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BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

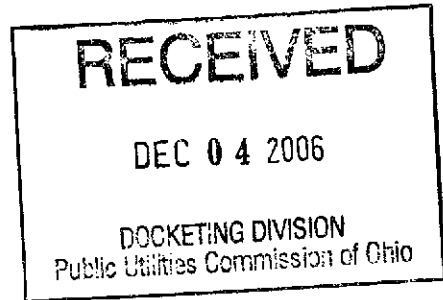
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IN THE MATTER OF: : Project Number:  
ROCKIES EXPRESS PIPELINE PROJECT : PF06-30-000  
EASTERN PHASE :  
- - - - -X

Clark's Hall Reception Area  
2155 East US Highway 36  
Rockville, IN

Thursday, September 14, 2006

The above-entitled matter came on for scoping  
meeting, pursuant to notice, at 7:12 p.m.

BEFORE:  
DOUGLAS SIPE, FERC



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

2 7:08 p.m.

3 MR. SIPE: Good evening everybody. Okay. Thanks  
4 for coming out tonight. We have a big crowd tonight, and  
5 I'm going to stand up here. I usually had some bad seating  
6 the rest of this week, so when I sit I can't see everybody.

7 So the first thing, I want to thank you for  
8 coming out tonight. My name is Doug Sipe. I work for the  
9 Federal Energy Regulatory Commission. I am the Commission's  
10 environmental project manager, but not for this project.  
11 I'm subbing for Alisa Lykens. We're doing nine meetings  
12 this week.

13 She's doing the five to the east, and I took the  
14 four, one in Missouri, two in Illinois and one here tonight.  
15 So we'll be taking all you guys' comments and then Alisa  
16 will be taking it from there. She'll be the project manager  
17 for this project. She does the same thing I do; I just  
18 don't do this project.

19 Rockie Express Pipeline is proposing to build  
20 about 622 miles of 42-inch diameter natural gas pipeline,  
21 five new compressor stations and other appurtenant  
22 facilities in the states of Missouri, Illinois, Indiana and  
23 Ohio.

24 Rockie Express project, this is the eastern  
25 phase. It's currently in the preliminary stages of design.

26

1 It's very important. I'll get into that later.

2 At this time, a formal application has not been  
3 filed with FERC. For this proposal, the Commission is  
4 initiating its National Environmental Policy Act review  
5 prior to receiving the application.

6 This allows interested stakeholders to become  
7 involved early in the project planning, and to identify and  
8 attempt to resolve issues before an application is filed  
9 with FERC.

10 The National Environmental Policy Act, a lot of  
11 you have heard of, is referred to as NEPA, and I'll probably  
12 use that the rest of the night. I'll try to lay off the  
13 acronyms. I know that bureaucrats use a lot of acronyms.  
14 I'll try to lay off of that.

15 NEPA requires the Commission to take into account  
16 the environmental impacts that could result from an action  
17 when it considers the issuance of certificates of public  
18 convenience and necessity under Section 7 of the Natural Gas  
19 Act.

20 The Natural Gas Act, that's why we're here.  
21 That's what we use to regulate interstate natural gas  
22 pipeline companies. FERC is a Commission. We are located  
23 in Washington, D.C., comprised of about, I think, 1,200  
24 people. There's five commissioners appointed by the  
25 President. That's probably all you need to know about FERC.

26

1                   This Act requires us to identify and address  
2 concerns the public would have about the proposal. An  
3 environmental document will be prepared for this project.

4                   It is referred to as an Environmental Impact  
5 Statement, an EIS. A big, thick document you guys will be  
6 receiving some time next year on this project, if they file  
7 an application.

8                   The purpose of tonight's meeting is to hear from  
9 you. There's a mike stand there in the middle. I'll put  
10 this mike in in a little while from now, and we want you  
11 guys to come up and give us your comments and concerns.

12                   I will answer questions, but I have to have you  
13 when you speak to me during this portion of the formal  
14 meeting, you have to speak into the mike, because we have a  
15 court reporter here, and everything that's being done here  
16 tonight during the formal part is being recorded, and it  
17 will be on the record.

18                   So it's kind of hard if we start cross-talking  
19 and everything. I just have to have you speak into the  
20 mike.

21                   The agenda for this evening. After I give my  
22 introductory remarks, Ryan Childs from Rockie Express will  
23 give you a brief description of the project. I know there  
24 were some open houses held around here in June. If you  
25 weren't able to attend one of those, he'll give you a brief  
26

1 review of the project.

2 I'll go over what the Commission does again, and  
3 how we will take your comments. There's plenty of ways you  
4 guys can send comments. But one of them's doing it in the  
5 mike tonight. That's probably the easy way. You don't have  
6 to type, write or send anything. You just speak into the  
7 microphone.

8 I'd like to introduce a few of the staff members  
9 with me tonight on the Environmental Review Team. Gertrude  
10 Fernandez from FERC. She's a FERC engineer. We have our  
11 consultants, ICF International/Entrix (ph). They were at  
12 the table when you came in in the back.

13 Trevor Loveday, Leslie Sapier and Fran Moore.  
14 They met you guys when you came in. They're FERC's third  
15 party contractor we use to help us write the EIS. If we had  
16 to write all these EISs, I wouldn't be out doing these  
17 meetings. I'd be back pounding on my computer typing. So  
18 they really helped us out on this.

19 At this time, I'd like to introduce Gary Bauman  
20 from the U.S. Department of Transportation, Office of  
21 Pipeline Safety. Gary's with the Pipeline and Hazardous  
22 Materials Safety Administration, PHMSA.

23 They just changed their name. We worked with  
24 them for years and years and years, and always referred to  
25 them as OPS, and now they went ahead and gave us a name  
26

1 change. At this time, Gary's going to speak to you about  
2 his agency's role regarding the project.

3 MR. BAUMAN: Good evening. I'm an engineer with  
4 the United States Department of Transportation, PHMSA,  
5 that's our acronym. I specifically work for the Pipeline  
6 Safety Program. I'd like to thank FERC for inviting me to  
7 this scoping session.

8 Given the concerns of the public with respect to  
9 pipeline safety, my purpose at this meeting is to assure you  
10 that if the pipeline receives favorable reviews from FERC  
11 and is built, the PHMSA organization will maintain a  
12 continual regulatory watch over the pipeline, from its  
13 construction through its entire operational life.

14 The regulatory oversight will consist of  
15 measuring the operator's performance to ensure the pipeline  
16 is constructed of suitable materials welded in accordance  
17 with industry standards, that the welders are qualified to  
18 work on the pipeline, the pipeline is installed at the  
19 proper depth, that it's coded to ensure an effective  
20 protection system, that it's backfilled with suitable  
21 material, and that it's properly tested upon completion of  
22 the construction phase to ensure that it has a long,  
23 structurally sound life.

24 Beyond the construction project, the Pipeline  
25 Safety Program will periodically conduct inspections of all  
26

1 aspects of the operation and maintenance of this pipeline.

2 As required by 49 C.F.R. Part 192, Rockies  
3 Express Pipeline as constructed must have an operation and  
4 maintenance manual.

5 This manual directs all of the actions regarding  
6 the pipeline. It's the who, what, when, where and why and  
7 how of pipeline operation and maintenance. PHMSA will  
8 review this manual and examine records of inspections to  
9 verify compliance with federal safety regulations.

10 If built, Rockies Express Pipeline will have to  
11 test and monitor their pipeline. Examples of some of the  
12 inspections that are mandated by federal regulations are  
13 inspecting the cathodic protection system; examining above-  
14 ground portions of the pipeline; annual testing of pipeline  
15 valves; inspection of pressure regulators and release  
16 devices.

17 There's also a requirement for periodic  
18 patrolling, and there's also a requirement for leak surveys  
19 along the pipeline's route. Beyond these routine functions  
20 that have for decades been the baseline for operation and  
21 maintenance of pipelines, PHMSA has for the past few years  
22 implemented new initiatives to enhance pipeline safety.

23 One of these new initiatives is the requirement  
24 that operators develop a comprehensive program to ensure the  
25 continued integrity of the pipeline. We call this an  
26

1 integrity management regulation, and operators develop  
2 integrity management plans.

3 The goal is for the operator to develop a  
4 comprehensive understanding of their pipeline, using risk  
5 assessment methods, combined with new technology or existing  
6 technology. The attempt is to find any defects which could  
7 be due to third party damage, corrosion, or other causes and  
8 repair them before a failure can occur.

9 The plan is continual, and it requires  
10 implementing up to date mapping techniques, hydrostatic  
11 testing, in-line inspection. Another word for in-line  
12 inspection is smart picking. Verification of the in-line  
13 inspection data, and additional steps to ensure the pipeline  
14 has a real time file with all anomalies documented and  
15 tracked.

16 To measure the effectiveness of their integrity  
17 management plan, operators are required to measure  
18 performance through a variety of metrics, including test  
19 excavations.

20 In addition to the regulations related to the  
21 physical pipeline, Congress has mandated operator  
22 qualifications, and this operator qualifications is required  
23 for any employee performing work on the pipeline.

24 The aim of this initiative to minimize operator  
25 error that has caused pipeline failures. Rockies Express,  
26



1       if built, will be required to develop a written operator  
2       qualification plan and qualify every individual performing  
3       work on the pipeline.

4               On top of the operator qualification regulation,  
5       they have the requirement that they'll perform mandatory  
6       drug and alcohol testing for all employees who work on the  
7       pipeline.

8               Presently, an operator must conduct random drug  
9       testing of 25 percent of their employees, as well as pre-  
10      employment testing and post-incident testing.

11              Another initiative that's relatively new to us is  
12      public awareness. Recently, PHMSA adopted an industry  
13      standard, API 1162. This standard requires operators to  
14      identify people along the right-of-way affected by the  
15      pipeline, to inform the public about recognizing leaks and  
16      taking appropriate actions.

17              It also sets up a liaison between excavators,  
18      public officials, emergency responders and local officials.  
19      If built, Rockies Express Pipeline must have an acceptable  
20      plan, and the provisions of the plan must be implemented  
21      before the pipeline is placed in service.

22              The initiatives that I have described are a  
23      sampling of what PHMSA's pipeline safety program does.

24              If an operator's procedures are found inadequate,  
25      or if an operator is not following its procedures or other  
26

1 regulatory requirements, PHMSA is authorized by regulations  
2 to require compliance, force corrective actions, and if  
3 necessary for public safety even shut the pipeline down.

4 PHMSA can seek civil penalties and even criminal  
5 prosecutions of companies and individuals that do not meet  
6 our federal regulations. The authority is granted by  
7 Congress, and the agency is responsible to Congress for the  
8 execution of our mandates.

9 When you came in, there were some of these on the  
10 front table. It's a pamphlet that outlines all of the  
11 different responsibilities of the pipeline safety program.  
12 You can pick one up on your way out or see me, and I'd be  
13 happy to give one to you.

14 There's a couple of websites that you might be  
15 interested in visiting if you want to learn more about  
16 pipeline safety. One of them is dot/ops.dot.gov. The other  
17 one is www.phmsa.dot.gov. I hope my short presentation's  
18 been informative.

19 The Pipeline Safety Program's mission is safety,  
20 and we want to assure you that if the Rockies Express  
21 Pipeline is built, we will be here on the job, enforcing all  
22 federal safety regulations. That's the conclusion of my  
23 comments.

