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Calais LNG

Public Information Session

March 24, 2009

Washington County Community College

Lisa Fitzgerald, Court Reporter
207-989-3264

1 (The public information session commenced on
2 March 24, 2009 at 7:27 p.m.)

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4 MR. VAN SLYKE: We are going to be applying for a
5 number of State permits. The permitting process is going to
6 kick off probably in June of this year. It will depend on the
7 schedule of the fieldwork that the field team is doing, the
8 group variations, to make sure that we haven't moved the route
9 and we've got another permit rule, just to make sure that
10 everything is all hunky-dory with that.

11 Once the application is filed, we will also be filing
12 with the municipal offices for the four municipalities, as well
13 as making copies for the Calais City Library, and also at the
14 Calais LNG office at 421 Main Street here in Calais.

15 Prior to filing the applications, we will be filing a
16 submerged land lease with Dan Prichard and his folks at the
17 Department of Conservation. That is one of the various items
18 that we need to have as part of our punch list for the
19 development application.

20 As far as public participation, again, I want to
21 encourage you to pick up the public participation fact sheet
22 that Becky Maddox and Jim Castle from the DEP have brought
23 along.

24 There are several opportunities beyond tonight for
25 you all to participate in the process as we move forward in the

1 permitting efforts.

2 Last, I would just reiterate we are extremely proud
3 of what the scientists have done. The development team has
4 gone above and beyond in terms of doing what they felt as
5 scientists was the right thing to do as far as the study. So I
6 would commend Woodard & Curran, all of us, not just Woodard &
7 Curran, the mariners, the archeologists who went out and did
8 all the cultural work as well.

9 With that, Bill, I think we'll turn it back to our
10 host so we can start the public comment process.

11 MR. CASSIDY: Thank you very much, David. I do
12 appreciate, as we all do this evening, the information you've
13 all shared with us. We very much appreciate that.

14 At this time I would like to move us to the open
15 comment period. Again, just a reminder, we're asking you to be
16 respectful of others, and that is, your time limit is five
17 minutes. We will hold up a one-minute remaining time period, a
18 yellow sheet, and we'll hold up the red when your time is up.

19 Again, we ask you to do this out of respect for all
20 so that all can be heard this evening.

21 With that said, I will call the speakers as they have
22 signed in this evening. The first speaker this evening is
23 Vinton Cassidy.

24 MR. VINTON CASSIDY: Good evening, and thank you for
25 giving us an opportunity to say something. I hope you didn't

1 count the time walking up here, I'm so slow at getting here.

2 I just want to first of all thank the team for all
3 the wonderful work you've done for the last two years and also
4 all the folks here who have showed up to show interest to
5 support this project.

6 Speaking on behalf of the Calais council and myself,
7 we are so confident with the work that you've all seen here
8 this evening, that this is going to be an excellent project for
9 our area.

10 As I remember, the last time we were all gathered
11 here, by the time we went through all the state and federal and
12 all this sort of thing, I'm certainly confident that the
13 economic impact and the social impact of Calais will be
14 tremendous, and I'm sure, also, the Calais City council will
15 come to a final agreement with this project, and you will be
16 assured you have the interest of our people at hand.

17 The other thing I want to say before I have to go sit
18 down, the last time I spoke about the heritage of Calais and
19 the history of our shipping industry. I talked about years ago
20 Louie Reed, the turn of the century folks, you know, steamboats
21 docked, the ships were docked all the way to the bridge.

22 I'm not going to go through all that history again
23 tonight, but I do want to say to you and give a little
24 promotion to the City of Calais at the same time, this summer
25 we're really looking forward to celebrating our 200th year

1 anniversary here in the City of Calais and there's a
2 bicentennial committee who's been working very hard and a lot
3 of different committees almost as much as you do and we
4 appreciate the work.

5 As people came in tonight, the committee gave
6 everyone, I hope, a chance to find a wooden dollar -- we used
7 to give wooden nickels but we replaced them because of
8 inflation and everything, we had to go to a dollar.

