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FEDERAL ENERGY REGULATORY COMMISSION

OFFICE OF ENERGY PROJECTS

- - -

SCOPING MEETING

February 19, 2009

Batesville Civic Center

Batesville, Mississippi 38606

1 APPEARANCES:

2 Dave Wymond - Environmental Project Manager

3 David Weeks - Ecology & Environment

4 Christine Allen - FERC

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

2 MR. WYMOND: I guess we'll go ahead  
3 and get started. Thank's for coming, everybody.

4 Welcome to the Public Scoping  
5 Meeting for the Fayetteville Express Pipeline  
6 Project. My name is Dave Wymond and I'm an  
7 Environmental Project Manager for the Federal  
8 Energy Regulatory Commission.

9 Let the record show that the Public  
10 Scoping Meeting began at 7:03 p.m., on February  
11 19th, 2009.

12 As it says in the public notice for  
13 this meeting, the Commission has prepared an  
14 environmental assessment or EA for the proposed  
15 Fayetteville Express Pipeline Project.

16 We're here tonight to learn from  
17 you. The purpose of this meeting is to give you an  
18 opportunity to comment on the type of environmental  
19 issues you think we should consider in the EA and  
20 for us to answer any questions you may have. The  
21 more specific your comments are, the more helpful  
22 they will be in our environmental review process.

23 With me tonight is David Weeks with  
24 Ecology & Environment or E and E, an environmental  
25 consultant working under contract with the FERC and

1 will be assisting with tonight's meeting.

2 Seated at the sign-in table when you  
3 came in is Christine Allen, also with FERC staff.

4 As you can see the meeting is  
5 recorded by a court reporter so that we can have an  
6 accurate record of tonight's comments. A  
7 transcript of this meeting will be placed in the  
8 public record so that anyone can access the  
9 information discussed here tonight. To help the  
10 court reporter produce an accurate record of the  
11 meeting, I ask that you please follow some ground  
12 rules if you have any questions or comments during  
13 the formal segment of this process. I'll ask you  
14 to please come to the podium, introduce yourself,  
15 and if appropriate, the agency or group you're  
16 representing. Please spell your name, define any  
17 acronyms you may use, and speak one at a time.

18 Following the formal segment of  
19 tonight's meeting, there will be an informal  
20 opportunity to ask questions to the FERC staff and  
21 representatives from FEP who are here tonight.

22 In a couple of minutes I'll start  
23 out by briefly explaining the FERC application  
24 process. They have representatives from  
25 Fayetteville Express who will present an overview

1 of their project. Following FEP's presentation,  
2 we'll hear from those of you tonight to have signed  
3 up to speak. If you do not want to formally make  
4 comments, you can also send a letter to the  
5 Commission addressing your specific concerns.

6 The FERC is an independent federal  
7 agency that among other things regulates the  
8 interstate transmission of natural gas. In doing  
9 so, FERC reviews proposals and authorizes  
10 construction of interstate natural gas pipelines,  
11 storage facilities and liquefied natural gas  
12 terminals. The Commission's purpose is to protect  
13 energy customers and the public, ensuring that  
14 regulated energy companies are active within the  
15 law.

16 We are located in Washington D.C.,  
17 just north of the United States Capital. The FERC  
18 has five commissioners who are appointed by the  
19 President and approved by the Senate.  
20 Commissioners serve five year terms and each have  
21 an equal vote on regulatory matters. One member of  
22 the Commission is designated by the President to  
23 serve as Chair as FERC'S Administrative Head. The  
24 Commission staff, which includes myself, prepares  
25 technical information to assist the Commissioners

1 in making their decisions.