24 MR. SIPE: Thanks, Gary. Along with PHMSA, we  
25 work very closely with a number of other agencies.

26

1                   There's an MOU signed, a Memorandum of  
2           Understanding signed between FERC and a lot of other federal  
3           agencies, who assist us in making sure that the EIS is --  
4           I'm getting feedback -- making sure the EIS has the correct  
5           information in it.

6                   We work hard with those guys. Like for instance,  
7           right now, the U.S. Army Corps of Engineers is the  
8           cooperating agency on the EIS. We spoke with the Illinois  
9           Department of Agriculture. I just met up with the Farm  
10          Bureau.

11                   On Monday or Tuesday, we sat with those guys.  
12          Those guys are going to help us out, make sure we have the  
13          right information in there to protect the aglands.

14                   So we work with a lot of other federal agencies,  
15          and like I said this many times. We're in D.C., and we do  
16          do these pipeline projects all over the country.

17                   But it's the local agencies, the state agencies,  
18          and the federal agencies here that understand your property  
19          a lot better than we do, and that's why we have them on  
20          board to help us out, to make sure the EIS is correct.

21                   So Ryan Childs is from Rockies Express. He's  
22          here right now and he wants to give you a brief description  
23          of the project.

24                   MR. CHILDS: Good evening. Thanks for coming  
25          out, everybody. I appreciate all of those of you who were  
26

1       here this evening that were here for our open house meeting  
2       that we held here back in June of this year already.

3               For those of you who were there at that meeting,  
4       we have a lot more information boards about the overall  
5       project, how we build it and everything. Tonight I'm just  
6       here to give a very brief overview of our project.

7               By way of introduction, I am the project  
8       environmental manager. I have with me here this evening  
9       quite a few other folks from our project team back here with  
10      a construction and right way survey groups, and some of our  
11      other environmental folks on this project.

12              So we'll be here after the formal part of this  
13      meeting to answer questions, go over it. We do have some of  
14      our alignment sheets of the proposed route as it stands  
15      today through this area back here. We'd be happy to go over  
16      those with you at that time.

17              Also by way of introduction, I want to introduce  
18      the company. Rockies Express Pipeline is a business  
19      development of Kinder-Morton Energy Partners, Sempco  
20      Pipelines and Storage, which itself is part of Sempco Energy  
21      Company, and then Conoco Phillips.

22              That's who we are. What we are is a natural gas  
23      pipeline company, really geared up to build and operate this  
24      overall 1,663 mile-long pipeline system. It's a very -- we  
25      feel it's going to be a very important part of the nation's  
26

1 energy infrastructure.

2 The goal of this project is to move large volumes  
3 of natural gas from the rapidly developing production areas  
4 out in Northwest Colorado and Southwest Wyoming.

5 You know, if you've been reading the papers about  
6 natural gas and the price increases and all that, there are  
7 large supplies that are being developed out in the Rocky  
8 Mountain region. The goal of this project is to bring that  
9 natural gas from the Rockies to Upper Midwest and Eastern  
10 markets.

11 Through our overall system, and I'll just briefly  
12 describe that and then get into the project that's going to  
13 be built around here, as I mentioned, the overall system is  
14 a 1,663 mile-long system, all large diameter natural gas  
15 pipeline. That's the only product we move through the  
16 system is natural gas.

17 The vast majority of the project is a 42-inch all  
18 welded steel buried pipeline, of course. It starts out in  
19 Northwest Colorado, comes up to Wyoming, and that portion is  
20 already in service and pumping gas from the gas fields in  
21 Northwest Colorado up to some existing pipelines right now  
22 in Wyoming.

23 Then we're actually building. Right now, we have  
24 crews out in the field back in Wyoming, building 192 miles  
25 and pipeline right now. That will be in service by the end  
26

1 of this year.

2 The next portion of our project, which we're in  
3 the FERC application process, just further along than we are  
4 on this part of it, starts over near Cheyenne, Wyoming and  
5 travels to the Southeast, east by southwest really, over to  
6 near Mexico, Missouri. That's 713 miles.

7 We've applied to the Federal Energy Regulatory  
8 Commission for approval of that project. We anticipate  
9 receiving approval from the FERC and all the other federal,  
10 state and local permits and having the easements required  
11 across all that 713 miles, which would allow us to build  
12 that section next year. So 2007 for construction of what we  
13 call Rockies Express West.

14 Then we come to the portion that we're all here  
15 talking about, which is our Rockies Express East portion of  
16 it. It comes from Mexico, Missouri and extends over to near  
17 Southwest Ohio.

18 As Doug mentioned, that's about 622 miles. We  
19 will have a number of compressor stations or pumping  
20 stations as some folks call them, across the system. Those  
21 are above-ground facilities, and their purpose is to  
22 repressurize the gas as it moves through the system, and  
23 continue gas flow on to meet those market demands.

24 There will be a compressor station built near  
25 here, a little to the Southeast of Bainbridge. Indiana is  
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1       where our proposed station is located at for this area.

2               There's some other above-ground facilities that  
3       would be associated with this pipeline, which as I said, the  
4       vast majority of the pipeline itself is all going to be  
5       buried. But along with the compressor stations they  
6       interconnect locations, and there are some both west and  
7       east of here.

8               Interconnects allow us to move the natural gas  
9       from our system onto other existing pipeline systems, and  
10      take it to their customers. So when you have an  
11      interconnect location like that, we particularly have a  
12      meter station, where we will meter the amount of gas coming  
13      out of our pipeline into that other one.

14              So there's some of those west of here that are on  
15      existing systems already that you might be familiar with.

16              Then the only other above-ground facilities would  
17      be mainland block valves, which are -- it's a very small  
18      area above ground, but it's associated with a valve that  
19      actually allows us to isolate segments of our pipeline at  
20      any time for safety or operational reasons.

21              That's the general physical description of the  
22      project, and that's on this map. Here, it's a little better  
23      and basically I'll try to explain this indepth. Anybody who  
24      wants to themselves can figure it out later as well.

25              But the -- in terms of how we route the pipeline  
26

1 projects, that's always an important issue for a lot of  
2 folks, why does it go where it's actually proposed to. We  
3 follow guidelines established by the FERC.

4 The first of those is to try and follow existing  
5 easements or existing corridors as much as possible,  
6 realizing that there's going to be constraints due to  
7 construction factors.

8 Also, one of the most important factors in  
9 getting from Point A to Point B, in our case west of here,  
10 and continuing on about 20 miles east of here, we're largely  
11 going to be paralleling the Panhandle Eastern Pipeline  
12 system.

13 I know some of you are familiar with that system,  
14 and we'll be located along it. There's going to be areas  
15 where there's been things built since Panhandle built their  
16 line, and we'll have to leave their pipeline system to go  
17 around.

18 In some cases, there's criss-crossings or steep  
19 slopes or something like that, where we can't build adjacent  
20 to it for just simple constructability reasons.

21 But once we come east of here past Bainbridge, at  
22 that point we're west of Indianapolis. Our next major  
23 market delivery point is down in Southwest Ohio, in between  
24 Cincinnati and Dayton.

25 So we need to get from west of Indianapolis to,  
26



1       you know, south of Dayton, north of Cincinnati, at a place  
2       called Lebanon, Ohio. Some of you might be familiar with  
3       it.

4               That portion through there is what we call a  
5       Greenfield portion. It means that we don't have other  
6       existing pipelines or major easements that we could follow  
7       through that area.

8               So being constrained from getting from Point A to  
9       Point B, then it's going to be a matter of picking a route  
10      through there that tries to make as much accommodation as it  
11      can for existing employment development and for, you know,  
12      existing homes, houses, roads, rivers, waterways and other  
13      constructability factors.

14              So that's an area that we spent a lot of time  
15      working on, in a Greenfield route like that as you might  
16      well imagine.

17              There are some areas where we have already  
18      established what we consider changes from the original  
19      route, that we even had out here back in June from our  
20      original proposed route.

21              As we gathered input from the communities and  
22      from some of the state agencies and everybody else, we've  
23      made some changes to the alignment that we had, that very  
24      preliminary alignment that we had out here back in June.

25              One of those changes is to the east of here, down  
26

1       around the Bainbridge area, and we drop south of the  
2       original proposed route. Before, when we were here in June,  
3       the original thought was being north of Highway 36. Now  
4       we'll be south of Highway 36 over here in the Bainbridge  
5       area.

6               If you come back afterwards, after this formal  
7       presentation, we can tell you the reasons why we did that.

8               Just overall in the process of where we are,  
9       again, as Doug mentioned, we're in the early part of this  
10      project. We're in what we consider the routing and then the  
11      preliminary design of the project. That involves both the  
12      civil survey information and environmental information that  
13      we had field crews to gather all that.

14              I want to thank everybody who's doing this  
15      survey, the Commission first. We have civil survey crews  
16      that will be in the area, surveying the route and looking  
17      for those construction factors that are going to be  
18      necessary to design the pipeline.

19              Following behind the civil crews, we have  
20      environmental crews, both specialty crews who worked for  
21      wetlands, potential threatened endangered species or  
22      cultural resources like arrowheads or anything else.

23              All that information is put into an application.  
24      As Doug mentioned, we have to apply to the Federal Energy  
25      Regulatory Commission to even have anybody think about  
26

1 approving the project, and that's a fairly involved process.

2 We're going to take all that information that  
3 we're gathering right now, and everything, comments that are  
4 received from the public, from other agencies, and we  
5 anticipate having that in the application that would go to  
6 Doug's folks back in Washington, D.C. early in April of next  
7 year.

8 So April of 2007 or maybe a little before, if we  
9 can really get some significant progress going here with  
10 some of our field work. We would be making an application  
11 to the Federal Energy Regulatory Commission. They would in  
12 turn start reviewing that, all that information.

13 While they're reviewing that, we would be going  
14 out and obtaining all the other necessary federal, state and  
15 local permit requirements as you might imagine, for  
16 environmental reasons, for road crossings, you know.  
17 There's just, you know, a stack of permits that we will have  
18 to obtain for a project like this.

19 We'll also have an extensive right-of-way  
20 process, whereby we acquire the easements necessary to build  
21 the project. As you've heard already, the project is  
22 designed, built, operated with very strict safety standards  
23 of the Department of Transportation, and in compliance with  
24 all those environmental rules and regulations of both the  
25 FERC and the other federal and state environmental

26

1 regulatory agencies.

2 Subject to having all those, you know, once we  
3 obtain all those permits and approvals for the project,  
4 which we anticipate receiving by 2008, we would start  
5 construction in this area in 2008.

6 A 622-mile project like this that goes into  
7 several different areas of construction, several different  
8 what we call "spreads," that allows us to have simultaneous  
9 construction activities occurring across the 622-mile  
10 project like this, and allows us to basically tie all those  
11 sections together and flow gas over to Southeast Ohio by the  
12 end of 2008.

13 Some of the compressor stations that were on the  
14 system were actually built in 2009. That's really ties all  
15 the way back to when the natural gas supplies will be coming  
16 onto our pipeline back in the Northwest Colorado-Southwest  
17 Wyoming.

18 So there's kind of build-up and introduction of  
19 natural gas supplies there and market deliveries are on the  
20 way. But again, 2008 is when we anticipate doing  
21 construction out here, and I guess I'll turn it back over to  
22 Doug, and let you finish up the rest. You want me to just  
23 put it back there?

