fish you are doing a horrible criminal  
15 act, and LNG, those sites that you propose, the dredging,  
16 and all that, that would destroy our fishing industry, and  
17 the safety, there are so many things -- I don't want to  
18 talk any more, but safety, the environment, the esthetic  
19 value of this area, there are so many things that make it  
20 wrong for us. We do not want -- it would be a criminal act  
21 to put that in Astoria or Warrenton.

22 (Applause. )

23 MR. SIPE: Bill Dickus.

24 MR. BILL DICKUS: Thank you. I am here to talk  
25 about this location, it is dangerous, and there is not

1 enough that can be done to make it safe enough, and for two  
2 reasons:

3           Their own report shows that they have never  
4 found the bedrock, they are down to 350 feet, they found  
5 only sand and silt, and they don't plan to go any farther.  
6 They are going to put 200-foot pilings in sand, and that  
7 they say will support three 15-story tanks. They know that  
8 an earthquake will liquify the sands under the tanks, they  
9 know the same site is within the 100-year floodplain. They  
10 know that a tsunami will flood the site at 14 feet, water  
11 traveling at seven feet per second. They know that the  
12 containment basin on the site will only hold less than one  
13 and one-half percent of the contents of one of the three  
14 tanks, and everybody in Warrenton knows that those same  
15 sands aren't strong enough to hold up the Safeway store.  
16 So if gravity or a flood or an earthquake or a tsunami  
17 breaks the tanks, collapses the foundation, you are going  
18 to have methane and liquid everywhere depending on the  
19 winds in every direction. And the idea of putting such an  
20 important, dangerous structure on sand has contradicted  
21 accepted wisdom of 2000 years. Jesus said it. He said, if  
22 you hear my words then you will be like the wise man who  
23 builds his house upon a rock and the rains fell and the  
24 floods came and the winds blew and they beat upon the house  
25 but it did not fall because it was founded on a rock, and

1 everyone who hears these words of mine does not do them  
2 will be like a foolish man who builds his house upon the  
3 sand, and the rain fell and the floods came and the winds  
4 blew and they beat against that house and it fell and great  
5 was the fall of it. This is wisdom of humanity for  
6 2000 years, it is common sense, and this contradicts that  
7 wisdom and that common sense.

8           They are telling you we can put pilings in the  
9 middle of sands and the earthquake won't touch it, and they  
10 haven't proven that, it is just not true.

11           The second reason is they are putting the pier  
12 2000 feet into the river, they can't put it next to the  
13 shore because the shore is only three feet deep, and a  
14 thousand feet out it is only nine feet deep, and they need  
15 45-foot turning basin, and they would have to dredge for a  
16 decade to put it any closer.

17           But the problem with putting it 2000 feet into  
18 the river is you are putting it within 1500 feet of the  
19 main shipping channel, and you have ships going out at 14  
20 knots, 400 per month in the dark, in the fog, in the storms  
21 with or against the currents and the tides, and you have  
22 ships traveling at 16 knots, and they say that if there is  
23 a course mistake, or if there is a lack of propulsion that  
24 we can keep it safe because we will have two standby  
25 tugboats, and that ship at 14 knots is going to hit the

1 pier and whatever ship is moored at the pier in 63 seconds.

2 (Inaudible.)

3 MR. BILL DICKUS: I will, this is a much better  
4 microphone.

5 PARTICIPANT: Close enough for government work.

6 MR. BILL DICKUS: Okay, they know if there is a  
7 course mistake or a lack of propulsion at 14 knots from the  
8 channel to the pier, it will take 63 seconds, and it is  
9 just a fantasy to think that a standby tug could recognize  
10 a distress and get there and stop the vessel or turn the  
11 vessel in 63 seconds, and there is nothing they can do with  
12 this location to eliminate that danger, nothing.

13 And the incoming vessels they have to turn at D  
14 and C point, and if they miss the turn there is no ground  
15 to stop it within 63 seconds, they are going to hit that  
16 same docked ship. This location cannot be made safe  
17 enough.