2                   When a company wants to build  
3 pipeline facilities to transport and sell natural  
4 gas in interstate commerce, the company files an  
5 application with the Commission. With FEP's  
6 proposal we have begun what is called the  
7 "Pre-filing Process." A formal application from  
8 FEP has not yet been received. The purpose of the  
9 pre-filing process is to encourage involvement by  
10 the public government entities and other interested  
11 stakeholders in a manner that allows for the early  
12 identification and resolution of environmental  
13 issues. The proposed project would consist of  
14 constructing about 185 miles of 42 inch diameter  
15 pipeline an appurtenant facilities in Arkansas and  
16 Mississippi.

17                   Under the National Environment  
18 Policy Act or NEPA the Commission is required to  
19 perform an environmental analysis of the proposed  
20 project's potential effects on the environment.  
21 The FERC is the lead federal agency responsible for  
22 the NEPA review of the Fayetteville Express  
23 Pipeline Project and the lead federal agency in  
24 preparation of the EA.

25                   Tonight's Scoping Meeting is one of

1 the first steps in our process to develop a  
2 complete environmental record of FEP's proposal.  
3 We're here tonight to get your input on issues that  
4 you feel need to be analyzed in the environmental  
5 assessment. Your comments, along with those of  
6 interested groups and agencies, will help us focus  
7 our analyst on significant impacts. The Commission  
8 will make its decision about whether to approve the  
9 pipeline project after considering the project's  
10 environmental and economic impacts.

11 I would like to emphasize that the  
12 EA is not a decision document. It's being prepared  
13 to advise the Commission and to disclose to the  
14 public the environmental impact of constructing and  
15 operation the proposed project. When it's  
16 completed, the Commission will consider the  
17 environmental information from the EA, along with  
18 non-environmental issues, such as engineering,  
19 markets and rates in making its decision to approve  
20 or deny a certificate, which is the FERC  
21 authorization for the project. There is no review  
22 of FERC'S decisions by the President or Congress  
23 maintaining FERC'S independence as a regulatory  
24 agency and for providing for fair and unbiased  
25 decisions.

1                   If the Commission votes to approve  
2                   the project and a certificate of public convenience  
3                   and necessity is issued, FEP will be required to  
4                   meet certain conditions as outlined in the  
5                   certificate. FERC environmental staff will monitor  
6                   the project through construction and restoration  
7                   performing on-site inspections to ensure  
8                   environmental compliance with the conditions of the  
9                   FERC certificate.

10                   If you have any additional questions  
11                   about FERC, I'd encourage you to visit the  
12                   Commissions web page at [www.FERC.gov](http://www.FERC.gov).

13                   A notice of this meeting was mailed  
14                   to effected landowners, federal, state and local  
15                   agencies, elected officials and other public  
16                   interest groups. To remain on the mailing list for  
17                   this project, you'll either need to return the  
18                   information request in Appendix 2 of the notice,  
19                   sign the mail-in sheet at the back of this room, or  
20                   provide written comments by March 2nd, 2009.

21                   In the back of the room we have  
22                   instructions on how to file written comments, how  
23                   to file comments on line, if you choose to do that,  
24                   or you can speak tonight. Any comments will be  
25                   given equal weight in our evaluation.

1                   At this point, does anybody have any  
2                   questions about the purpose of tonight's meeting?  
3                   Okay. With that then I'd like to introduce Mr. Tom  
4                   Sigraw with Fayetteville Express Pipeline.

5                   TOM SIGRAW: Ron Brown and Kinder  
6                   Morgan as partner. Ron Brown, you met -- Kinder  
7                   Morgan. I'm -- Tom Sigraw. Overview of the  
8                   project, we're 185 mile pipeline with a start in  
9                   Conway County, Arkansas, Fayetteville Shale area,  
10                  and terminate in Panola County, Mississippi. 42  
11                  inch diameter pipe. We'll have ah -- our primary  
12                  compressor stations will be up here in Russell.  
13                  Russell preservation is in between Russell,  
14                  Arkansas and Ball Knob, Arkansas. And then I guess  
15                  now that we're down in the Mississippi area, we're  
16                  gonna be down -- meter stations. So we're gonna  
17                  have our meter stations with -- primary -- with  
18                  input Texas gas and our trunk line, even though we  
19                  have one more -- Arkansas.

