

BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Docket Number

TEMPLE LNG PLANT EXPANSION PROJECT: PF07-16-000

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Ontelaunee Township Building
35 Ontelaunee Drive
Reading, Pennsylvania

Tuesday, March 11, 2008

The above-entitled matter came on for scoping meeting, pursuant to notice, at 7:00 p.m.

BEFORE:

Kenneth Warn - FERC Staff

P R O C E E D I N G S

1
2 MR. WARN: Good evening, and welcome to the
3 public scoping meeting for the Temple LNG Plant Expansion
4 Project. My name is Kenneth Warn, and I am an environmental
5 project manager with the Federal Energy Regulatory
6 Commission.

7 Before we proceed here with the meeting, I'd like
8 to ask that anyone who has not already done so please turn
9 off their cell phones. I'll give everyone a few seconds to
10 do that.

11 (Pause.)

12 As stated in the public notice for this meeting,
13 the Commission is preparing an environmental assessment or
14 EA for the proposed Temple LNG Plant Expansion Project, so
15 we are here tonight to learn from you. The purpose of this
16 meeting is to give you an opportunity to comment on the
17 environmental issues that you believe need to be considered
18 in the EA, and for us to answer any questions you may have
19 about our process. The more specific your comments are, the
20 more helpful they will be in our environmental analysis.

21 With me tonight is Lonnie Lister, who's a branch
22 chief within the Office of Energy Projects, right over here.
23 He'll be assisting me with tonight's meeting. Also with me
24 tonight is G. Patel, behind Lonnie there in the blue shirt,
25 who is an engineer with our LNG engineering branch. He will

1 try to answer any questions you might have related to our
2 review of the LNG plant design and related safety issues.

3 In addition, FERC third-party contractors Greg
4 Netti -- Greg's to the left of me -- and Jennifer Harris, in
5 the back of the room. They're here from Ecology and
6 Environment, Inc., in attendance to assist in answering your
7 questions.

8 This meeting is being reported by a court
9 reporter, so we can have an accurate record of tonight's
10 comments. A transcript of this meeting will be placed in
11 the public record, so anyone can access the information
12 discussed here tonight. To help the court reporter produce
13 an accurate record of this meeting, I ask that you please
14 follow some ground rules if you have any questions or
15 comments during the formal segment of this meeting. I will
16 ask you to, one, please come to the podium and speak into
17 the microphone -- well, we don't have a microphone.

18 (Laughter.)

19 MR. WARN: Two, introduce yourself, and if
20 appropriate the agency or group you're representing.
21 Three, please spell your name; and four, define any acronyms
22 you may use. Finally, five, speak one at a time.

23 I'll start out by briefly explaining the FERC
24 application process. Then representatives from UGI LNG, the
25 company who's proposing this project, will present an

1 overview of the project. Following UGI LNG's presentation,
2 we'll hear from those of you who have signed up to speak and
3 who would like to make formal comments on the project. If
4 you don't want to formally make comments tonight, you can
5 also send a letter to the Commission addressing your
6 specific concerns. The Notice of Intent explains how you
7 can mail in comments on pages 4 and 5, and if you haven't
8 received a copy or if for any reason you don't have a copy,
9 there are several copies in the back of the room.

10 The FERC is an independent federal agency
11 headquartered in Washington, D.C. that, among other things,
12 regulates the interstate transmission of natural gas. In
13 doing so, FERC reviews proposals and authorizes construction
14 of interstate natural gas pipelines, storage facilities, and
15 liquefied natural gas -- otherwise known as LNG --
16 terminals.

17 The FERC has five Commissioners, who are
18 appointed by the President and confirmed by the Senate.
19 Commissioners serve five-year terms, and each have an equal
20 vote on regulatory matters. One member of the Commission is
21 designated by the President to serve as Chair, and FERC's
22 administrative head. Commission staff, which includes
23 myself, prepares technical information to assist the
24 Commissioners in making their decisions.

25 When a company wants to build a jurisdictional

1 project such as the proposed LNG facilities, it must file an
2 application with the Commission. With UGI LNG's proposal,
3 we have begun what is called the pre-filing process. A
4 formal application from UGI LNG has not yet been filed with
5 the FERC.