18 (Applause. )

19 MR. SIPE: Next speaker, Thaddeus Rask.

20 MR. THADDEUS RASK: On a scale that classifies  
21 dredging areas as high, moderate, low to moderate and low  
22 priority in their Resource Report No. 2, Oregon LNG ranks  
23 its dredging area as moderate, because available data  
24 indicates that chemicals of concern are present in the area  
25 that they want to dredge 1.2 million cubic feet. Isn't

1       there a better site where dredging is necessary that the  
2       site is ranked as low or low priority?

3               The Port of Astoria's own testing showed that  
4       there were elevated levels of heavy metals such as arsenic,  
5       cadmium, chromium, copper, lead, mercury, pesticides, PCB,  
6       volatile organic compounds and various hydrocarbons in the  
7       area where they want to dredge. How are these chemicals  
8       going to react when disturbed? Won't the disturbance of  
9       these chemicals affect the project area, the surrounding  
10      environment and the species dependent on the project area?  
11      How will they affect any endangered species in the river?  
12      How will they affect the Dungeness crab? Could these  
13      chemicals stirred up by Oregon LNG dredging make their way  
14      into our drinking water? Can they prove that it won't?

15              Disturbing these chemicals is dangerous.  
16      Dredging this area should never be allowed unless Oregon  
17      LNG and FERC can prove beyond any doubt that any animal or  
18      human will not be harmed. Studies should be conducted by  
19      independent scientists on this, not Oregon LNG.

20              Three years ago in the process of obtaining its  
21      five-year permit DDT was discovered. Two of nine samples  
22      in an isolated area of Slip 1 contained 31 and 15 parts per  
23      billion, which exceeded the allowable threshold established  
24      by the DMF of 6.9 parts per billion. The NOAA does not  
25      agree with DMF but relies on its own guidelines as set

1       forth in the squirt table. NOAA guidelines have a lower  
2       threshold of 1.58 parts per billion for DDT, and  
3       accordingly, NOAA will not authorize traditional dredge  
4       disposal methods employed by the port. The only allowable  
5       disposable method is to remove the material from the river  
6       and place it on land. The cost is seven times greater and  
7       it assumes that there is a place to deposit such material  
8       on land. Once on land, DEQ will apply the additional  
9       permits that are required.

10               So I ask, how does Oregon LNG propose to dispose  
11       of these contaminated dredge spoils? On what land do they  
12       intend to deposit soil contaminated with DDT? What  
13       nontraditional dredging methods will they employ to dredge?  
14       How will this nontraditional method of dredging and  
15       disturbing DDT deposits affect other marine life in the  
16       area?

17               And one additional note as part of my  
18       conclusion, I have to ask the question, what happened to  
19       the golf course we were promised? Why no one has bothered  
20       to ask this question is beyond me, because we know when  
21       Calpine first came here we were promised a golf course.  
22       LNG was listed as a possible use. That is how they  
23       convinced the state to lease the land to the ports, which  
24       in turn subleased it to Calpine. Later the City of  
25       Warrenton in cahoots with Calpine pulled the big switch on

1 the State, they rezoned the land to an I-2 and tricked the  
2 State to agree to the rezoning, but what those sneaky  
3 little bad boys didn't tell anyone at the time they asked  
4 the State to agree to the rezoning was that the I-2 zone  
5 wouldn't allow a golf course. That is another reason why  
6 this lease agreement is truly bogus.

7 So if FERC or the State bothered to look into  
8 the history of this mess they would find so many problems  
9 with Oregon LNG's lease and the zoning of the property, it  
10 would be, it would put the whole project into question,  
11 really. Until Oregon LNG is able to demonstrate that their  
12 lease is valid and that the question of whether they  
13 actually control the property is finally and properly  
14 settled, FERC should stop processing their application.  
15 Thank you.

16 (Applause. )

17 MR. SIPE: Thank you. Next speaker on the list  
18 is Julie Ann Helick.

19 MS. JULIE ANN HELICK: Hello, my name is Julie  
20 Ann Helick, and someone spoke a little bit about the  
21 airport earlier but I want to go into a little bit further  
22 depth.