9 But the reason I'm pointing this out, if you look on
10 that dollar, you'll see that the committee also used as a
11 symbol of our heritage, a ship. What we're doing is we are
12 continuing our heritage with this. This is a shipping project,
13 you'll be bringing ships into the St. Croix River, and as I
14 told you last time, all along it has verified all the things
15 that have happened over the years. So this is the situation
16 where we're very excited about this. I hope everyone, when
17 they look at these dollars, will think of the heritage we've
18 had.

19 With that, thank you all for being here. Thank you
20 for your presentation. I'll go sit down.

21 MR. CASSIDY: Thank you. The next comment this
22 evening would be Mr. Harold Silverman..

23 MR. SILVERMAN: Good evening. March 24, 2009,
24 information session for the Maine Department of Environmental
25 Protection, Calais LNG. Presentation before state Senator

1 Harold Silverman, Calais, Maine.

2 Thank you for the opportunity to make this
3 presentation in Calais, Maine.

4 There is a difference between no development and safe
5 development. It is critical to recognize that the economic
6 doldrums and steady out-of-state migration of our next
7 generation due to the lack of employment presents a hopeless
8 economic future for residents of the state of Maine and
9 especially of Washington County.

10 Because of the opportunity to have LNG locate an
11 energy storage and delivery facility in our area, I would like
12 to bring to your attention to the following points which you
13 have watched here tonight.

14 The current needs of energy of the northeast require
15 an available source of clean, safe, and low-cost energy.
16 Washington County's lack of tax base forces us to turn to
17 Augusta for our taxable needs. This year and the year before
18 that, Augusta will have more than an \$800 million shortfall to
19 meet the future expenditures.

20 The unhealthy culture created by a lack of employment
21 separates families whose next generation must move out of
22 Washington County in order to find jobs.

23 The huge economic value in Passamaquoddy Bay that the
24 Canadians have been able to develop with their "safe nuclear
25 plan" has been part of the scenery for over 30 years. Plans

1 are being made for a major nuclear expansion of this plant.

2 There is a huge economic value in the neighboring
3 Fundy Bay area, which gives New England and the Maritimes their
4 important oil supplies. Currently the potential of building an
5 additional oil refinery is on the table. And the new LNG
6 facility located out of St. John, New Brunswick, will soon
7 start operating.

8 The current shipments of nitrate through Maine waters
9 to the N.B. Bayside port facility, which is a commercial
10 shipping port in the St. Croix River, has an economic value for
11 our Canadian neighbors, all of the above in the same region
12 that the proposed Calais LNG facility is to be a problem.

13 However, this project will be on the Maine side of
14 Passamaquoddy Bay in Washington County and will have a definite
15 impact in improving the economic conditions that have plagued
16 this county that we have lived in for decades.

17 We would also like to bring to your attention that
18 the Calais City council voted in favor of having Calais LNG.

19 Furthermore, the U.S. Coast Guard has approved
20 passage of LNG cargo ships into Passamaquoddy Bay's Maine
21 waters in their water suitability report after the first
22 scoping hearing on December 4th, 2008.

23 This gives Calais LNG the opportunity to file their
24 FERC application. In addition, in his state of the state
25 Address March 2009, Governor John Baldacci stressed the

1 importance of Washington County LNG as part of the Maine
2 Alternative Energy Program.

3 It is the bridge energy base that offers an \$800
4 million private investment into our state of Maine, into
5 Washington County, and into the Calais area.

6 Moreover, the \$11 billion Maine paper industry needs
7 LNG energy in these difficult competitive times.

8 When the Maine Environmental Protection Act was
9 established, which I was a part of, my intentions were to
10 protect Maine's environment but not to destroy Maine's future
11 safe and clean energy opportunities that would be needed in our
12 economy.

13 These opportunities have been successfully developed
14 by our Canadian neighbors who supply Maine with their own
15 energy products to meet our energy needs.

16 Our pocketbooks are being emptied to meet these
17 energy needs, and instead of having a tax base and creating
18 employment from those needs, we are transferring our potential
19 for energy production to Canada.

