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FERC MEETING PRESENTATION

Our 20 acre horse farm borders Caesars Creek State Park. We purchased it in 2001 with the intent of starting a small horse business and as a 10 year investment to be developed and sold for retirement. We have successfully bred thoroughbreds and warm bloods and just finished our first year on the race track. Finally we are beginning to make money and along comes REX. We thought we would be safe from such a disaster since we border a state park wildlife preserve, buffered by a wetlands and there is no existing utility corridor. We have attended the FERC meetings from the start and entered our concerns verbally and in writing thinking that FERC was there to protect the landowners as well as supervise the overall project. The concerns we had appeared on documents to REX and in the Environmental Impact draft. Rex was asked by FERC to resolve our concerns. The only contact and conversation we had with REX was about permission to survey which we denied. FERC strongly recommended they talk to us about our concerns. Instead, on Dec 9 we received a summons to appear in civil court in front of a federal judge who was favorable to REX and did not represent the SW district of OH which we are in. The summons gave us 20 days from Dec 5 to respond which means the deadline was Xmas day. The summons claimed we were causing irreparable damage to REX. These are the kind of people we are dealing with. They could care less as to what our concerns are. In fact, the irreparable damage is without a doubt being done to the landowners.

Our horse business is in jeopardy because of this line. We have three fenced pastures which we depend upon for grazing and hay. The line will come through all three pastures, if it our gps system is correct. Our local seed store has told us it will take 3-5 years before we can get them back. Our horses will not be able to stay on our property for at least 2 years and even then we will not be able to graze heavily. We are entering breeding season and the uncertainty surrounding the pipeline has prevented us from going forward. In 2008 we projected doubling the horse income and expanding by putting stalls and arena in our front pasture which we intended to do. However, if the pipeline went through that pasture it would be impossible to do so. In addition, this is a high pressure line which emits low ultrasound frequency which the horses will respond to negatively. The pipe is also very hot and must be buried at least 7 feet if you are going to expect good crop production or if you need to drive over the line. On our property it bisects our land and we haul manure out at least once per week. Therefore, one of our strong objections as well as those of others in the proposed route has been that by following the proposed route they are taking 96% on private property which does not have existing utility corridors. I have read on the REX site as well as on FERC that every effort will be made to stay on existing corridors. There are two existing utility

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corridors on the south side of Caesars Creek which have been proposed as alternative routes and pipe would be 94% or more on existing utility corridors. These are the Little Miami River Alternative and the Mawrey alternative. Without any kind of verification REX indicates both these routes are unsuitable for environmental reasons even though FERC has recommended both these alternatives in place of the proposed. I have noticed that FERC has a tendency to bend to REX's will. There is no excuse for this. REX simply does not want to reengineer routes and simply refuses to do so because they know FERC will not make them comply. Why is this. I think I have an answer to that which I will state at the end of my presentation. I want to be clear however, that I do not feel in view of all the evidence that REX is unethical company that the pipeline should be approved, period.

On our property we also have a mature windbreak. A line of trees which prevents storm damage to our house and front pasture when the storm is coming from the NW. The current pipeline would take 125 feet of that windbreak leaving our house, our pasture and the fire station across the street exposed. The windbreak also has a spring across which the pipeline will cross. The spring will surely become contaminated with chemicals from the pipe surface but also the flow of the spring disrupted.

The safety issue.

- Is FERC aware of the real reason Kinder Morgan/REX and conoco Phillips want this pipeline. Much of the Wyoming and Colorado gas is called bitter gas. It poisonous and does not produce the minimum BTUs required by law. In order to sell it, the bitter gas must be mixed with sweet gas of which there is an abundant supply in the East. The mixing produces an inferior gas but one which can be sold at market prices. There is not a big demand for bitter gas in the West.
- In terms of gas companies Kinder Morgan/REX is considered the least reliable pipeline company and one that will stoop to any means to make a profit. REX simply wants to get the project completed in the cheapest way possible with no concern for landowners or the safety of those in the proximity of the pipeline. In Clinton county, for example, REX has asked for a waiver of compliance from the pipeline safety regulations requiring them to use a design factor of 0.72 which not only saves them money for construction but also improve pipeline efficiency at the expense of safety. This sort of attitude prevails in REX responses to FERC recommendations throughout the environmental impact statement. Since this is not the average pipeline for which the current regulations have been written but a pipeline which is meant to be under high pressure and carry almost 2 billion cubic feet of gas per day. FERC should be requiring REX to take extreme measures to ensure the safety of people, animals and structures in the proximity of the pipeline. This is not happening. Many of us have brought the issue of explosion due to accident or due to terrorism but this has been ignored by FERC and referred to homeland security. This is an environmental issue as well not just a homeland security issue and it has not been addressed. The unusually high capacity of the pipeline requires unusually high safety standards including modification of the distance from existing structures people and animals. Safety is being ignored. For example, after crossing our property the pipeline is to go directly under the parking lot of the firehouse ax the street from our house. It will

come less than 50 feet from the location that would be called upon to help mediate a gas line break and fire should one occur. Another example is that the Little Miami and Mowrey alternative comes within fifty feet of only 5 residences whereas the proposed is in the proximity of many more. Another safety issue is the pipe itself. It is coated with very toxic chemicals to prevent corrosion. Human contact can be lethal. Also due to the high pressure and fast movement of the gas the pipe becomes very hot. So hot that the standard depth of 36 inches proposed by REX is not only unsafe but will prevent growth of crops, ensure runoff contamination. The cover recommended is at least 6 feet but 7 if you have cattle or horses or must drive over it. The pipe will cross Caesar's Creek at the headwaters of Caesar's Creek Lake. The lake is the drinking water supply for nearby Wilmington. The chemicals from the pipe surface will slowly leak into the drinking water source and furthermore if an accident such as an explosion in the section of pipe crossing the creek it would not only threaten people at the park but potentially seriously contaminate Wilmington's drinking water. Since this is bitter gas from out west it is also poisonous. So if a pipe is to cross the river it should be in the tail waters on the other side of the dam. The Mawrey or Little Miami alternative. These are just a few examples of many safety issues contained in this draft. I submit to you that FERC needs to be careful when it comes to the lives and the safety of US citizens when bending to REX will. It also needs to be more concerned about verification of statements made by REX in responding to FERC recommendations. Just because REX makes a reply to these issues doesn't make the responses true.