6 The purpose of the pre-filing process is to
7 encourage involvement by the public, government entities and
8 other stakeholders in a manner that allows for the early
9 identification and resolution of environmental issues.

10 The proposed project is an expansion of the
11 existing facility, which has been in operation for just over
12 36 years -- I believe it was February 1971 -- and involves
13 construction and operation of an additional LNG storage
14 tank, submerged combustion vaporizers, and associated
15 facilities.

16 Under the National Environmental Policy Act, the
17 Commission is required to perform an environmental analysis
18 of the proposed project's potential effect on the
19 environment, as well as an engineering analysis within the
20 LNG branch, of which G. Patel is a part, to determine
21 compliance with the federal safety standards for LNG
22 facilities.

23 The FERC is the lead federal agency responsible
24 for the environmental review of the Temple LNG Plant
25 Expansion Project, and the lead federal agency in the

1 preparation of the EA. Tonight's scoping meeting is one of
2 the first steps in our process to develop a complete
3 environmental record of UGI LNG's proposal. We are here
4 tonight to get your input on issues that you feel need to be
5 analyzed in the Environmental Assessment. Your comments,
6 along with those of interest groups and agencies, will help
7 focus our analysis on significant impacts. The Commission
8 will make its decision about whether to approve the storage
9 project after considering the project's environmental and
10 economic impacts.

11 I'd like to emphasize that the EA is not a
12 decision document. It's being prepared to advise the
13 Commission and to disclose to the public the environmental
14 impact of constructing and operating the proposed project.
15 When it's completed, the Commission will consider the
16 environmental information from the EA, along with non-
17 environmental issues such as engineering, markets and rates
18 in making its decision to approve or deny the project.

19 If the Commission votes to approve the project, a
20 certificate of public convenience and necessity will be
21 issued that will require UGI LNG to meet certain conditions,
22 as outlined in FERC's final order. FERC environmental staff
23 would monitor the project through construction and
24 restoration, performing on-site inspections to insure
25 compliance with conditions of the FERC certificate.

1 If you have any additional questions about FERC,
2 I'd encourage you to visit our website, www.ferc.gov.

3 The notice for this meeting was mailed to
4 affected landowners, federal, state and local agencies,
5 elected officials, and other public interest groups. To
6 remain on the mailing list for this project, you'll need to
7 either, one, return the information request in Appendix 2 of
8 the NOI; two, sign the mailing list sheet at the back of
9 this room; or three, provide written comments at any time
10 during the application and review process.

11 So at this time, does anyone have any questions
12 about our EA process or tonight's program?

13 (No response.)

14 MR. WARN: If not, I'd now like to introduce Mr.
15 Michael Mara with UGI LNG, and he'll give us a brief
16 overview of the proposed project.

17 MR. MARA: Good evening. Thank you all for
18 coming. My name is Mike Mara. I work for UGI Energy
19 Services as Director of Project Development. With me is
20 Carl Myers. Carl is a consultant working with UGI on the
21 proposed expansion project.

22 I think all of you are familiar, obviously, with
23 the existing facility. As Kenneth said, it's been in
24 operation for about 36 years.

25 The existing LNG plant, to orient you -- Leesport

1 Avenue; here's the UGI driveway here -- the existing LNG
2 plant consists of several key components. Number one is the
3 blue storage tank. That's the tank that actually stores the
4 LNG, and there's various process equipment.

5 What we do now, and what we're proposing to do
6 more of -- during most of the year, we take natural gas on
7 the pipeline, we run it through a liquefaction process,
8 converting to liquid, store it in the tank that you see
9 there now. On very cold days -- I think this year we ran
10 about four or five days -- we'll take liquid out of that
11 tank and we'll revaporize it into the local gas distribution
12 system to provide additional gas supplies on peak demand
13 days.

14 The proposed project is an expansion of the
15 existing facility, consisting primarily of a new tank. The
16 existing tank is nominally referred to as about one-quarter
17 Bcf. The new tank will be one Bcf, so about four times the
18 volume in the new tank.