24 MR. SIPE: No, I'm going to use it.

25 MR. CHILDS: Okay.

26

1                   MR. SIPE: Thanks, Ryan. A number of things. We  
2                   learned from being in Indiana, a lot of questions I received  
3                   this week, people were asking and wondering if this  
4                   application is approved by FERC and they do start  
5                   construction, you know, when is that going to be?

6                   April they want to file an application. Ten  
7                   months after that is usually when we try to get an approval  
8                   or denial in front of the applicant. So you can look at  
9                   April to, I guess, December. When did you say you wanted to  
10                  start construction?

11                  MR. CHILDS: We'd be starting in the spring of  
12                  2008.

13                  MR. SIPE: Spring, okay. So we do have longer  
14                  than ten months. Yes. So and then what happens is everyone  
15                  asks is who watches them after that? Who regulates these  
16                  guys after that, once they get their approval and once they  
17                  start construction?

18                  We're out here the whole time they are. We have  
19                  FERC miners in the field the whole time during construction.  
20                  They have environmental inspectors of their own during  
21                  construction.

22                  We either -- we stay out from the end of  
23                  construction and then through restoration of the whole  
24                  project, because we want to make sure it's restored  
25                  properly. After that, we come out and do periodic  
26

1 inspections of the project, to make sure that everything is  
2 still looking as good as it was when we left it.

3 The company's always monitoring their project.  
4 They want to make sure it stays, you know, how they left it  
5 and make sure they maintain it.

6 Usually after restoration, we look at periodic  
7 for a couple of years, and then it turns over to operations,  
8 which it's more regulated more by DOT at that point. Oh,  
9 sorry, PHMSA at that point.

10 They're along with us the whole way, but it's  
11 more of the process turns over to them. FERC kind of goes  
12 away a little bit. But if there's ever a problem with your  
13 property after that, if you end up with this project on your  
14 property, you have the FERC numbers.

15 You want to start with the company first and call  
16 those guys. If you don't have success, which you should  
17 have with those guys, then you will have the FERC numbers,  
18 and you're always able to have a number to call if you do  
19 have a problem after that. That's a big question.

20 Okay. The pre-filing process. How many people  
21 here -- this is a good question that PHMSA asked earlier.  
22 How many people here have a pipeline on their property right  
23 now?

24 (Show of hands.)

25 MR. SIPE: Okay. So a good many folks have it on  
26

1       their property right now. Traditionally, with that project,  
2       we would not have been in the pre-filing process. The pre-  
3       filing process is about, I'd say, five years old.

4               Typically, we wouldn't have to have had any of  
5       these meetings before they have filed an application with  
6       FERC. We wouldn't have had the open houses.

7               We wouldn't have had, these are scoping meetings.  
8       We wouldn't have met with agencies before they filed an  
9       application. The company would have been there on their  
10      own, which they're very capable of.

11              But now we're involved early on. Months before  
12      we gave them the pre-filing authorization in June, and so  
13      we've been with this company working with them ever since,  
14      trying to work with the agencies.

15              I can't stress that enough. The state farm  
16      bureaus and the state departments of ag in these areas  
17      really, really provide us with the information we need. I'm  
18      very supportive of those guys.

19              Once they file the application, that's when it  
20      kind of comes totally into our hands, the application  
21      process. We send out -- if the application is not  
22      sufficient, what we'll do at that point is we'll send out  
23      data request questions. We'll send them questions and the  
24      company will file it back with us.

25              Typically after the EIS is done, if they file in  
26

1 April, like I said in four months, you'll typically see an  
2 EIS on the street. We will have this type of meeting again.

3 Those will be called comment meetings. This is  
4 scoping process. That will be the comment meetings, which  
5 you'll be commenting on the EIS itself.

6 The goal of the pre-filing process is to help  
7 facilitate the interaction with federal, state, local  
8 agencies and affected property owners and other interested  
9 stakeholders by preparing a more complete application.

10 So all this scoping that I'm harping on, that's  
11 what we want. We want their application to come in in  
12 April, to have all the information it should have in it,  
13 because that really helps us in the long run and helps you  
14 guys in the long run, if all input is in there.

15 Again, we're very early in the process. So if  
16 you have this pipeline project on your property right now,  
17 you may not have it there in a couple of months. I heard  
18 that actually tonight. There's a lady that came here early  
19 in the open house who said it was on her property and now  
20 it's not.

21 This line can change. This is not a done deal.  
22 It can be moved. So that's why we're here now. You may see  
23 choppers flying over top. You may see airplanes and you'll  
24 see a lot of guys out. That's what we're doing. We're  
25 making sure the route should be where it is.

26



1                   The NOI, I skipped that. A lot of you guys  
2                   hopefully received this NOI. If you did not receive this  
3                   NOI, that came from FERC. If you did not receive the NOI,  
4                   I'm sorry. The mailing list is huge, and it's undergoing  
5                   constant revision. I think 13,000 of these went out.

6                   So if you did not receive this, we do have copies  
7                   of it in the back. It has a lot of useful information in  
8                   it. It has the docket number, how we tracked this project  
9                   at FERC. It's PF06-30. That information's in there.

10                  I just flipped my page around. I can't be doing  
11                  that. Let me get back to it a second.

12                  First, e-Library system. That's a very good tool  
13                  for you guys to use. You can e-subscribe to this project.  
14                  We have a mailing form back there, Your Guide to Electronic  
15                  Information at FERC.

16                  Basically, what that does if you e-subscribe to  
17                  the project, you go on there and set up your own account.  
18                  Everything that is filed on this project you will get an e-  
19                  mail of your account on.

20                  Basically, you would be able to tell by the  
21                  subject line, and you can click on it and look at it. The  
22                  subject line may say "comment from John Smith," or a filing  
23                  or a letter sent by us out to the company or out to another  
24                  agency, or a filing by the company themselves.

25                  So it's an easy way to track the project, to find  
26

1 out what's going on. This is another good -- this was  
2 actually just put out by FERC.

3 Actually, Alisa Lykens, the PM for this project,  
4 basically did this, what do I need to know about a pipeline  
5 on my property? I see a lot of people with that.  
6 That super good to have in your hands.

7 The Notice of Intent and those forms all tell you  
8 guys how to access information at FERC. The comment,  
9 there's several ways to comment on this project. You can  
10 either, like I said, you can use this mike tonight and just  
11 put it on the record by speaking, or you can -- there's  
12 forms in the back.

13 If you guys want to sit down in your chair right  
14 now and right out a comment and hand it to one of us by the  
15 end of the night, that's another way. You can file comments  
16 through e-filing at FERC on the Internet site, or you can  
17 just send them, send them by mail to us. So that's a good  
18 thing.

19 You guys may seek FERC around the companies a  
20 lot, and that's -- you see a lot of times FERC, you know, is  
21 the reputation that we approve everything. This is -- we're  
22 not advocates for the project. We're an advocate for our  
23 process.

24 These guys have to be accepted into our process  
25 early on with a good project, and they have to receive a  
26

1 certificate from us later on, if they still have a good  
2 project.

3 So our process eliminates a lot of the people who  
4 should not be receiving certificates. Sometimes, projects  
5 do fall by the wayside. Not because of us or maybe it's  
6 because of them. It's a number of reasons.

7 But I just wanted to stress that, that we are --  
8 we do have a system put up in there pretty well, to put  
9 these projects through and come out with a good project or  
10 product.

11 The EIS process itself. Right now Rockies, like  
12 Ryan said, is doing some surveys out there. You may see  
13 some civil surveys going on out there with surveyors.

14 I can't stress that enough, to allow survey  
15 permission. We need that information that those crews are  
16 obtaining out there, in order for us to make a decision,  
17 because if I don't have that information, all I'm going to  
18 be able to do is number one, if you don't file a comment, I  
19 won't know there's a problem.

20 Two, if there is a problem on your property and  
21 it wasn't able to be surveyed, I won't know it. The only  
22 thing we're going to be able to do is look at an alignment  
23 sheet or a map of your property on there, and work with the  
24 other agencies and such, and determine if it should be on  
25 your property or not.

26

1                   So survey permission is key. Make sure you ask  
2                   those guys what exactly they need to do. Remember, it's  
3                   your property. The survey crew that is -- you know, they're  
4                   a contract employee. They're not with the company, they're  
5                   not with FERC usually. So you need to ask them what they're  
6                   going to do, how they're going to do it, you know, what are  
7                   you going to do? Just find out all of the information and  
8                   ask the questions.

9                   When Rockies does file its application, per FERC  
10                  regulations and per NEPA, there are general filing  
11                  requirements that these companies have to make to file an  
12                  application with us.

13                  When they're in the pre-filing process, they're  
14                  jumped up a little bit. They're not actually wrote up in  
15                  the regulations yet. Well, they are with the new  
16                  regulations filing, but they're more --

17                  Well, the new regulations with pipeline projects,  
18                  just pipeline projects yourself, they're voluntary; with LNG  
19                  projects, they're mandatory. So it's changing. The Energy  
20                  Policy Act of 2005 has brought along a lot of changes. So  
21                  the process keeps changing.

22                  When Rockie Express files its application, it  
23                  will use several environmental resource reports. There will  
24                  be 12 of them. The resource reports cover geology, soils,  
25                  vegetation and wildlife, including federally listed species,

26

1 land use, recreation, cultural resources, reliability and  
2 safety, air and noise quality and alternatives.  
3 Alternatives is key, again because I said it may not be on  
4 your property in a couple of weeks.

5 The EIS. Once they file the application, we will  
6 take those resource reports that they provide to us, and all  
7 of the information that we gathered through scoping, and we  
8 will prepare that EIS.

9 The EIS is a very thick product. I'm sure a lot  
10 of people have seen them around here, and when you get it in  
11 your mail, it will be like a big phone book, so it may not  
12 even fit in your mailbox.

13 But that's -- the draft EIS is all the  
14 information that we've got so far, and that's our product  
15 we're putting out to you.

16 Forty-five day comment period on that draft EIS.  
17 After that 45-day comment period, we'll come back out for  
18 another meeting, like I mentioned earlier. That will be a  
19 comment meeting.

20 Once we come back out and do that meeting and  
21 meet with the agencies and meet your folks and meet with all  
22 the stakeholders involved, we will put out a final  
23 environmental impact statement.

24 It's real important to remain on the mailing list  
25 if you want to receive that information. If you did not  
26

1 receive an NOI, you may not be on the mailing list. If you  
2 received something from the company, you most likely are on  
3 the mailing list.

4 But like I said, it's a big mailing list. So if  
5 you did receive an NOI and you don't think you're on the  
6 mailing list, sign up at the back table tonight and you'll  
7 get the EIS. The EIS will come in either paper form or CD.  
8 I forgot to mention that all week.

9 That's a new thing at FERC. We've had like this  
10 project, if you can imagine. 13,000 EISs going out in the  
11 street. Postage is ridiculous, and actually the printing of  
12 those guys are ridiculous. So we have it on that form.

13 You can check to receive a paper copy or a CD  
14 version. Actually, CD versions are really great, because  
15 you can go search for exactly where you want to go on your  
16 computer. It works out pretty well.