20 Now is the time to change this cycle in Washington
21 County by bringing in the safe and clean energy source of our
22 own: LNG. There is a difference between no development and
23 safe development.

24 In our area of Washington County, Maine, we feel that
25 the opposition to this vitally needed economic alternative

1 energy source is putting forth unfounded myths and fear in the
2 news media, in order to stop the construction of LNG.

3 In contrast, as you will see here tonight, the
4 developers of this safe, low-cost fossil fuel, liquefied gas,
5 which would be the fastest growing fuel in the energy industry
6 as an alternative to coal, has spent millions of dollars on
7 studies and research seeking high-level expertise in
8 determining the safety and environmental factors associated
9 with this storage and delivery project, LNG.

10 Their message is supported by well reached proven
11 facts. LNG will be the state of the art alternative energy
12 facility guided by the most advanced environmental restrictions
13 and knowledge of the 21st century.

14 Thank you for your time. May we be able to put our
15 next generation back to work in Washington County. And I need
16 another 10 seconds to say this.

17 I would like to add that because of the recent
18 Baileyville mill/Domtar decision, this area of Maine will
19 experience severe economic devastation.

20 Washington -- that's Washington, DC -- needs to
21 recognize that 1,650 people in the Baileyville area need an
22 emergency economic stimulus such that we're hearing in the news
23 media.

24 They cannot just be forgotten or this devastating
25 domino effect will spill over into Washington County's

1 population of 35,000 residents and then the entire state of
2 Maine.

3 Immediate action has to be considered in order to
4 keep our county economically alive. Thank you.

5 MR. CASSIDY: Thank you very much, Senator Silverman.

6 Senator Cassidy yielded his time to Senator
7 Silverman. That will be the last occasion that occurs tonight.

8 Thank you very much.

9 The next presenter is Dennis McComb. Dennis.

10 MR. McCOMB: Good evening. I'm Dennis McComb. I'm
11 the environmental and safety manager for Lincoln Paper and
12 Tissue located about 80 miles from here.

13 I'm here tonight in my capacity representing the
14 livelihoods of 350 employees directly employed by our company
15 and by extension over 2,000 people throughout the regional
16 community who earn their living through jobs that support our
17 business.

18 Lincoln Paper and Tissue is nationally recognized as
19 an industry success because of the dedicated commitment for our
20 employees, who are outstanding, a loyal customer base, and a
21 supportive community.

22 We manufacture products in an environmentally
23 responsible fashion using the region's renewable resources.

24 We compete in the global marketplace and must produce
25 top quality products at a competitive price to survive.

1 We've invested substantially to secure our future.
2 In 2006 we installed and started up a new tissue machine. The
3 first new paper machine in the state in nearly 20 years.

4 Today the cost of energy represents the single
5 biggest competitive issue that we face. Maine electricity
6 prices to industrial customers are double the national average.

7 In addition, the lack of natural gas supply means
8 that we're forced to use expensive oil in our tissue drying
9 processes and for some energy production.

10 The Calais LNG proposal gives us hope that we may
11 soon be able to better manage our energy costs for two reasons:

12 First, when natural gas becomes available, it would
13 allow us to eliminate our use of oil in our tissue making
14 process, as well as for some energy generation.

15 Gas is much better and cleaner than the oil that it
16 would replace, reducing pollutants and carbon dioxide
17 emissions.

18 Secondly, since natural gas is the principle driver
19 of electrical prices in New England, we're hopeful that
20 additional supply may reduce the cost of the electricity that
21 we consume.

22 This natural gas has the potential to address costs,
23 environmental, and competitive issues for us.

24 My question is as follows: First, do you see the
25 construction of the LNG facility providing a benefit in

1 reducing electricity prices in Maine?

2 Second, would there be sufficient supply available
3 from the LNG facility to allow us to replace the use of oil in
4 our paper making processes? This would be the equivalent to
5 about 2 to 3 million cubic feet per day.