20                  Meter station, you know, -- 'cause I  
21                  overheard some of the conversation a little bit,  
22                  meter stations, really they're just -- gas -- our  
23                  system to their system, no compression associated  
24                  with that-- standard equipment -- separators,  
25                  meters, valves, things of that nature. Above --

1 it'll all be above ground, as well.

2 Let's see, as far as other items --  
3 key issues, we've got 15 receipt meters up through  
4 here, or you -- gas with different gas companies.  
5 And then once we get past Russell, there's no more  
6 gatherings, it all straight transmission from here,  
7 all the way to the end. So it will -- and no where  
8 above -- like I said, commuter stations and walk  
9 out stations.

10 That's pretty much it. I wanted to  
11 turn it over to you all for questions and things of  
12 that nature.

13 MR. WYMOND: Typically at this point  
14 in the meeting, we'd invite anyone who had signed  
15 up to speak for whatever reason to present  
16 environmental issues, invite you to speak to the  
17 podium. Speak to us so you can have your records,  
18 comments on record tonight with the court reporter.  
19 I don't believe anybody signed up, but if any of  
20 you are willing or have questions you'd like to  
21 ask, now is a great time to do that.

22 LINDA TOMM: Well, I do have a  
23 question. Are you talking about those station,  
24 different stations and stuff?

25 TOM SIGRAW: Um-hum.

1 LINDA TOMM: Both in ground?

2 TOM SIGRAW: Correct.

3 LINDA TOMM: Who maintains those,  
4 how then are they maintained?

5 TOM SIGRAW: We'll have meter  
6 station technicians coming out on a periodic basis,  
7 probably, at least daily.

8 LINDA TOMM: Oh, okay.

9 TOM SIGRAW: Yeah. And so they'll  
10 be maintaining stations. It won't be one of our --  
11 you know it's isolated and if something breaks  
12 down, we won't see it for a while. And then it's  
13 steadily monitored in our supervisory controlling  
14 data acquisition system. That system -- Russell,  
15 Arkansas, as well as Houston, Texas. And then if  
16 there's a picture glitch you'll see that, as well.

17 LINDA TOMM: Ya'll got computers  
18 that will pick it up or --

19 TOM SIGRAW: Absolutely. And as far  
20 as over protection, if -- let's say our pressure is  
21 beginning to come up a little bit more than what  
22 the other pipelines can take, they're will be an  
23 automatic pressure shut in. That'll shut in.  
24 That'll register an ESD. Station shuts down and go  
25 back in. That gets passed onto the system, as

1 well.

2 LINDA TOMM: I know this pumping  
3 station right down Highway 6, going up, going north  
4 in Batesville. When you go back there, you'll  
5 smell gas. Is there any dangers in that?

6 TOM SIGRAW: A lot of times what you  
7 smell is deodorant itself, and so we, we won't  
8 odorize our gas, so you won't smell anything in --  
9 'cause ours is transmission quality -- that won't  
10 be on the system without the right transmission  
11 line. So we won't odorize. But what you're  
12 smelling locally, you know, through a compressor  
13 station, it may have a line that comes in town,  
14 that's where it's odorized, and so you'll smell --  
15 you'll smell deodorant and a certain gas, but it  
16 might be deodorant itself, and we won't have that  
17 out there, so you won't smell any kind of weird  
18 smell, 'cause we won't be able to deodorize our  
19 gas.

20 LINDA TOMM: Okay. Well, I was --  
21 'cause we have -- we lease our land during goat  
22 season, and I didn't know if that smell -- 'cause  
23 it smells like gas.

24 TOM SIGRAW: Oh, absolutely, it's  
25 intended to do so, so exactly. Yeah, it's put in

1 the gas to make, to give it that smell, that's  
2 correct.