17 After the final EIS. You guys remember when I  
18 talked about FERC back in D.C. After the final EIS, at that  
19 point we should have all comments and all scoping  
20 information and everything in that final EIS.

21 You can still comment on the final EIS. You can  
22 send your comments in after that. So between now and who  
23 knows when that will be, that's all the time you've got to  
24 comment. So when you see these dates, like you look in the  
25 NOI and you'll see a September 29th closing date for  
26

1        comments. That's just for scoping.

2                NEPA has certain requirements that you have to  
3        set ending dates for comment periods. All it is is ending  
4        dates. That doesn't mean we're not going to take your  
5        comments. You have from now until the end. The FEIS has to  
6        comment on this project. So don't worry about that.

7                If you comment too late on certain things, you  
8        may not see -- like if you comment too late in scoping, you  
9        may not see your comment addressed in the draft EIS, and  
10       then you would see it addressed in the FEIS. So that's the  
11       only difference in commenting times.

12               Once we get the final EIS and once we receive all  
13       those comments, that's the information that we send  
14       upstairs. We work with the Office of Energy Projects.

15               There's a lot of other offices within FERC to do  
16       different things. We do the environmental stuff and take  
17       the public comments and such and put it in environmental  
18       impact statement form.

19               There's an office that looks at markets, tariffs  
20       and rates. There's an office to look at cost of service.

21               So all that information is sent up to the  
22       commissioners, and then during a meeting that's scheduled,  
23       one every three weeks at FERC, the commissioners will vote  
24       on that project to approve or deny that project. We just  
25       supply them the information, and they vote on it.

26

1                   I hit the surveying. Surveying is very  
2                   important. The next I have wrote down here is lawyers. If  
3                   you are going to fight this project, and you have every  
4                   right to, I just caution you on using attorneys.

5                   If you're going to use an attorney, make sure the  
6                   attorney sends the information to us at FERC. I have  
7                   projects all over the country where attorneys will try to  
8                   obtain the line list, and the companies work with us in  
9                   really screening that, to make sure that a certain attorney  
10                  doesn't get ahold of the line list and they'll be sending  
11                  letters out to everyone on that line list, guaranteeing you  
12                  that you will be able to fight this project and it will go  
13                  away, and guaranteeing you this for X amount of dollars.

14                  I caution you on that. Make sure you work with  
15                  your attorney on that, and work with him the whole way and  
16                  make sure we have all the information going back and forth.  
17                  I have had multiple occasions where attorneys promise things  
18                  that --

19                  I mean I talked to one in the state of Washington  
20                  just a while back, that he was yelling at me because I was  
21                  working with his client, negotiating behind his back.

22                  That's what we do. We route these pipeline  
23                  projects. So I just caution you guys if you're using  
24                  attorneys, by all means use them. Just make sure you work  
25                  with us.

26



1           If you have questions that can't be answered by  
2           the company, or can't be answered by any of the local  
3           agencies here, you have our contact information. You can  
4           call us. We have hotlines. You can call us directly,  
5           hopefully not all at once.

6           But there's many ways to -- please don't have an  
7           attorney spend a bunch of your money and promising you  
8           things, and it just doesn't happen. You can almost -- you  
9           can look at the route. It's some things for negotiating.

10          You can look at the route that's found in the  
11          application. At that point, these guys have pretty much  
12          looked at everything that they think they need to look at at  
13          that point, and this is the route that they want to use.

14          That doesn't mean it's still not going to change.  
15          But when they file an application, that is the proposal  
16          they're putting in front of FERC and the agencies at that  
17          point.

18          So if there's not environmental reasons or  
19          there's not some commercial reason or there's not some  
20          reason besides a NIMBY reason, Not in My Backyard, that's  
21          when you --

22          If you have a real concern and you need to  
23          address that with us or with the company, because that's  
24          their proposal at that point, and that's where it may sit if  
25          we don't find out any other information.

26

1                   Sometimes that's when the attorneys that don't  
2 understand the FERC process fight behind our backs, and we  
3 don't even know what's going on until the bitter end, and  
4 then it's sometimes too late.

5                   Again, we have a court reporter here tonight.  
6 I'm soon going to turn it over to you guys. You guys are  
7 sitting down hearing myself and the company and OPS talk.  
8 So I'm going to put the mike out here.

9                   Please, we have a speakers list. We have a  
10 speakers list there. I'll call your name up. We just had  
11 someone crossed out. Too bad. We have four speakers on the  
12 list out of this many people. I understand that sometimes  
13 you don't like to get up in front of people and talk.

14                  I do it all the time and heck, I'm still not good  
15 at it. So please, if you want to get your comments on the  
16 record here tonight, the easy way is to come up to the mike.  
17 Give your name and your address. We have to know your  
18 address so we know where you're located and we can deal with  
19 your issues.

20                  So I'm going to put the mike here, and the first  
21 speaker on the list is Steve Stamper.

22                  MR. SIPE: Well, I'm not a public speaker so  
23 you'll just have to kind of put up with me.

24                  There are several things that -- the first thing  
25 I'd just like to say, everybody in here probably knows this  
26

1 is a done deal, one way or the other. That's why we're all  
2 here and that's why we're having these event sessions.

3 But I think for my part, I think that I want to  
4 get some questions answered, or maybe cut some of our  
5 losses. The first thing I'd like to know is why the  
6 pipeline, I call it a 1,500 mile bomb, why is that pointed  
7 at the City of Indianapolis?

8 I'm from Hendricks County, which is the second  
9 fastest growing county in the state, probably soon to be the  
10 first. Why is that coming at Indianapolis and Hendricks  
11 County and going through this dense population, when it can  
12 go 20 or 30 miles south or north without being any more  
13 length of pipeline, because they have to just come at a  
14 little bit of an angle?

15 Are they going to serve Indianapolis? Is that  
16 what it is, the bucks that are available in Indianapolis for  
17 gas? Because if they're not, why would they go through  
18 these counties that are developing?

19 All of the donut counties around Indianapolis,  
20 that's where they're going. I don't understand why they  
21 would do that if they're not going to be serving the area.  
22 Now I may not get an answer to that.

23 The next thing I'd like to know, when they -- if  
24 they file with you people and you give them permission to do  
25 the pipeline, and there is a process that if we don't  
26

1 negotiate --

2 First I want to say that it's a horrible thing if  
3 you're a landowner. I have 250 acres that you're going to  
4 come right straight across the center of it. Now that's a  
5 horrible thing for a landowner, and I think any one in here  
6 knows that.

7 You people are just working the job. We're the  
8 landowners. We're going to be affected the rest of our  
9 lives and our heirs. My particular property I just bought  
10 150 acres recently, because I knew it was a good development  
11 property in Hendricks County.

12 I'm not a developer, but I felt that my children  
13 and their children in the future, since we're developing so  
14 fast, it would be a real good investment, and I paid high  
15 bucks for it.

16 However, and I'm just a farmer. I'm a farmer.  
17 But now, when you go directly in the middle of that  
18 property, that property can never be developed. Sure we can  
19 go around the edges of the pipeline and we can sell off a  
20 little frontage here or there.

21 But essentially, that property is ruined for the  
22 next 100 or 200 years as far as I'm concerned. Now the  
23 pipeline, they're going to make money for 100 years. But  
24 they want to come in here and pay me a little pittance or  
25 whatever it might be, and that's supposed to satisfy me and  
26

1 my heirs, less my wife.

2 Well you know, it doesn't. So you can tell --  
3 and I'm pretty angry about it. It may not be anything I can  
4 ever do about it, but I'm angry about it. One of my  
5 questions, too, is I have pipelines on some other property  
6 that I farmed, and they're horrible people.

7 When I say that, they come in and lowered this  
8 pipe on this ground two years ago. Now they used little  
9 local contractors that don't -- they don't even know what a  
10 power line is. They will tell you that. You have to show  
11 us what you want.

12 Now I've had a discussion with some of the other  
13 pipeline fellas at a commissioners' meeting in Danville  
14 about this, and they give us all of this technical stuff of  
15 how wonderful they are with tile lines.

16 I just had another utility come across this farm.  
17 They cut five tile lines and we almost had a fist fight,  
18 because the foreman on the job denied he cut any power.  
19 When I showed it to him, he said "I just can't believe  
20 this." So that's the kind of -- what's what we face as  
21 landowners.

22 Now one of my questions would be if they're going  
23 to come on my land, will they do some infrared photography  
24 so we can pinpoint every power line on the ground and be  
25 sure that they're repaired and fixed? Do you understand  
26

1       what I'm saying?

2               There's many, many acres out here that the people  
3       just purchase a farm. They don't know where those tile  
4       lines are. When those guys are buzzing through there with  
5       their equipment, they damn sure don't want to fix a power  
6       line. They do not want to fix a power line.

7               In fact, they can't really fix one right anyway.  
8       This same pipeline -- and this is the God's truth -- the  
9       same pipeline they voted here a couple of years ago, they --  
10      when they did that, they created a wetland, because the  
11      tunnels weren't repaired and now we have 40 acres out of an  
12      80 acre field that stands wet.

13              We don't know what we're going to do. We're  
14      going to have to do more piling of some kind. So that is a  
15      concern with farmers.

16              When you give them permission to come in and  
17      build the pipeline, how would they negotiate with me if they  
18      know they have a right for eminent domain?

19              Where would the incentive be for any pipeline or  
20      any outfit that has a right of eminent domain? How would  
21      they have an incentive to negotiate with me?

22              I'm going to be a tough negotiator, I can tell  
23      you, because I want pay for the next 100 years. I want pay  
24      just like an oil well on my property. They make money; by  
25      God I want to make money, not just some little pittance.

26

1       That's all I've got to say. Thank you.

2                   (Applause.)

3                   MR. SIPE: I can address several of those.

4       Markets served, that's something you can talk to the company  
5       about. I mean I know generally where they're going to  
6       serve, but that's something you can talk to them about after  
7       the meeting.

8                   The routing of this pipeline. You hit a good  
9       point. The center of your property. Those are things that  
10      can be changed. It does not have to be in the center of  
11      your property.

12                  What we can't have is we can't have -- what we  
13      can't have is a pipeline making turns all over the place.  
14      So we can't them on the edge of this person's property and  
15      then dump it over here and go on the edge of that person's  
16      property.

17                  So that's the kind of comments that we need. If  
18      they are in the center of your property and they do end up  
19      coming through this area -- now I cannot stress enough this  
20      is not a done deal yet. I mean they may -- this pipeline  
21      may change a good bit between now and then.

22                  That's the kind of comments we need, so the  
23      right-of-way agents and company guys can go look at this,  
24      and you know, find the perfect routing if there is ever such  
25      a thing, for this pipeline. So that's a very legitimate  
26

1 concern.

2 Tile lines have come up every single night, every  
3 single night. I farmed when I was growing up, but I don't  
4 know that much about tile lines.

5 But I know that's a concern. I know that's a  
6 major concern with the Department of Agriculture in every  
7 state and the farm bureau, and that's why those guys are  
8 helping us out, and that's why the company will tell you if  
9 they want to place this pipeline with three foot of cover,  
10 that's because that's what they're mandated by OPS to have.

11 That's a minimum. But that's not saying that's  
12 all they're going to use in every location. They will drop  
13 it down lower if they need to, working with the agency. So  
14 we will look into that.