6 MR. CASSIDY: Thank you. Gentlemen.

7 MR. GELBER: Thank you for your questions. The first
8 question, I believe, was -- oh, electric prices, sure.

9 Natural gas generates about 40 percent of the
10 electricity in the state of Maine -- I'm sorry, in New England;
11 and nationally power prices very much mimic natural gas prices,
12 because natural gas is a fuel of power generation.

13 So as you bring in more supply of natural gas, the
14 impact, more supply means potentially lower price, lower price
15 for natural gas means lower price for electricity. You see
16 that in other places, and you'll certainly see that here as
17 well.

18 The second question was, will there be enough gas
19 available for making paper. Yes, there will be ample gas
20 available for making paper and for many other industries around
21 the county and around the state, and, in fact, around the
22 region.

23 Natural gas coming from the Calais facility will be a
24 major source of natural gas during normal and peak days. That
25 natural gas will be deliverable to your plant either through

1 pipeline, that hopefully will be constructed for about 40 miles
2 to get to your plant. Also, it's deliverable by truck, and
3 truck facilities will be installed at Calais LNG, natural gas
4 in its liquid state, to facilities like Lincoln Paper.

5 MR. CASSIDY: Thank you. The next person to offer
6 comment would be Ms. Jeanne Peacock.

7 MS. PEACOCK: Good evening. I am reading comments
8 from my husband, who is in Norway, and if there's time I have
9 some comments of my own. I'll try to get through Bob's first.

10 MR. CASSIDY: Or you could do yours first.

11 MS. PEACOCK: Comments of Captain Robert J. Peacock,
12 Quoddy Pilot, USA.

13 My name is Robert J. Peacock, II. I live in
14 Eastport, Maine, and have been a lifelong resident of
15 Washington County and spent my entire life working on the sea,
16 both in our beautiful area and overseas. My family has lived
17 in St. Andrews and Lubec since 1856.

18 I'm currently a harbor pilot for Eastport, Maine. I
19 also hold a U.S. Coast Guard license as first class pilot for
20 vessels in any gross tons for Frenchman Bay and Bar Harbor;
21 Penobscot Bay and River; the Great Lakes; the Delaware River;
22 Jacaboa, Puerto Rico; the Sabine and Neches Rivers in Texas;
23 and Prince William Sound and Bellevue Harbor, Alaska.

24 I sailed for 20 years and served as master for 14
25 aboard seven tankers, including ultra large crew carrier UST

1 Atlantic. The Atlantic is the largest ship ever built in the
2 western hemisphere or to fly a U.S. flag at 400,000 deadweight
3 tons. I served 32 years in the U.S. Navy Reserve, retiring
4 with the rank of captain.

5 I started piloting in Head Harbor passage in Eastport
6 in 1976 and have over 970 trips as a pilot of ships there.
7 Over 19 of these trips were aboard vessels that were 852 feet
8 long and had a deep draft of 40 to 42 feet, which is deeper
9 than any proposed LNG ship.

10 In addition to piloting, we also act as a docking
11 master, controlling the movements of the tugs during the
12 mooring of vessels.

13 I was working on sardine carriers at the age of 10
14 for my family in the entire area from Gran Manan to Cutler to
15 behind St. Andrews. All of the local pilots come from fishing
16 backgrounds.

17 Having had 50 years of perspective on the waters of
18 our area, I feel that a little history is appropriate for the
19 LNG debate.

20 The economy of our area has always been tied to the
21 sea. Since the area was settled by humans, the sea has always
22 been the focus of moving the commerce, fishery products,
23 forestry products, agricultural products, and people.

24 When Washington County prospered, it was because we
25 used the sea as our highway and recognized that our greatest

1 asset is the depth of the ice free waters available to move our
2 goods inland from our forests, fields, and factories.

3 If Washington County's economy has faltered since the
4 1950s, it is because of the direct impact of failing to use the
5 sea to our advantage. If we are to survive in a vibrant
6 economy, we must work together to use our advantage of deep
7 water for jobs. All of us want our children and grandchildren
8 to have a good place to live and work here in Washington
9 County.