23 I find it ugly that the Port of Astoria would  
24 approve a lease for an LNG facility so close to the airport  
25 when the Port also wants expansion of the airport. The LNG

1 facility is dangerously close to the airport and could  
2 cause flight delays because of the exclusion zone that will  
3 be around the tanks.

4 The Port of Astoria should be concerned about  
5 that the glide path approach to the Astoria Airport on the  
6 opposite side would be unsafe from the proposed Oregon LNG  
7 terminal, the proposed LNG storage tank location, the tanks  
8 will be 150 feet high and the lower level of the glide path  
9 into the airport at that distance is 160 feet, that means  
10 there is only a difference of 10 feet between the top of  
11 the tanks, and that could be the landing nose of a plane.

12 This is dangerously crazy, especially since the  
13 Port itself has said it wants to expand the airport and air  
14 service into Astoria.

15 It seems that some people have forgotten that  
16 the airport has been there since 1938 and is also base of  
17 operations for our U.S. Coast Guard Air Station.

18 I would much rather see there be air service at  
19 the airport, that would be a greater benefit to this  
20 community arguably than an LNG plant.

21 It would be irresponsible for FERC to approve  
22 Oregon's LNG location and thereby threaten the viability of  
23 our airport, which is also the site of the Coast Guard.  
24 Oregon LNG should be required to obtain the written consent  
25 of the airport that Oregon LNG's terminal will not

1 interfere with the airport's proposed expansion plans.

2 We have a hard enough time in this community  
3 attracting jobs and opportunities that we do not need  
4 Oregon LNG endangering the jobs we do have and making it  
5 harder to attract new ones by impacting our airport.

6 (Applause.)

7 MR. SIPE: Thank you. That is the last speaker  
8 that I have signed up to speak. Would anybody else like to  
9 speak?

10 MR. DRAGICH: I would.

11 MR. SIPE: After he speaks we can answer  
12 questions.

13 MR. DRAGICH: My name is Mr. Dragich, I'm from  
14 Longview, Washington, Cowlitz County. I'm an industrial  
15 firefighter, formally of Cowlitz 2 Fire and Rescue. I  
16 usually let all the Oregonians speak first because it is in  
17 your back yard. I can't count myself as a nimbie because I  
18 have the KB pipeline, which is 22 inches, which was built  
19 in 1992, in violation of FARMSA regulations, specifically  
20 CFR 192 and 193 class location for residence for single  
21 habitation. At that time the distance from a single  
22 residence was 330 feet. When the line was constructed it  
23 was 213 feet from my parent's window in violation of the  
24 Code of Federal Regulations. Yeah, believe it or not.

25 In the Energy Policy Act of 2005, which Clatsop

1 County's administration notably asked about, that distance  
2 requirement was eliminated, signed by G.W. Bush.

3 The gentleman that says we don't know what we  
4 are talking about, well, if you want to know about my  
5 family's background, both my grandfather and his brother  
6 graduated from a little known college in Corvallis called  
7 Oregon State College, now known as Oregon State University,  
8 class of 1917, Carl in engineering, my grandfather, Fred,  
9 in chemistry. Maybe you know one of the famous alumni,  
10 Linus Pauling, two-time Nobel prize winner. He was junior  
11 to my grandfather at Oregon State College.

12 My father and I graduated from another school  
13 maybe you don't know about, Portland State. My field is in  
14 administration of justice and emergency services. I worked  
15 seven years as a volunteer and a professional firefighter  
16 in Cowlitz County. I have seen the Williams Pipeline  
17 explode twice, and then have the operator blame the  
18 Washington Department of Transportation. The first  
19 explosion shut down I-5 for four hours. We were powerless  
20 to put out the fire. It took six hours for the gas to burn  
21 off. Traffic was backed up clear to Portland.