15 The stickiest point of all is eminent domain, and  
16 I can correct myself. I didn't think I said this last  
17 night, but when the company comes through and uses eminent  
18 domain, if they have to be on your property, I must have  
19 said last night, because Rockies told me that they're not  
20 going to take your property.

21 They're going to take your property for the use  
22 of an easement. It's still going to be your property. When  
23 I maybe said "take your property" last night, they're not  
24 going to actually take it.

25 Eminent domain. That's a very good point you

26



1 had, Mr. Stamper. They are going to try everything they  
2 can, if it's going to be on your property, to negotiate that  
3 easement out with you.

4 That's because they're required to do that. If  
5 you look at the percentage of property that the company  
6 needs to take with eminent domain, and the end of most  
7 projects historically it's pretty low. So these guys work  
8 really hard with the property owner in obtaining the  
9 easement to go across your property.

10 Eminent domain, you know, it is a scary thing,  
11 because surveyors. A classic example, surveyors will come  
12 out on your property, and if you resist them at all, most  
13 likely they'll say "You know what? We have eminent domain  
14 to go across your property." They don't know exactly what  
15 they're talking about when they're saying, and they should  
16 not be saying that.

17 Right-of-way, what they are supposed to let you  
18 guys know about that, that you know, they're not supposed to  
19 threaten you with it. I really wish we could regulate those  
20 guys, but we can't.

21 So I apologize right now if that's been done to  
22 some people, but they should not be threatening you with the  
23 use of eminent domain.

24 Negotiations. We do not get involved with the  
25 negotiations between the landowner and the company and  
26

1 easements. We can give you some information on how to do  
2 that, but that's basically it's your property, and we're  
3 having you guys negotiate yourselves.

4 That's a scary thing, and believe me. I mean I  
5 know how I feel when I'm just going to negotiate with a car  
6 salesman. I can imagine it. But I'm trained to do  
7 negotiations and sometimes I don't like it.

8 But just ask a lot of questions. Ask a lot of  
9 questions and work with the company. Usually when it goes  
10 to eminent domain it's when you have a landowner who is not  
11 cooperating at all. They're not giving you any information.  
12 They're not allowing survey permission, and they basically  
13 think they're going to fight this down to the wire.

14 Well, you can follow the track of the project.  
15 If it's towards the end and that proposal has not changed on  
16 your property, then you can always bet you that if you don't  
17 negotiate with them at that point, they are going to take  
18 you to court and use eminent domain on your property.

19 That does not mean that if they have to use  
20 eminent domain on your property they just can go through  
21 there however they want to. They still have to meet all the  
22 construction standards that they would have had if they had  
23 negotiated an easement without using an eminent domain.

24 They're still required to fix everything on your  
25 property, just as they would the same. But I can caution  
26

1       that you can negotiate with a company so far. A lot of  
2       people think that they're going to get rich when a pipeline  
3       company comes across your property. Some people get more,  
4       some people get less.

5               If you go across tribal lands compared to the  
6       regular landowner, it's well-known out there that some  
7       people have a lot more power to get a lot more money.

8               But just use your head when you're negotiating,  
9       because if they have to go the eminent domain way across  
10      your property, nine chances out of ten you're going to get a  
11      lot less than you would if you negotiated the easement.

12              That's just -- I'm not trying to scare anybody by  
13      saying that. I'm just giving you the facts and trying to  
14      help you out.

15              The next speaker on the list will be Don  
16      Villwock.

17              MR. VILLWOCK: Good evening. I'm Don Willvock,  
18      Box 1290, Indianapolis, Indiana, 46206. But more  
19      importantly, first and foremost I'm a farmer from Knox  
20      County. I'm the president of the Indiana Farm Bureau.

21              I'm also a pilot, and I guess that's what I want  
22      to relate to people here and to you, since you're talking  
23      environmentally about all of this, and they these people and  
24      farmers here are so upset.

25              I can tell you being a pilot since 1976, and

26

1 flying over much of Indiana, I can point out every pipeline  
2 in this state because you are changing the terrain forever.  
3 It cannot be restored back to its original state.

4 So our purpose is to mitigate that damage to the  
5 best of our ability, to persuade you and the company to do  
6 that. I appreciated the comments of the gentleman before.

7 I've actually had a pipeline across our property.  
8 I've nicked a pipeline, so I know what that's like because  
9 of the DMI that we had at the time. So I know that process  
10 as well.

11 It was a gasoline pipeline and lucky I lived to  
12 tell you about that. I'm also losing my home and my  
13 parents' home to eminent domain as we speak, or the threat  
14 of eminent domain.

15 So I'm very compassionate with those of you that  
16 have that, and to lose our homes, 99 years in our family,  
17 and we may not make 100 years as we may lose it to eminent  
18 domain or the threat of eminent domain.

19 So I hear the pain of these people and I  
20 hopefully have an understanding of that. But we farm in  
21 three counties. I have about 3,000 acres. We have numerous  
22 pipelines on that acreage. So I'm very much aware of what  
23 pipelines can do to things.

24 I think the gentleman before me made a lot of the  
25 points I made. But we are concerned about drainage, like  
26

1       you. I've heard that. I would want to inform everyone here  
2       it's not only the drainage that you have today that you need  
3       to be concerned about, but if there is any probability in  
4       agriculture, you may want to be concerned about the drainage  
5       in future years.

6               So if they negotiate with you and say you have no  
7       drainage there, we're going to put it at X level, and in a  
8       few years, you want to put in tile, it may not be deep  
9       enough for you to get your tile deep enough.

10              So if the land that they're going across has  
11       potential future drainage needs, be sure you negotiate that  
12       in your process.

13              I also have a note here also about current land  
14       values. I'm very much aware of the property between here  
15       and Indianapolis and actually clear across the state. There  
16       was farm bureaus appearing at all three of these hearings.

17              But what does it mean for your ability as a  
18       landowner to develop your property? My 401(k) is my land.  
19       I think everyone here, we don't have retirement policies.

20              So our ability to use that land and for my two  
21       daughters or your sons or daughters to do something with  
22       that in the future is something that you need to be aware of  
23       when you negotiate with the company.

24              That's not necessarily something FERC is going to  
25       be involved with. But the Indiana Farm Bureau is going to  
26

1 be putting information to our members across these affected  
2 counties, to make you a good negotiator, so you're aware of  
3 those things to do.

4 But I prepared comments and I'll go through them  
5 briefly and I'll get out of here. But Indiana Farm Bureau  
6 is concerned with maintaining the integrity of Indiana's  
7 agricultural lands. We therefore want to ensure that the  
8 Rockies Express Pipeline uses appropriate construction and  
9 mitigation procedures when constructing the pipeline on  
10 agriculture lands.

11 For example, the Indiana Farm Bureau wants the  
12 guarantee that the pipeline be buried to a proper depth, and  
13 consider drainage issues now and in the future, and future  
14 erosion potential; all top soil be segregated and replaced  
15 after the pipeline is buried.

16 All damaged drainage tiles need to be repaired  
17 and new tile lines constructed when necessary; all excavated  
18 rock removed from the construction site; all construction  
19 debris removed from the site.

20 The contractors to use proper precautions to  
21 prevent soil compaction and ruddy (ph); the chemical  
22 properties of soil to be fully mitigated using fertilization  
23 and/or liming back to original properties; all soils to be  
24 leveled after the pipeline is buried.

25 One of the problems is they level it when they  
26

1       leave, and then it settles and then you have a divot. I  
2       think you should negotiate that as well.

3               The implementation of proper soil erosion  
4       prevention practices and repair of damaged, existing soil  
5       conservation practices is imperative. The livelihood of  
6       Indiana Farm Bureau members depend upon the integrity and  
7       the productivity of Indiana's agriculture lands.

8               Therefore, it is vital that all these concerns  
9       receive adequate attention in FERC's Environmental Impact  
10      Statement. Indiana Farm Bureau is currently working to  
11      develop a detailed list of mitigation requests which will be  
12      submitted to FERC before the end of the scoping period.

13              We commend FERC with working with Illinois Farm  
14      Bureau, the Illinois Department of Agriculture, and ask that  
15      we have that opportunity as well. We are very much in our  
16      research impressed with Illinois' mitigation standards at  
17      their Department of Agriculture.

18              There's a document over there, I think, that  
19      meets many of these guidelines, and we would encourage FERC  
20      to look at those as a potential baseline of things that need  
21      to be accomplished as this pipeline is constructed.

22              We're very concerned about our members. We have  
23      hired one individual to do this, work with this pipeline  
24      issue in our office at Indianapolis, and he will be dealing  
25      with this to help our members.

26

1                   We're going to have informational meetings for  
2                   our members to help them through this negotiation process as  
3                   well as to protect the integrity of the land and the  
4                   integrity of the farm operations. We appreciate you having  
5                   this scoping session here this evening. Thank you.

6                   MR. SIPE: Thank you.

7                   (Applause.)

8                   MR. SIPE: And see we appreciate the stuff that  
9                   the Farm Bureau is bringing here. Like right here the  
10                  Illinois Department of Agriculture handed me this. This is  
11                  their construction standards and policies for the pipeline.

12                  She handed me this; we're going to take it back,  
13                  look at it, try to incorporate it in our EIS. I cannot  
14                  stress enough that you guys out here know your property and  
15                  your lands a lot better than what we do. So keep that  
16                  information coming.

17                  The next person on the list will be J.B.  
18                  Edmondson.

19                  MR. EDMONDSON: J.B. Edmondson. I think Steve  
20                  and Don pretty well covered everything that I wanted to  
21                  cover. But there was just one additional thing concerning  
22                  the actual pipeline construction, and we have several fields  
23                  that we farm that the pipeline will be going through, the  
24                  proposed route.

25                  Just the problems are the field is being bisected  
26



1 and the operations of harvesting and planting and all the  
2 other things that go on, just you know, I don't have any  
3 idea how long the construction periods would be.

4 I don't know if it's something that as they dig  
5 the hole and lay the pipe, cover back over, I don't know how  
6 that works. But that's the big thing, because if you have a  
7 field, you've got only one way to get across the other  
8 corner of the field that the pipeline's going across.

9 If there's a trench across there, you obviously  
10 can't find that side of the field. But of course the main  
11 issues are drainage and future land values and things like  
12 that. So thank you.

13 MR. SIPE: Thank you.

14 (Applause.)

15 MR. SIPE: It's nice to ask those specific  
16 questions about construction, because Rockies Express  
17 brought their construction people with them, and they can  
18 give you an idea of time lines and such that they will be  
19 going across your property, how they would -- how long  
20 they'd be in there and what the process would look like.

21 The next and last person on the list so far, and  
22 this isn't the last person on the list, you know, by any  
23 stretch for me. If you guys want to raise your hands and  
24 come up and speak after this, after Toni Ridgeway speaks,  
25 please do so. So Tony Ridgeway?

26

1                   MS. RIDGEWAY: My name is Toni Ridgeway. I do  
2 not own property this line will be going through. My  
3 concerns are more that these are going around our schools,  
4 around our reservations, small towns that are unaware of the  
5 dangers of once they liquify natural gas what it becomes.

6                   I don't think people are aware that natural gas  
7 can be a whole list of different things. We have trucks now  
8 on TV that run on corn fuel. We have corn fuel that is sold  
9 right in Bainbridge.