3 PETER DeJONG: But there won't be  
4 nothing out there.

5 TOM SIGRAW: Yeah, we won't have  
6 that out there, because we won't have deodorant.  
7 We aren't going to deodorize our gas.

8 UNIDENTIFIED PERSON: And wouldn't  
9 be able to release it.

10 TOM SIGRAW: Yeah.

11 LINDA TOMM: Okay. So it be --  
12 effecting -- the smell -- odorant, so.

13 TOM SIGRAW: No.

14 LINDA TOMM: I didn't know if it  
15 bothered animals or not.

16 TOM SIGRAW: Oh, it may, yeah, but  
17 we won't have that odor out there. It may.

18 LINDA TOMM: Okay.

19 TOM SIGRAW: And we have a biologist  
20 and everybody else in the room, we should be able  
21 to answer that.

22 ALLEN HALE: As far as effecting the  
23 animals, it's a per capita -- chemical -- and now  
24 that the transmission line is put in, the  
25 distribution -- that kind or odor itself it not --

1       you know if there is a -- anything like that for  
2       wild life we will -- they will have a tendency to  
3       avoid that odor, but would impact --

4                   LINDA TOMM: But would impact  
5       problem with it, but? --

6                   ALLEN HALE: No, because it  
7       physically isn't present there, but people use --  
8       the point trivia, people use similar chemicals to  
9       that to repel certain kinds of wildlife that they  
10      don't want around, particularly like golf courses,  
11      things like that --

12                  PETER DeJONG: But more importantly  
13      there's no, like over-pressure release that would  
14      release -- of the natural gas there. There's only  
15      meter, meter read station to, you know, monitor how  
16      much gas moves through it. So, because there's no  
17      -- there's no distribution of the gas. It's just  
18      transmission. It's just moving the gas through --

19                  ALLEN HALE: There's like the line  
20      that come through there --

21                  PETER DeJONG: Exactly.

22                  JAMES MUSSEY: There's three lines  
23      out there. Trunk line has three pipelines.

24                  PETER DeJONG: Correct.

25                  JAMES MUSSEY: One of 'em within the

1 last two years has been converted to petroleum  
2 products. That is the farthest east line. Are  
3 ya'll gone connect to only one of those lines or  
4 the other two or?

5 ALLEN HALE: The other two.

6 PETER DeJONG: Yeah, they'll be  
7 taking -- the other two as it stands right now in  
8 our negotiations with A&R.

9 JAMES MUSSEY: You'll connect with  
10 the other two?

11 PETER DeJONG: The gas lines,  
12 correct, only the gas lines.

13 MR. WYMOND: Does anyone else have  
14 any other comments or questions about environmental  
15 issues?

16 Okay. As indicated in the public  
17 notice for this meeting, the comment period for  
18 filing written comments ends March 2nd, 2009.

19 There's some forms available at the  
20 sign-in table, like I mentioned before, with  
21 instructions on how to file comments, if you'd like  
22 to do so.

23 Without anymore speakers, the formal  
24 part of the meeting will conclude.

25 Again, I'd encourage you to stay and

1 look more closely at the maps that representatives  
2 from FEP have provided and brought with them  
3 tonight to answer your specific questions about  
4 your property. I know some of you have already,  
5 already looked at the maps before we started. And  
6 yet feel free to stay around, ask me questions, ask  
7 them questions, unless something --

8 On behalf of the Federal Energy  
9 Regulatory Commission, I'd like to thank you for  
10 coming tonight.

11 Let the record show that the  
12 Batesville, Mississippi Public Scoping Meeting  
13 concluded at 7:17 p.m. Thank you.

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(At 7:17 p.m., the meeting adjourned.)

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C E R T I F I C A T E

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

IN WITNESS WHEREOF, I have hereunto  
set my hand at Cincinnati, Ohio, this 23rd day of  
February, 2009.

My Commission Expires:  
July 28, 2012

\_\_\_\_\_  
Terence M. Holmes  
Notary Public - State of Ohio