22 In a marine fire incident, maybe you remember  
23 the Protecta Alpha, the Coast Guard from Cape  
24 Disappointment responded, we lost a petty officer, it was a  
25 grain dust explosion, very similar to a gas explosion. The

1 petty officer lost his life when we tried to get to the  
2 engine room to put out the seat of the fire. I'm very  
3 disappointed that I don't see any blue uniforms here  
4 tonight. I'm wondering why.

5 If you are wondering, this is boots on the  
6 ground, not an office in Washington, D.C.

7 (Applause.)

8 MR. TYKEEL: Frans Tykeel, Vashon Island,  
9 Washington. I have a question of one of the engineers,  
10 actually I have three.

11 Since we had the December storm here at 150  
12 miles an hour, and some of the folks are talking about  
13 standards, building standards, engineering standards, I  
14 understand the engineering standard for the LNG facility is  
15 to withstand a 150-miles an hour wind. It would have been  
16 in trouble if it was built here in December because they  
17 reached 150-miles an hour wind.

18 My second question for the engineer, on the gas  
19 vaporizers, they plan to use air, and during very cold  
20 weather most likely gas heaters, but what type of  
21 vaporizers, because there are so many of them, we would  
22 like a little more detail on this, because some will be  
23 very harmful to the fish, like the submerged conversion  
24 vaporizers which are the most CO2 producing ones, and they  
25 use the most gas. They use 1.2 percent of the -- I'm

1       sorry, I forgot what my third question was. Have a good  
2       night.

3                   MS. DEBBIE DONNELLY: What is FERC's  
4       responsibility, or what role does FERC play in examining  
5       alternate sites for these facilities, like off-shore sites  
6       or unpopulated areas, What role does FERC have in this?

7                   PARTICIPANT: Could you state your name?

8                   MS. DONNELLY: Oh, Debbie Donnelly.

9                   MR. SIPE: As part of the project, FERC is  
10       required to do an alternative analysis, and part of the  
11       alternative analysis would be alternative site locations  
12       for these facilities, Alternative pipeline routing, routes,  
13       alternative locations for everything involved with the  
14       project. So part of our environmental analysis, which will  
15       be in the Environmental Impact Statement will cover  
16       alternatives for this project.

17                   Okay, you have to come up to the mike, I'm  
18       sorry. And I can close the formal part of this meeting if  
19       we just want to question without the mike.

20                   MS. SUSANNA GLADWIN: I forgot to mention one  
21       thing.

22                   MR. SIPE: Would you state your name? I'm  
23       sorry.

24                   MS. GLADWIN: Susanna Gladwin, I spoke earlier.  
25       Some people are reporting that the imported liquid natural

1 gas has much higher amounts of benzine, I think it is  
2 xylene, propane. And the liquid natural gas companies are  
3 not denying this, but I think it is very important that  
4 there is a way to analyze every gas shipment coming in for  
5 the exact mix of gas that is coming in. These higher mixes  
6 of these gases are eroding rubber seals, and any old  
7 pipelines that they are going into that have all these  
8 seals, which means digging them all up are not replaced,  
9 which might be part of the problem with the Williams or the  
10 KB line. That is a big issue. I would like independent  
11 monitors, I would like people out of the Pipeline Safety  
12 Trust, out of I think it is Bellingham, to be part of the  
13 monitoring.

14 The other issue with seals is if the gas is not  
15 remixed very precisely when it gets into our older home  
16 appliances, it can also erode out all those seals and  
17 create in-house fires. Thank you.

18 MR. SIPE: Thank you. We have about another 10  
19 minutes, I got a note that the facility needs to close in  
20 about 10 minutes.

21 MR. DON ATWOOD: My name is Don Atwood, I live  
22 in Astoria. I have called Astoria my home for over half a  
23 century, and hopefully I can do it for the rest of this  
24 century, hopefully I can make it to a hundred years old,  
25 some of my relatives have, so. But I think it is important

1 for me to come up here one important reason, and that I am  
2 a proponent of siting LNG within Clatsop County, and I just  
3 want to make that statement that there are people within  
4 this community that are supportive of this, and I want that  
5 out there in the record. Thank you.