10                  This is farm area. I feel the company here needs  
11 us more than we need them, and a lot of people, they are not  
12 recognized for what we're giving up against most of our  
13 wills.

14                  There's a lot of people that's had oil lines come  
15 through in the past, and one particular family that I know  
16 personally says that their great grandfather had sold  
17 permission for this oil line to run through their property.  
18 He got \$99 a year for 99 years.

19                  Now, you know, 50, 60 years ago that was  
20 something. But what is that now? That's nothing. That's  
21 two inches of fuel in your car. There's reservations in the  
22 Dakotas where water and different things are leaking, and  
23 most of the women there lost their children at birth, bled  
24 out during delivery. Fifty to seventy percent of the  
25 children that were born had breathing problems.

26

1                   What's going to happen, not today, not next week,  
2                   not three years from now? What's going to happen in 20  
3                   years, 50 years, 70 years from now for our children, our  
4                   great grandchildren and so on? What's going to happen when  
5                   these things leak?

6                   I've noticed from the research I've done on the  
7                   Internet that there's a lot of places in California and  
8                   Nevada that are now suing energy companies for things that  
9                   they've done. There's places in the Midwest that are now on  
10                  your website, asking about being able to abandon compressor  
11                  stations and such, and move them to locations for their  
12                  benefit.

13                  What happens when that abandonment reaches our  
14                  area? What happens when we come to the point where we have  
15                  to sue? Who's there for us then? What's going to happen?  
16                  Who's going to take care of all our people when we're not  
17                  here to fight it?

18                  Because I don't think that once it goes through,  
19                  there's not a lot we can do. I think that money speaks, and  
20                  there's not a whole lot we can do about it coming through  
21                  anyway, because I think most of us don't want it here. I  
22                  don't think we need it here.

23                  I just have so many questions and thoughts. When  
24                  I was on the Internet, I actually looked at the newspaper.  
25                  This was the first time I've ever even heard about this. I  
26

1       was there for my children because I was sick, and after  
2       reading the paper I drove down to the doctor's office  
3       because of all the issues that it said that it could  
4       possibly cause in our area.

5               So I go on the Internet and I sat down. I work  
6       third shift, and I only had a few hours that day. I sat  
7       down on the Internet for seven hours and cried from what I  
8       seen. You know, exhaustion finally kicked in and I had to  
9       get off there.

10              But I cannot believe everything that I seen on  
11       there. It's going to affect us a lot bigger than I think  
12       most people realize. It causes explosions of people, and  
13       being this man hitting the line, I don't know if he realizes  
14       how lucky he really is.

15              There's a man hitting the line on there and  
16       within six months, it burned on his chest, and within six  
17       months it burned a cancerous hole through his chest and  
18       killed him.

19              I don't think that the company recognizes that  
20       the reasons for us to investigate are there, and that we  
21       don't actually have to take it. We may not be able to stop  
22       this one, but making this one an example may stop the next  
23       one.

24              Also something else that I read into that may be  
25       something to somebody is that the Kinder-Morton Company  
26

1       that's coming in here with this project, a CEO of it was  
2       also involved in Enron. We all know how that went. That's  
3       been advertised everywhere. I'm not a public speaker. I'm  
4       just a very concerned parent. Most likely my son will be  
5       graduating by then, and before any of those damages come my  
6       niece will be graduated.

7               It's a school that I went to and I was concerned  
8       about the school, because first I heard it was coming very  
9       close to there. I know now that it's supposed to be coming  
10      south of 36, so also that means that it's going to be coming  
11      very close to Heritage Lake.

12             What happens to the wildlife there? What happens  
13      to the water? People get their drinking water from that  
14      area. We're all going to eventually have to have bottled  
15      water just to survive.

16             My mother is affected by this kind of stuff,  
17      because of the farm lands and the chemicals and the things  
18      they told us it was okay to use, we've been battling. My  
19      mom has been losing her eyesight for 12 years. She's had 14  
20      laser surgeries and two major surgeries and it's been a  
21      great big battle.

22             A mile and a half from my house a little girl,  
23      who is now 13 years old, had the same thing wrong with her  
24      eyes. It's not just within close land of what's going on,  
25      because a 30 minute drive and there's another man that I

26

1 know in this area that has it in his lungs because of the  
2 chemical make-up of our soil, because of the heat, because  
3 of the farm land, because of the chemicals.

4 We've done this to ourselves because for so long,  
5 the government had said it's okay. I know it is your job is  
6 to go by what is regulation. I also know that whenever the  
7 Army or any military branch is involved, they do not have  
8 the same standards that the civilian world has.

9 I know that whenever you take any project through  
10 that the military's involved in, and they do not have to go  
11 by all the regulations. They have a whole different  
12 standard.

13 Therefore, they can -- with the Army Corps of  
14 Engineers working on it, how does that relate to the rules  
15 that we have and the rules that they have?

16 I have other questions, but I do have to work  
17 tonight, so I'll leave it at that. But then maybe that will  
18 give people an idea of where else to go. There's a lot of  
19 websites and their website is a good one.

20 There's 12 pages or 15 pages of people that are -  
21 - or companies that are wanting to abandon lines, put in new  
22 lines. This company is not the only one that is requesting  
23 things.

24 I think there's a lot more information out there  
25 that you need to be aware of, because this may be the first  
26

1 major project through here, but it probably isn't going to  
2 be the last.

3 This one is the one that will set the standards  
4 of all the other ones that come through. I think we need to  
5 do something about it now. It's a small community, and it's  
6 easier to go through small communities because you can get a  
7 little bit further than you could in a larger community  
8 where you're going to have more activists fighting against  
9 it.

10 I know that there's a -- it will affect a lot of  
11 the Amish community. I don't know if any of them are  
12 present. I don't really see them. But somebody has to do  
13 something. I'm just a single parent, stating how I feel  
14 about it. I don't know where to go.

15 I've only been on this project for seven days.  
16 Very little sleep. I went to the Internet, and I've already  
17 got my UAW behind me. I've called our county or our state  
18 senators, which none of them are here from what I can see.  
19 I called the radio stations and our Channel 13 and a couple  
20 of the channels in Indianapolis. I don't see any of them  
21 present.

22 But they acted like it was a very big deal and  
23 they were concerned and wanted to do something about it.  
24 But I don't see any of them standing here behind us, so I  
25 guess we've got to stand behind each other. I think I'll  
26

1 just leave it at that. Thank you for letting me speak.

2 (Applause.)

3 MS. RIDGEWAY: I have 30 pages from different  
4 websites, of different things that's happened, not  
5 necessarily in our country but other countries. So if  
6 anyone wants the website address, I will freely give that to  
7 you.

8 MR. SIPE: Thank you. Everybody understands here  
9 in this room that routing is a very key issue, and where  
10 this pipeline should go through. It has to go somewhere.  
11 You always hear that.

12 It has to go somewhere. So we're going to take a  
13 hard look, and you mentioned schools and high occupancy  
14 buildings. We take a look at all that in the routing of the  
15 project, and so does the company.

16 This is there initial look at where it should be  
17 routed, and we're going to move on from there. The  
18 contamination side of this pipeline compared to a lot of  
19 other pipelines that you'll find, like on Don's property was  
20 hit, that was an oil line.

21 This is a natural gas line. The contamination  
22 factor is really not here with natural gas because that's  
23 what it is. It is a natural gas. It's not in liquid form.  
24 So that's what's good about natural gas. It's a clean-  
25 burning fuel.

26



1           You are lucky that you hit that oil line and are  
2 still here today. That is one of the main causes and PHMSA  
3 can tell you that, is people hitting the lines. They're  
4 called third party diggings.

5           So I can only stress to you there's a lot of  
6 farmers here, to know exactly where that line is, and when  
7 that company comes out there and puts that line on your  
8 property, know what the depth of it is.

9           I know sometimes that depth changes. So really  
10 know exactly where that line is, and try not to hit it.  
11 That's the last speaker we have on the list. Would anybody  
12 else like to speak? Sir? Just come up and state your name  
13 and your address and come over to the mike please.

14           MR. ASHBURN: I'm Mike Ashburn. I live just  
15 outside the city limits of Montezuma. The address is 2629  
16 North River Road, Montezuma, Indiana, 47862. There is a  
17 natural gas pipeline running east and west, just north of  
18 our property line. It's not on our property.

19           It belongs to Panhandle, and about a year or so  
20 ago, we started smelling natural gas. Our youngest daughter  
21 lives about 150, 200 yards from a -- I don't know if it's a  
22 pumping station, a metering station or what it is, but it's  
23 on North River Road just south of the FOB (ph) Road is where  
24 this is located at.

25           So we talked to the town people there in  
26

1 Montezuma, and they said that -- this was a year ago -- they  
2 said they spilled some odorant putting it in the gas,  
3 because the gas does not have an odor.

4 Well, it persisted and persisted. When the  
5 wind's out of the north or out of the west, it's really  
6 strong. A couple of weeks ago we went to a town board  
7 meeting and complained about it. Well, I guess they didn't  
8 spill it. Now they're claiming they've got a leak in the  
9 odorant tank, which is above ground.

10 In a couple of months, they're going to fix that.  
11 But you guys are all talking about how you monitor these gas  
12 lines. Well, we went to the town board meeting. We called  
13 the town, and there's no way of knowing without just walking  
14 out there and lighting a match. Is that odorant I'm  
15 smelling or is that natural gas? You know, there's no way  
16 of knowing.

17 (Laughter.)

18 MR. ASHBURN: Now we've got a seven month-old  
19 grandbaby that our youngest daughter has, that lives in a  
20 trailer about 200 yards from where this gas, this odor is  
21 originating from. I did get a material safety data sheet  
22 from the Town of Montezuma.

23 That stuff's really bad on your lungs, your --  
24 you know, they say it's harmless. Well, they're wrong.  
25 It's not harmless, and I didn't bring it with me tonight.

26

1           I didn't think it was -- you know, I didn't sign  
2     the sheet. I didn't think it was going to be something I  
3     could complain about here. But I am making a formal  
4     complaint right now to you guys. Gary and Doug, I'm making  
5     a formal complaint right now.

6           I did call Panhandle Pipeline, and they passed  
7     the buck, and maybe legitimately they passed the buck. But  
8     they said that belongs to the Town of Montezuma. I believe  
9     from talking to the town of Montezuma, it probably does  
10    belong to them.

11           But in any case, that gas odor is really strong,  
12    and obviously the government's not doing their job in  
13    regulating it, because there shouldn't be an odor leaking  
14    out of that pipe like that, and my grandson should not be  
15    breathing it.

16           He does have a rattle in his chest and I went to  
17    the doctor's appointment the last time he had a doctor's  
18    appointment about a month ago. They didn't seem to think  
19    there was anything too seriously wrong with him.

20           But my wife and I and our daughter's concerned,  
21    you know. We want this thing fixed, and we sure don't want  
22    an explosion.

23           MR. BAUMAN: From a safety standpoint, if you  
24    ever smell the odor of natural gas or the odorant, call the  
25    operator, call your local distribution company, call  
26

1 Panhandle. Get someone to come out with instruments to find  
2 out exactly what the situation is.

3 MR. ASHBURN: I did that.

4 MR. BAUMAN: Okay, and every time you smell it --

5 MR. ASHBURN: And I don't feel -- well, Panhandle  
6 just flat-ass told me, it's not our line. You need to call  
7 the City of Montezuma.