10 I've been involved in just about every fishery in our
11 area. I commute by boat seven months each year between Lubec
12 and Eastport. I've done extensive survey work on the bay and
13 river for the past three years for LNG and for research.

14 What is striking is the lack of vessels on these
15 waters. On many days I can document that no vessels other than
16 our research vessel is moving compared to hundreds of vessels
17 30 to 50 years ago.

18 In order to make a living here, everyone -- including
19 me -- has two to three jobs based on the season. This means we
20 have a work ethic that is recognized everywhere.

21 We come to a new day. Calais LNG has proposed
22 building an \$800 million facility in Calais. This would employ
23 many local people.

24 What is important -- I just have about three more
25 paragraphs.

1 MR. CASSIDY: For those of you who don't know,
2 Mrs. Peacock is a retired principal. I still live in fear of
3 them. Carry on.

4 MS. PEACOCK: What is important is that the people
5 needed to operate the LNG plant and marine operations are here
6 now.

7 There are literally hundreds of Maine Maritime
8 graduates who live here who have the skills to safely operate
9 very complicated plants, including nuclear power plants, pulp
10 and paper mills, electric generating stations, food processing
11 plants, and the most powerful radio station in the world.

12 Indeed, we have many fishermen who are right now
13 upgrading their skills to get U.S. Coast Guard 100 ton
14 licenses. These fishermen are marine experts on our waters and
15 bring many skills and basic commonsense.

16 Making paper is more art than science, and the
17 process engineers that make paper in Woodland are trained in
18 safety overall and are certainly more than capable of learning
19 to run an LNG plant.

20 Local people built both piers in Eastport, and the
21 Estes Head Pier have the finest cargo piers in the US and
22 Canada.

23 The line handlers are well trained longshoremen
24 steeped in safety, and the Port of Peace port is the fastest
25 wood pulp loading port in the United States.

1 We have the skills and the ability needed. As ship
2 pilots, Captain Morrison, Captain Matthews, and I have been
3 training for LNG now for four years. We constantly upgrade our
4 skills, study waters, and learn more about the LNG ships and
5 the tide.

6 Captain Morrison recently proved the value of his
7 extensive training in safely handling an emergency. We work to
8 be the most safety oriented professionals we can be. We can
9 safely do the work. We live here, we are ready. We support
10 Calais LNG.

11 Most respectfully, Bob Peacock.

12 MR. CASSIDY: Thank you very much, Mrs. Peacock. I
13 do appreciate that.

14 Ladies and gentlemen, in respect to all of you and a
15 long evening, certainly I'm very interested in hearing anyone
16 and everyone's comments, but if you may, I would request, look
17 at your comments. If you have them written, maybe be
18 selective.

19 If you don't have time to read all of them, you
20 certainly can leave them with us as well. That would be just
21 very much appreciated by those who would follow you.

22 The next presenter will be Tom Webster.

23 MR. WEBSTER: My name is Tom Webster. I'm a resident
24 of Calais. First, I would like to say that I'm in support of
25 Calais LNG.

1 We have an opportunity to have a clean source of
2 energy right here in Calais. This comes at a time when the US
3 is trying to break free of foreign energy. This is also an
4 opportunity to provide tax relief to the residents of Calais,
5 which is also needed, because our mill rate is actually too
6 high for a city our size.

7 This is an opportunity for young people in our area
8 for good jobs, which is something we need. In the past all
9 we've had is doom and gloom in the job areas.

10 When was the last time anyone who came into our area
11 willing to spend the amount of money we are talking about?
12 This is a clean form of energy, we have the ideal site to build
13 this, and will have very little impact on the environment.

14 The St. Croix River has always been used by the
15 shipping industry for oil, fish, and lumber products as far
16 back as time. The river is how most of our town survived.

17 With today's standards that have to be met
18 environmentally, things are done to provide the least amount of
19 impact on the land and water.

20 I say it's our turn to have something here in Calais.
21 It's a win/win situation for our area. It will give our young
22 people the chance to stay in the area and work here instead
23 leaving the place where they were born and love, like my son
24 did.