6 MR. DON WEST: Don West, just one more quick  
7 question. Am I correct in the assumption that when FERC  
8 grants a permit for siting that they also convey upon the  
9 company Eminent Domain?

10 MR. SIPE: You would be correct on the pipeline,  
11 of the facility to send out line, to send out line Eminent  
12 Domain under the Natural Gas Act, Section 7, Eminent Domain  
13 would be granted for the pipeline --

14 MR. WEST: For the pipeline?

15 MR. SIPE: For the pipeline, not for the site of  
16 the LNG facility.

17 MR. DON WEST: So the company decides whose  
18 property it runs over?

19 MR. SIPE: No, we still decide on the siting,  
20 but the company does not have Eminent Domain authority for  
21 the site of the facility.

22 MR. DON WEST: Who does?

23 MR. SIPE: Nobody.

24 MR. DON WEST: So if somebody says no, they  
25 can't go across their property?

1                   MR. SIPE: The company is granted Eminent Domain  
2 authority through the Natural Gas Act --

3                   MR. WEST: That was my question. Thank you.

4                   MR. KAAKINEN: My name is John Kaakinen,  
5 K-a-a-k-i-n-e-n. I do have a property, a farm out in Lewis  
6 and Clark where the pipeline would go through if it is on  
7 its current route, and I just want to say that it would  
8 have economic impact on the farm. Well in terms if we  
9 wanted to build, it seems they want to run it, the pipeline  
10 right through where would be a good building site, and  
11 anyway from that point of view, I don't like it.

12                   But there is other larger reasons that have been  
13 brought out, I just want to amplify. I am also a chemical  
14 engineer, and I have worked in water treatment and that for  
15 over 30 years. Anyway, I think it is important that they  
16 pay attention to any dredging and that, as far as what  
17 could be pollutants in the sediment.

18                   The thing about an estuary is that because of  
19 the salt water that comes in, and a reason that there was a  
20 lot of pollutants in the dredge spoils at Port of Astoria  
21 is a lot of those pollutants come from up stream, from the  
22 pulp and paper industry and other industries, and once they  
23 get down to the estuary they will precipitate out because  
24 of the added salt, and the fact that the salt concentration  
25 is changing all the time. A lot of those will come out and

1 be in the sediment.

2           Anyway, I would hope that there would be a  
3 thorough analysis of that because CH2MHill people talked  
4 about dredging, and they said, oh, well, it's not much  
5 there. Anyway, it needs to be thoroughly checked out I  
6 think in any environmental study to make sure what they are  
7 talking about there.

8           Also I think that just the very location of that  
9 is really very vulnerable compared to, well, even Bradwood,  
10 you know, in terms of it being right there, close, that  
11 would be affected by a tsunami or earthquakes, which we  
12 know have happened and will happen again, maybe in our  
13 lifetime.

14           So, I think it is the wrong place. I am  
15 surprised that some of the commissioners approved that  
16 because it is also going against. Also economically wise,  
17 so I don't see how that is going to benefit the area.

18           And another reason, Dick Hellberg and others are  
19 worried about fuel consumption. Well, there is a lot of  
20 alternatives, and I don't know if that is an overall  
21 question, but there is different, all sorts of different  
22 supplies, and I don't think whether there is an LNG  
23 terminal there in Warrenton and a pipeline there is not  
24 going to make really any difference in the long run.

25           I think those are the main things I wanted to

1 bring out. Although we are also affected by the diking,  
2 and we in fact have one of the dikes that doesn't have a  
3 diking district in it, so the water would go in there, but  
4 it is hard to say what the impact on an LNG pipe would be  
5 that is buried there. Anyway, those are my comments.  
6 Thank you.

7 MR. SIPE: We have time for like a couple more,  
8 like five more minutes.

9 MR. DICK MCGATHAN: I am Dick McGathan, I live  
10 in Lewis and Clark, and like my wife said, the pipeline  
11 goes through our front yard, virtually. But a concern that  
12 I have that has not been mentioned tonight is I also work  
13 for the Parks Department in Astoria, and the Astoria Column  
14 is the number two tourist site visited in Oregon, and the  
15 tanks that would be situated in Warrenton at 175 feet tall,  
16 and each one 250 feet wide would be virtual view pollution  
17 from Oregon's number two tourist site. From the column you  
18 can look down and see across Warrenton, across the spit,  
19 out into the ocean, and these tanks would be so huge they  
20 would definitely impact the view, and the column is a  
21 national site, national registered site.