8 MR. BAUMAN: Well, in this state, the City of  
9 Montezuma is a municipal gas company.

10 MR. ASHBURN: They handle -- yes. They buy --  
11 they're a municipal utility company. The city is.

12 MR. BAUMAN: Okay. They are regulated by the  
13 local Indiana Public Service Commission, and after this  
14 meeting, I will follow up with you, name, address, phone  
15 number and I will --

16 MR. ASHBURN: I would appreciate that.

17 MR. BAUMAN: --specifically get you in touch with  
18 the state regulators that can solve this problem.

19 MR. ASHBURN: I appreciate that, because I just  
20 didn't know where else to go after talking to the town and  
21 talking to Panhandle. But listen, you guys talk about how  
22 you do monitor this stuff, you know, continually after it's  
23 been put in.

24 I'm wondering, you know, how close you monitor  
25 it, because maybe it's odorant leaking; maybe it's natural  
26

1 gas. I sure don't know.

2 MR. BAUMAN: Okay.

3 (Applause.)

4 MR. SIPE: Thank you sir, for your comments. The  
5 monitoring on these systems are done on interstate  
6 pipelines. So if it's an interstate pipeline, which  
7 Panhandle is, that's what's monitored.

8 Once it goes to a local distribution company,  
9 LDCs, and like Gary said, it does revert back to the state  
10 itself. So I hope you get your problem fixed.

11 MR. ASHBURN: I hope so too. It's really scary.

12 MR. SIPE: Sure. Any other speakers? You first.  
13 I'll come right back to you, sir.

14 MR. WALKER: I've got two simple questions.

15 MR. SIPE: Okay. You should state your name for  
16 the record.

17 MR. WALKER: Jimmy Walker, P.O. Box 901,  
18 Rosedale, Indiana, and I know there's a pipeline that goes  
19 through my son-in-law's property up in Mooresville. What is  
20 going to be the PSI of the pipeline?

21 MR. SIPE: It's designed for -- do you want me to  
22 --

23 MR. SIPE: Tell me, and I'll say it.

24 MR. SIPE: It's designed for 1480 PSI.

25 MR. SIPE: It's designed for 1480 PSI.

26

1                   MR. WALKER: 1480? Okay. In Indiana, you do  
2 know that we have a law here, before you dig call "Holey  
3 Moley."

4                   (Laughter.)

5                   MR. WALKER: So just ask the gentleman over here  
6 a question. They'll find any pipeline, any buried lines of  
7 any type, wire or sector in your land that you're going to  
8 go across, and it's no cost to you. Thank you.

9                   MR. SIPE: Great. Thank you.

10                  MR. LIVINGSTON: Can I ask a question of this  
11 gentleman?

12                  MR. SIPE: Go to the mike, sure.

13                  MR. LIVINGSTON: Okay, good enough. My name is  
14 Don Livingston. I live at 4124 Highway 136 West,  
15 Crawfordsville, Indiana.

16                  I don't live in the area. I manage some farms  
17 that are in that area, and I would just like to ask. The  
18 drainage issue is for sure a real problem here, particularly  
19 when you're talking a 42-inch pipeline.

20                  I just wanted to ask what are the parameters on  
21 the depth? When you're putting a 42-inch pipeline down  
22 there and a lot of these drainage tiles, some of the mains  
23 are running, you know, maybe 60 inches deep, five feet deep,  
24 can we -- can you get deep enough to where we can go over  
25 the top of them? That's my question, because you're right  
26

1 in our zone.

2 MR. SIPE: Sir, I'll answer. I try to -- if I  
3 don't know the answer, then I go to the company and ask you  
4 get it in after that. That's what we are working right now  
5 with the State Department of Ag, and the Farm Bureaus, and  
6 working directly with those guys.

7 I'm sure, I can't urge you guys enough to talk to  
8 your local agencies and work with those guys on how deep you  
9 do want to line up things. That's one of their major  
10 concerns right now, and the company's fully aware of that  
11 and so is FERC.

12 The company right now is stating that they need  
13 to have three-foot cover over top the pipe. They know in  
14 certain areas they are going to have to go deeper. But they  
15 don't know exactly where those areas are at this point.

16 MR. LIVINGSTON: I know. This three-foot cover  
17 sends up a real red flag, because you're down 36 inches and  
18 then you put 42 on top of that. You're down to six feet.  
19 That's why I was asking. Would you be willing to talk to --

20

21 MR. SIPE: Speak to us all afterwards.

22 MR. LIVINGSTON: Thank you.

23 MR. SIPE: Speak to them afterwards. Take a look  
24 at their application once they file it with FERC, and also  
25 take a look at our draft Environmental Impact Statement, and

26

1       that information will be in there.

2               Then we will have another comment meeting just  
3       like this one. You guys can come back and voice your  
4       opinions on the information that we've provided to you. Any  
5       other questions or comments? Sir?

6               MR. JUSTICE: Yes. My name is Bruce Justice.  
7       The address is 562 South Sand Street, Greenfield, Indiana,  
8       46168. Frankly, I come up here, like the others, to talk  
9       about regulating them and continuing to check.

10              How do you check on corrosion 20 years from now?  
11       You say spot checks. I mean, I worked with an excavating  
12       company, and we were digging up pipe all the time. Stuff  
13       has been in the ground, five, six years, and you've got  
14       corrosion already on ductile pipe.

15              It's a straight thought, and in comparisons to  
16       the Alaskan pipeline, that's been in service for, I don't  
17       know, 30 or 40 years, and it's down now because of problems.  
18       I mean there's no longevity in this stuff. When you start  
19       talking about a leak, you say if you have a spot a leak, a  
20       leak at 1,200 PSI?

21              MR. SIPE: 1480.

22              MR. JUSTICE: 1480? 1480? A leak? I mean east  
23       of Indianapolis, I used to have a friend of mine that's seen  
24       that, and he remembered a company chewed on the line over on  
25       the east side of Indianapolis and left it for three days,  
26



1 and it exploded and it left a crater 35 feet deep in the  
2 ground.

3 I mean in another instance, north of  
4 Indianapolis, just a house service, probably a three-  
5 quarter inch line exploded, and it blew out windows  
6 throughout the neighborhood. You're going to regulate this?  
7 I mean, the best option is is to find --

8 Another thing that struck a nerve with me is you  
9 said they have to somewhere for it to go. Well, if you have  
10 to find somewhere for it to go, I was listening to the man  
11 talk this evening about 1,600-mile bomb, is what we were  
12 talking about. If we have an earthquake, we're sitting on a  
13 fault line.

14 If we have a earthquake and we get a leak, a  
15 spark is all it takes.

16 VOICE: You don't need a spark at 1,500 pounds.  
17 You don't need a spark. You'd just need a leak.

18 MR. JUSTICE: It would be like a hurricane.

19 VOICE: You don't need a spark.

20 (Simultaneous discussion.)

21 MR. JUSTICE: There's got to be an unpopulated  
22 area, somewhere that's not even scheduled in the next 100  
23 years to be developed.

24 MR. SIPE: If we could have just one person talk  
25 at one time? Thanks.

26

1 MR. JUSTICE: I know I'm stirring emotions.

2 MR. SIPE: Yes. That's understood. I just had  
3 -- the court reporter has to have one person talking at one  
4 time. I'm not being mean.

5 MR. JUSTICE: The man just talked about drainage.  
6 Three to seven feet. Being in the business of excavating,  
7 three to seven feet is a disaster for all farming, for all  
8 development. I mean it's not even within the plans for  
9 anybody, even in a totally unpopulated area.

10 For you to allow them, to ever permit them to  
11 start with that and have to negotiate with each person at  
12 three foot cover is ridiculous. I mean you need 15 feet, 15  
13 feet of cover. You still cannot even cover all the things.

14 But you do start to get in the range. You can  
15 put in retention ponds. You can start putting drainage in  
16 and not worry about hitting something. But you do get in a  
17 range where you can begin to address some of the problems.

18 I mean I know the cost is high, but if it's a  
19 necessity that this country needs from east coast to west  
20 coast, something needs to be done. They talked about, the  
21 last speaker said that Holey Moley will come and locate.  
22 Well, if they can locate, probably with infrared, they will  
23 not locate field tile.

24 I would just like to go back one more time and  
25 reemphasize. 1480 PSI. Thank you for your attention.

26

1 MR. SIPE: Thank you.

2 (Applause.)

3 MR. SIPE: Gary can probably expand on this, but  
4 just like the Alaskan pipeline, it's made big news that it's  
5 been shut down because of the corrosion and such.

6 The reason these pipelines and a lady in the back  
7 looked at the website and saw all these projects coming in  
8 FERC's door. They're having them being replaced, being  
9 abandoned and being changed and such.

10 That all came about because of the Pipeline  
11 Safety Act of 2002. These pipelines were -- their testing  
12 procedures were strengthened a lot. There's certain  
13 criteria they have to meet.

14 You may see if you have a pipeline project or a  
15 pipeline on your property right now, that pipeline personnel  
16 is coming out and testing it a lot, and lot of it's tested  
17 by hydrostatic testing, where they fill it with water, to  
18 make sure that the corrosion and such is not affecting their  
19 pipe and to make sure that they meet safety standards.

20 So a lot of that is being done right now, and  
21 that's why you see a lot of these pipeline projects being  
22 replaced, fixed and whatever have you.

23 So that's the last person that raised their hand.  
24 Here comes one other lady. Okay. It doesn't matter to me.  
25 We have been going for a while yet, so I mean --

26

1 MS. JUSTICE: Vicki Justice, 562 South Sand,  
2 Greenfield, Indiana, 46168. One comment, one question. My  
3 question is I was told by a Rockies Express rep, as I said,  
4 he explained the right-of-way to me. I'm very nervous.

5 MR. SIPE: Don't be nervous.

6 MS. JUSTICE: Okay.

7 MR. SIPE: Take a deep breath, and try again.

8 MS. JUSTICE: He said basically right-of-way is  
9 we're buying the property and we're going to allow you to  
10 use it as long as you're there. So that will be -- your new  
11 neighbor will be Rockies.

12 Once they're there, then you bought up the  
13 question that maybe they are abandoned pipelines. Once  
14 Rockies has that right-of-way, can they sell that right-of-  
15 way, so that other pipelines and other, whatever, materials  
16 can flow through those lines? That would be my question.

17 The other thing is there is a group in Morgan,  
18 Johnson and Shelby County. I would like to add Hendricks  
19 County to that. It's Rerouterex.com, because there is  
20 strength in numbers, and these people seem to be well-  
21 organized.

22 I mean they have endangered species, certified  
23 forests. There's all kinds of reasons that it should be  
24 rerouted. That's all I have. Thank you.

25 MR. SIPE: Thank you.

26

1 (Applause.)

2 MR. SIPE: That question has been a raised  
3 question. That question has come up this week, can this  
4 pipeline company sell this pipeline? Can other materials go  
5 through the pipeline?

6 They can, but they have to come through FERC  
7 again. It's called abandonment by sale, and it has to be  
8 approved by FERC in order to do so.

9 VOICE: Anybody can buy it once they sell it?

10 MR. SIPE: Yes. I can't have cross-talk. I can  
11 shut down the formal part of this, and we can sit here all  
12 night and take -- well, until 10:00 and take questions. But  
13 they can sell it. They can sell it, but it has to come  
14 through an approval process.