25 We need to do this as a community. We should do

1 everything in our power to bring this to reality instead of
2 just a dream.

3 Now that Domtar is shutting down, our representatives
4 in Augusta should be putting the pressure on the system to push
5 this through. They should be doing everything in their power
6 to help expedite the permit process and make this happen for
7 Calais and Maine instead of shooting down everything that wants
8 to come to Washington County.

9 MR. CASSIDY: The next presenter would be Mr. Kevin
10 Shorey.

11 MR. SHOREY: Thank you. As you said, my name is
12 Kevin Shorey. I am a Calais resident, and I live down river
13 with my family.

14 I represent the Washington County Board of
15 Commissioners who wish to enthusiastically voice our support
16 for the Calais LNG project to construct and operate an LNG
17 terminal down river.

18 We understand that federal agencies are in the
19 process of evaluating this project and will apply special
20 expertise to address areas such as water waste suitability,
21 navigation safety, engineering, and operational safety
22 standards, and environmental considerations.

23 We feel confident that issues as identified will be
24 addressed in the new review process.

25 The Washington County Commissioners wish to take this

1 opportunity to address how the project fits in the county's
2 economic future.

3 Our economy was historically built upon the forest
4 and waterways. Many of the traditional industries such as
5 fishing, forestry, and shipping are eroding away. Without
6 change, we will continue to lose ground. Life as we know it is
7 becoming one of lost job opportunities, entire employment
8 sectors lost, declining personal income, and declining and
9 aging population.

10 The economy in Maine and Washington County is on thin
11 ice. We've had some troubling news, and we have a lot of
12 things we must do in the coming days to prepare our community
13 and reinvent our economy.

14 LNG has an important role to play as we transition
15 from oil to renewables in aging industries and new sectors
16 based on new technologies.

17 Calais LNG gives new economic hope to a region that
18 needs new industry. This project will create good paying
19 private sector jobs when we need them most. This project will
20 recharge our economy and will be an essential piece of a new
21 economy built on alternative energy, the fastest growing
22 economic sector in Maine.

23 The project will join First Wind and hopefully tidal
24 power to build a secure future for the next generation who wish
25 to remain in Maine.

1 Given the social/economic factors in Washington
2 County, it will do the county well to stand ready to grasp many
3 opportunities provided by the county's geographic features, and
4 the eastern location will lead to many opportunities created by
5 our nation's need for alternative energy sources.

6 Again, we thank Calais LNG for your efforts to bring
7 economic development to Washington County, and we
8 wholeheartedly support Calais LNG in the ongoing review process
9 by the Federal Energy Regulatory Commission.

10 Thank you very much.

11 MR. CASSIDY: Thank you. The next presenter is
12 Mr. Dayton Dineen.

13 Mr. Dineen might have had to leave.

14 The next presenter is Mr. Sheridan Smith.

15 MR. SMITH: Testing. Good evening, my name is
16 Sheridan Smith, and I live in Baileyville. I am a local
17 businessman. I grew up in Calais, and with the exception of my
18 years at the University of Maine, I have lived here all of my
19 life. I am also a past president of the St. Croix Valley
20 Chamber of Commerce, but more importantly, I am the husband and
21 father of two young children.

22 I consider myself blessed to have been able to obtain
23 and education and come back to this area and make a living. I
24 am, however, an exception to the rule.

25 I have seen my siblings, classmates, and friends

1 leave here due to lack of job opportunities in the area, and
2 now with the indefinite shutdown of the Domtar mill, there will
3 most likely be more of an exodus. That is why I strongly
4 support Calais LNG.

5 Calais LNG will provide good paying jobs and clean
6 energy to an area that needs it and wants it. It will allow
7 families to stay in the area or to move here, thus helping keep
8 our diversity.

9 As you all know, we live in a fairly remote area and
10 making a living here is difficult. One of the things we had
11 going for us is the proximity to the ocean and the St. Croix
12 River.