19 Conceptually, it will be the same operating
20 philosophy. We will take liquid LNG from the existing
21 liquefaction process, store it in the larger tank, and then
22 have the capability to vaporize even more capacity during
23 peak days. So from an operating day standpoint, we expect
24 it to have similar parameters to the existing facility, just
25 have additional capacity -- about three times the

1 vaporization capacity of the existing plant.

2 Most of you know, we had I guess started the
3 process, identified the project locally about a year ago and
4 identified different components of the process and answered
5 some questions. We are now entering the more formal FERC
6 approval process. So again I invite you, if there's any
7 questions or you have anything you'd like to discuss with me
8 about it, I think on the notice I've left my contact
9 information. I also have some information about the project
10 I'll leave on the table in the back, so that, you know, on
11 your way out feel free to pick up the information. It also
12 has my contact information.

13 Thanks.

14 MR. WARN: Thank you, Mr. Mara, for the
15 presentation. Does anyone have any questions about the
16 proposed project that Mr. Mara describes?

17 (No response.)

18 MR. WARN: I'd like to make a minor correction to
19 what I stated earlier. I said I believe the facility's been
20 in operation since February '71. But I believe it's
21 February '72, which would be just over 36 years.

22 If no one has any questions at this point, if you
23 aren't sure if or how the proposed project may affect your
24 property, I encourage you to look at the maps and other
25 materials that UGI LNG has brought with them tonight after

1 the meeting.

2 Now we'll begin to hear from those of you who
3 have signed up to present formal comments. For the court
4 reporter's benefit, please introduce yourself and, if
5 appropriate, the agency or group you're representing. If
6 you have concerns that are specific to your property, we
7 urge you to either tell us about it on the record tonight or
8 send in written comments to the Commission.

9 Jennifer, do we have anyone who's signed up for
10 --

11 MS. HARRIS: No, nobody's signed up to speak.

12 MR. WARN: Nobody's signed in. Okay. Is there
13 anyone else who'd like to provide comments at this time?

14 (No response.)

15 MR. WARN: If not, as indicated in the public
16 notice for this meeting, the comment period for filing
17 written comments ended February 18, 2008. However, we'll
18 continue to accept comments throughout the process, and
19 there'll also be an opportunity to comment on the findings
20 and conclusions presented in our EA. There are some forms
21 available at the sign-in table in the back to make sending
22 written comments easier.

23 Without any more speakers, the formal part of
24 this meeting will conclude. Again, I'd encourage you to
25 stay and look more closely at the maps and information that

1 UGI LNG has brought with them. Their representatives will
2 be available to assist you with these maps and answer any
3 more specific questions you may have.

4 On behalf of the Federal Energy Regulatory
5 Commission, I would like to thank you all for coming
6 tonight. Let the record show that the Temple LNG Plant
7 Expansion Project scoping meeting concluded at 7:17 P.M.

8 Any questions?

9 MR. BOWES: One quickie. In the original
10 document -- my name is Tom Bowes. I live at 132 Willow
11 Creek Road. I am a property owner.

12 In the original document, it said your formal
13 application, you're expecting to approve as of April 30. Is
14 that still on track?

15 MR. WARN: No.

16 MR. LISTER: No, it's not, because for one thing
17 there's a required filing that has to be made at least 90
18 days before the application is filed, and that hasn't run
19 yet. So it's at least three months away before a filing of
20 the application.

21 MR. BOWES: Thank you.

22 MR. WARN: Any other questions or comments at
23 this time?

24 (No response.)

25 MR. WARN: Again, if you don't want to provide

any comments now, you can submit comments at any time during the review process in writing.

MR. LISTER: The FERC website, just for you folks who might be interested -- we're trying to make it easy to comment on these projects. If you go to the FERC website and look up this project, there's an opportunity to provide just quick comments if you like. It's kind of a new feature, so we're not sure how well it's working, but it seems to work fine.

MR. WARN: Thank you all for attending.

(Whereupon, at 7:20 p.m., the meeting was adjourned.)