Final general points to the audience ; So far FERC is not providing fair and unbiased evaluation and consideration of data provided by landowners but rather giving deference to REX. The project approval seems to be a done deal as far as FERC and REX are concerned. Evidence for this includes:

- Miles and miles of pipe have all ready been delivered by REX in Wilmington (St rt 68/IS 71) and in Senecaville. If this was such a fair process why is REX so confident that the project will be approved that it has purchased and delivered pipe in the area where it is to be installed?

- REX agents have said to many landowners that they do not have to obey the recommendations of FERC if the project is approved. So far, there have been few changes or deviations of the route REX originally proposed in response to FERC recommendations. In fact, from the very 1st meeting with REX representatives, landowners were told that there was nothing they could do to stop REX from invoking eminent domain laws to take our land for the pipeline. If they did not feel FERC was on board why would they take this approach?

Isn't FERC paid for by tax payers dollars. Shouldn't their first consideration be the thousands of landowners affected and the safety of the public?

Issue of Eminent domain and the reason FERC may be cooperating so readily with REX

Eminent Domain is not meant to be used to give advantage to a private company. By Ohio law, even before a survey, a company is supposed to go to every effort to work with the landowners. Only after that is exhausted can they serve a summons. That has not

happened so far. Only a small number of landowners who have not allowed a survey have been presented with a summons to force a survey. The project must be proven to be a necessity for the public good by Ohio law in order to do a survey or enforce eminent domain. So far only the Federal Judge for the SE District of Ohio has made a ruling. We have the right to ask for evidence of necessity. Where is the documented evidence with real facts and figures that can be checked, questioned and challenged? Also, it should be "evidence" from a source other than REX.

- US gas supply. The natural gas production in W. Virginia is booming and it is sweet gas. Natural gas producers in W. VA are concerned about the REX pipeline because it will compete with W. Virginia natural gas of which there is abundance. Wyoming and Colorado have around 7% of the nations natural gas reserves, much of it bitter gas. Why then is it a necessity to put a 4 billion dollar, 1660 mi pipeline to supply unneeded bitter gas to the east coast from the west. The obvious reason is the enrichment of a company with strong political connections and deep pockets. REX's primary owner is Kinder Morgan Inc. Mr. Kinder was the former president of ENRON and Mr. Morgan a top executive. Kinder and Ken Lay were fraternity brothers. When Kinder and Morgan left ENRON in 1996 they took ENRON pipeline and wellhead assets leaving ENRON a shell that traded only in futures and led to their demise. Kinder is now a multibillionaire and the top contributor to the Bush election campaign. Remember, Joseph Kelliher, who is the Chairman of FERC, and Kinder were part of the VP's (Dick Cheney) secret energy task force at the start of the Bush presidency. Now, Joseph Kelliher is in charge of approving these natural gas projects. So, remember I was going to suggest why ENRON, oh excuse me, Kinder Morgan Inc think this is a done deal with FERC. Do you think there might be some political pressure on FERC employees to approve this project no matter what? All of this can be documented. For those reporters here tonight this is an investigative reporters dream story.

In summary, we do not feel the REX pipeline project should be approved. If however, it is we believe that in our area the Mawrey or Little Miami Alternative make the most sense in terms of safety, following existing corridors

Finally, for those of you in the audience who would like to sign a petition to FERC or are potentially interested in a class action law suit against REX we will have a sign up sheet in hall. We will have someone stationed there in 30-40 minutes.

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You do you do. Like is this... your
only
regret*

Alyssa informed us there was no point in resisting, we would only end up in court for many years and she was right. We ended up in court for many, many years. We never got paid for the pipeline project, and we lost all of our legal fees and spent years of our lives fighting this. Alyssa was right and knew what she was talking about.

that neither she...

What Alyssa didn't tell us was FERC and her had no intention of doing their job. After all the FERC documents the pipeline construction, all the promises, the truth was a muddy mess. After the pipeline was built and the years went by you could see that they never expected to do anything more then lay pipe and let most of the landowners deal with it.

Today, twelve years after construction they are still debating restoration on the pipeline next to my farm. The contractors insurance company and several landowners are still at it. The area, a unrestored muddy mess, is right next to my house and out buildings. All of my border is unrestored pipeline easement and continues on the adjoining ranch.

The land produces nothing, muddy cows plod along the pipeline in the winter, and then weeds grow in the spring. No amount of complaints, threats, lawsuits, and endless talk have changed a thing. Year round I cut and maintain ditches to keep the water from the pipeline easement off my land, other wise it floods the barn and under the house.

The pipeline easement has become a general dump area for water from the irrigation district, county roads, and several land owners. All of this is under the eye of numerous federal agencies. They do nothing.

The only people involved in this pipeline project who saw the problems were the few landowners and the construction crews. The people building the pipeline struggled with the same water and understood us and our points.

I include a picture of the pipeline easement next to my house. Rain or irrigation runoff keep this place a mess. Maybe FERC should consider finishing up on this pipeline before giving the go ahead on others!

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Don't... - go + back to...