22 There have been over in the Columbia River Gorge  
23 there have been housing and building developments that have  
24 been stopped because of the view would impact the areas  
25 that have been declared scenic. So, that might be another

1 consideration for FERC to look into.

2 MR. SIPE: Thank you, sir.

3 (Applause.)

4 MR. CARL DOMINEY: I'm curious, do we even know  
5 what this gas costs now?

6 PARTICIPANT: We can't hear you.

7 MR. CARL DOMINEY: Sorry, do we even know what  
8 this gas costs now?

9 MR. SIPE: I don't have the specific number -- -

10 MR. CARL DOMINEY: We don't, okay.

11 MR. SIPE: FERC does.

12 MR. CARL DOMINEY: Oh, FERC does, okay, that's  
13 good, I'd like to know what that is.

14 Is there any study that shows what this gas will  
15 cost seven years from now?

16 MR. SIPE: A market analysis for seven years  
17 from now?

18 MR. CARL DOMINEY: Yeah.

19 MR. SIPE: I can't answer that, but I'm sure --

20 MR. CARL DOMINEY: Okay, and the reason because  
21 I am curious what it might cost seven years from now, is  
22 because seven years ago oil was \$28 a barrel, today it is  
23 \$132 a barrel, and gas was a little over \$1 a gallon, and  
24 today it is \$4 a gallon at the pump. So I guess what I am  
25 trying to ask is, why in the world do we want to become

1 more energy dependent on foreign energy sources? Thank  
2 you.

3 MR. SIPE: Thank you, sir. Please state your  
4 name.

5 MR. CARL DOMINEY: Oh, Carl Dominey.

6 MR. SIPE: Thank you. Okay, one more. And we  
7 will be here, we just have to go out there.

8 MS. CHERYL JOHNSON: Cheryl Johnson, Astoria. I  
9 want to talk about process for a minute. As you heard,  
10 there are a number of us who have been testifying to FERC  
11 both written and orally for years. And hopefully what you  
12 learned tonight is that this is an intelligent, articulate  
13 audience, we have done our research, we know our issues, we  
14 are ready to talk about this.

15 We have been FERC'd before and we got FERC'd  
16 tonight. We have been here for three hours sitting on  
17 these hard benches, and you managed to drag this thing out  
18 until there is nobody left to ask questions and nobody left  
19 to hear them. I am a school teacher, and I don't mean to  
20 talk down to you, but an efficient way of running a meeting  
21 is you call three names or five names at a time, and you  
22 ask us to come and sit in the front row, and you pop us up  
23 here one after the other, and then you do a three hour  
24 meeting in two hours, and then there are people here to ask  
25 the questions and answer the questions. For you to waste

1 three hours of our time, this is rude and disrespectful to  
2 us, and we have been doing this for years and we are sick  
3 of it.

4 I work a full time job. I was at work this  
5 morning at 7:00 a.m., I have a 45-minute drive home  
6 tonight, I'm not staying in motel. I will get up and go to  
7 work in the morning, I don't have a 10:00 meeting.

8 This is our life and our community. You need to  
9 be efficient with our time and you need to be respectful to  
10 us.

11 (Applause.)

12 MR. SIPE: Thank you. Note taken.

13 Again, we will be here to answer questions, we  
14 just have to leave the gymnasium.

15 On behalf of the Federal Energy Regulatory  
16 Commission and Department of Transportation I would like to  
17 close the formal portion of this meeting. Let the record  
18 show that the meeting is concluded at 10:00 p.m., May 21st,  
19 2008. Thank you.

20 (Whereupon, at 10:00 p.m. the scoping meeting  
21 was concluded.)

22

23

24

25