15 MS. JUSTICE: Can they run an adjacent line with  
16 them still owning it, and just give someone else right-of-  
17 way on their right-of-way?

18 MR. SIPE: If another line has to come through  
19 there, they have to come through the same approval process  
20 as this one did. They can't just do it without -- just to  
21 do it, and no one can do that.

22 A local distribution company. Now they can run a  
23 line in that right-of-way and not come through FERC. They  
24 go through a state process, but not an interstate natural  
25 gas pipeline.

26

1 MS. JUSTICE: Thank you. The same process as  
2 this, with all the scoping and --

3 MR. SIPE: The local distribution company?

4 MS. JUSTICE: No, just --

5 MR. SIPE: The next company? Sure, yes. Now if  
6 that pipeline is coming through, it is a small line, say two  
7 miles or three miles, you know. Say it's just a small  
8 pipeline, then they necessarily would not go through the  
9 scoping.

10 Like I wouldn't come out and put on one of these  
11 meetings for a two-mile pipeline project. It has to be in  
12 the larger forum. But they still have to come through the  
13 same application process as this company does.

14 MS. JUSTICE: Okay. I've been up here so long  
15 now I have another question. A 42-inch line. Isn't that  
16 just huge? I mean is there anything else?

17 MR. SIPE: There's a lot of 42-inch lines  
18 throughout the country. That is a big pipeline, yes.

19 MS. JUSTICE: Thank you.

20 MR. SIPE: Thank you. Sir? I see everyone  
21 standing up and raising their hands, and they start talking.  
22 They say "Oh, I need to go to the mike." Sorry. I can close  
23 this part if you want to ask questions, but then it won't be  
24 on the record.

25 MR. RYLAND: My name is Stanley Ryland, R-Y-L-A-

26

1 N-D. I live at 5791 South Highway 625 West in Coatesville,  
2 Indiana. I am a retired grange contractor. I've put  
3 several thousand feet of tile in Central and West Central  
4 Indiana.

5 Many of these people in this room were my  
6 customers, so I feel kind of like the mother hen taking care  
7 of their little chicks. Because of that tile, I still feel  
8 responsible for them.

9 My point is I just want to emphasize that we  
10 really need more than three feet of cover in all areas.  
11 I've designed several tile systems. You just don't need  
12 that roadblock at a three-foot level in order to do the  
13 tiles you need for farming.

14 The farming community is finding out more and  
15 more the value of grange, and there's going to be a whole  
16 lot more of it in the future than what there has been in the  
17 past. We just need to consider how it's going to drain in  
18 the future. Thank you.

19 MR. SIPE: Thank you.

20 (Applause.)

21 MR. SIPE: Someone else? Okay, hey yes. I'm  
22 sorry. I didn't see your hand. Come on up, sir.

23 MR. DISNEY: My name is Jim Disney, D-I-S-N-E-Y.  
24 Mailing address P.O. Box 55, Danville, Indiana. I don't  
25 know when you were doing this route that you realized that  
26

1       some of the areas that you're going to take the pipeline  
2       through is already platted for development.

3               Some of it probably even has offers on that.  
4       When you go to consider, you know, purchasing right-of-way  
5       through there, is that going to be considered in the price  
6       that you're going to be offering?

7               Also, when you're talking just a ten foot right-  
8       of-way, you're going to be restoring a lot more than that as  
9       far as the development of that area is concerned.

10              Because I don't think the people are going to  
11       want to develop very close to where that pipeline is going  
12       through, and a lot of the people in this room, like Mr.  
13       Stamper has alluded to, that is his retirement plan. I  
14       think has to be taken into account, those areas that already  
15       are platted.

16              What is, when you say there's a ten foot right-  
17       of-way there, I mean once it's developed, how wide is your  
18       right-of-way going to be that's going to be taken out of  
19       there?

20              VOICE: Fifty feet.

21              MR. DISNEY: 50 feet, okay. Does that mean that  
22       it's going to be safe for the house within 50 feet of where  
23       that's going through? I think that needs to be considered,  
24       because that's going to develop. That's going to determine  
25       a lot, the value of that development area.

26



1                   Just how close are houses going to be there,  
2                   because if you're going to be taking out large areas there,  
3                   then it's going to really devalue that land.

4                   Also, you may have covenants already on some of  
5                   this property. How are you going to deal with that? Grange  
6                   issues that are going to be caused by this, is going to run  
7                   probably counter to what -- and I'm speaking in Hendricks  
8                   County.

9                   It's not the easiest thing in the world to build  
10                  in Hendricks County, and some of these things that you're  
11                  going to do are going to be really put a damper on people  
12                  being able to develop that property.

13                  I think that when you do go through there, I  
14                  think you need to check a little bit more closely. Maybe  
15                  that property that has already been platted for development  
16                  and probably some of it even may have an offer on it. Thank  
17                  you.

18                  MR. SIPE: Thank you.

19                  (Applause.)

20                  MR. SIPE: Development is a major concern of  
21                  these pipelines throughout the country. I can't urge you  
22                  enough if you are planning to develop your land, we need to  
23                  know that. We need to have comments on that, and we can't  
24                  just have a comment where you state that yes, I plan on  
25                  developing my land, a large development plan such as that.

26

1                   So if talk about if you have plans already on  
2                   paper, or have plans already in, you know, someone's hands  
3                   or something like that, that's the kind of issues that we  
4                   need to know up front.

5                   Any others? Anybody else? Sir?

6                   MR. SENSENBRENNER: I just have a question. My  
7                   name is Owen Sensenbrenner (ph) from Bainbridge, 7334 North  
8                   600 East.

9                   On the definition of abandonment for a pipeline,  
10                  what does that really entail? Does that mean that if the  
11                  company goes out, the pipeline's abandoned, that there is no  
12                  clean-up, that everything is just left there that way?  
13                  That's one question.

14                  On the right-of-way, I'm not sure what Indiana  
15                  law is, but I've had some experience with this with my  
16                  father over in Illinois. My grandfather wrote up a contract  
17                  to the railroads over there, on easements going through.

18                  After his passing and of course it went to my  
19                  dad, and then when the railroads went out, the State of  
20                  Illinois Supreme Court says the contract, as written, is now  
21                  null and void. We're going to sell this land as part of  
22                  state property. We'll do whatever we want, and they took  
23                  the land away, even though he's got his farm there.

24                  So they made a nature trail for the public  
25                  through the center of his farming ground. So on easements,  
26

1 be cautious. They're talking, he was saying 1480 PSI.

2 If you guys are looking at square feet, that's a  
3 quarter of million pounds, 250,000 PSI, which can really rip  
4 a lot of steel.

5 I'm not sure on normal pipelines what other  
6 pressures are. But the Alaskan one is, from what I  
7 understand, a lower pressure pipeline.

8 So I want to what this pipeline is made of,  
9 polysteel and you know, how well it's monitored, because a  
10 leak in that type stuff, with that much power, is not just a  
11 leak. It's, like some people said, an alarm going off.

12 I teach about power systems at a community  
13 colleges, so I've seen some of this go off. If I remember,  
14 it was the four-inch line that went in Zionville. A backhoe  
15 got to a four-inch natural gas line, and about four city  
16 blocks got burned down. A four-inch line does a lot of  
17 damage just by itself, much less 42.

18 MR. SIPE: Abandonment, there's several ways they  
19 abandon. Abandonment can be done by removal of the pipe,  
20 and it can be done by abandonment in place. What they do is  
21 they fill it with an inert material once they abandon it in  
22 place.

23 The company themselves usually ask the landowner,  
24 once they're abandoning the pipeline, if they want to take  
25 it out. Usually, a lot of times once a pipeline goes  
26

1 through, in order to remove that pipeline, you're basically  
2 --

3 It's just like basically constructing another  
4 pipeline, because you're going to do in and do a lot of  
5 disturbance when you're taking that pipe out.

6 So there's a lot of different ways to have  
7 abandonment. But again, if a company wants to abandon a  
8 pipeline, they need to come in and ask for our approval to  
9 do so.

10 MR. SENSENBRENNER: And you said fill it with  
11 inert material, which would be dirt?

12 MR. SIPE: That's something you can ask the  
13 company after the meeting. Thanks. The right-of-way  
14 itself, absolutely. Easements, you definitely want to know  
15 what easement you're being asked to put on your property.

16 He's exactly right. But that easement, when a  
17 pipeline company goes through, depending on -- historically,  
18 when a pipeline company goes through and then they leave the  
19 property, that easement reverts back to you.

20 So that's exactly what you want to find out when  
21 you are negotiating your easements out.

22 Any other comments, questions?

23 MR. COSTEDDER: This is Adam Costedder (ph) at  
24 5990 West U.S. 36, Danville. I am happy to find out the  
25 pipeline is probably not going to go through my property at  
26

1       this point in time, since the reroute.

2               But I have a question that might be a logistics  
3       question; I'm not sure. You talked about monitoring the  
4       construction and all that stuff environmentally. How about  
5       getting back and forth to the work sites? Where are they  
6       going to be coming in and out every day, you know, to get to  
7       the pipeline to work?

8               If they've got to leave equipment and stuff, how  
9       are they getting through there? I mean if they -- if they  
10      come and say "Hey, I need to cut this tree. I'm trying to  
11      get this equipment in here," is there any program to say  
12      that they have to come back and replace what they take out?

13              If they make all kinds of ruts going back and  
14      forth to the pipeline, are they going to come back and fix  
15      those? Because if it's not dealing with the pipeline, so  
16      how do you do that?

17              MR. SIPE: Thank you. Thanks for your comments.  
18      They have to approve all access roads. Everywhere this  
19      pipeline company's going to be doing construction, they have  
20      to have approved and in their application with us.

21              So all access roads that they use, if it's light  
22      use, they're going to put it back the same way they found  
23      it. If they have to make an access road, they're going to -  
24      -

25              They make ask you to make a road on your  
26

1 property; some access roads they may ask for it to be the  
2 maintenance for pipeline. They may make an access road and  
3 pay to use that on your property, and then turn it back the  
4 way it used to be.

5 The one thing the gentleman asked with the trees  
6 being cut down. That's all in their application. Now we  
7 know that once a tree's being cut down, once they leave,  
8 it's going to take a while for that tree to grow back.

9 But yes, they can plant that tree and in years it  
10 will come back. That's another thing that's looked at in  
11 the visual part of the EIS that you can look at.

12 So everything these guys do is pretty heavily  
13 regulated. I know that with the older lines that went  
14 through, that may not have been the case. But in this day  
15 and time, they're pretty heavily regulated. Any other  
16 questions?

17 (No response.)

18 MR. SIPE: Again, we will be here. I have this  
19 place until 10:00. Please don't throw anything on the floor  
20 because I have to mop it before I leave. It will be the  
21 first time I ever had to do that in one of these facilities.

22 But without any more speakers, the formal part of  
23 this meeting will conclude. On behalf of the Federal Energy  
24 Regulatory Commission and PHMSA, I would like to thank you  
25 all for coming tonight.

26

1                   Let the record show that the meeting concluded,  
2       the formal part, at 9:00 p.m. Thank you.

3                   (Whereupon, at 9:00 p.m., the meeting was  
4       concluded.)

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