13 This project is an opportunity to take advantage of
14 our location and provide some hope for the people in this area.
15 I hope this project will proceed.

16 Thank you.

17 MR. CASSIDY: Thank you, Mr. Smith.

18 The next presenter is Mr. Robert Tyler.

19 MR. TYLER: Ladies and gentlemen, good evening. My
20 name is Bob Tyler, and I'm a board member of Sunrise County
21 Economic Council, and I'm here to read a letter signed by Chair
22 Ed Plissey to Mr. Emery, the development manager, of Calais
23 LNG, Calais Maine.

24 Mr. Emery, the Sunrise County Economic Council board
25 of directors voted to endorse Calais LNG's request and support

1 of its proposed LNG terminal in Calais.

2 We reached this determination based on careful review
3 of the project in accordance with the Sunrise County Economic
4 Council's guiding principles of large-scale development
5 established July 15th, 2005.

6 As well, it aligns with our ongoing support of other
7 viability projects underway in Washington County. We were very
8 pleased to hear Governor Baldacci voice his support, too, for
9 LNG projects in Washington County during these recent state of
10 events.

11 The recent LNG project proposes a significant
12 economic impact on the county with the project investing
13 approximately \$800 million, creating nearly 1,000 new jobs, and
14 indirect impacts from construction of a new facility and the
15 pipeline.

16 In operation, over 150 permanent jobs will be
17 created, including direct jobs at the LNG facility, marine
18 trades, support services, and other ancillary jobs. Spinoff
19 businesses are likely to provide economic benefits in investing
20 in job creating and the lowering of local and county taxes.

21 Proposed as a minimal community impact from
22 traditional family units, regional housing, service members,
23 and health and safety workers. In fact, the proposal suggested
24 potentially a 5 percent reduction in local property tax rates
25 and over \$12 million annually in direct and indirect business

1 expansion will stimulate a major turnaround. Well paying and
2 secure jobs with benefits are needed and welcomed in the
3 community, meet our guidelines for technical feasibility,
4 financial capacity, and management capability.

5 The team of proposed LNG engineers, expert engineers,
6 investment firms, and legal and communication firms appear to
7 have significant capacity to oversee, deliver, and operate a
8 profitable and environmentally safe LNG terminal facility.

9 Last, allow the continuous stakeholder involvement
10 with significant company effort to allow interested regional
11 community groups, organizations, individuals, all levels of
12 government and municipal leadership a feasibility study,
13 management partnerships, environmental assessment, to economic
14 impact data and responsible process in providing ample and fair
15 opportunity for the community and successful development and
16 operate an LNG facility to become a major factor in the
17 revitalization of Washington County's economy and
18 infrastructure.

19 The Sunrise County Economic Development Council
20 offers its endorsement for the Calais LNG. We look forward to
21 successful completion of the siting development and benefits it
22 brings to our region. Thank you very much.

23 MR. CASSIDY: Thank you very much, Mr. Tyler.

24 The next presenter is Mr. Bill Condon.

25 MR. CONDON: Hello, my name is Bill Condon. I live

1 in Calais, and I'm a City councilor here.

2 A couple things, all the scientists and all the
3 research with the millions of dollars that have been spent
4 bringing this to fruition, about a year and a half ago the
5 mayor told me, we've got these guys coming in from an LNG
6 company looking to do business. He said, ahhh, what's the
7 chance of that happening. There's a very good chance of it
8 happening.

9 But the show of people that have come here tonight,
10 it didn't cost any money to see the sample of the population of
11 Calais of 3,000 people, this is a pretty large sample of what's
12 in here. By the show of hands or something like that with the
13 economy, an environmental study of the population of Calais,
14 and exactly what we're dealing with, the human species, and let
15 us live and make our decision here by showing hands to see
16 who's in support of the Calais LNG.

17 That's pretty good from this population. Thank you.

18 MR. CASSIDY: Thank you Mr. Condon. The next
19 presenter is Mr. Carl Royer.

20 MR. ROYER: My name is Carl Royer, and I'm a former
21 City councilor here in Calais and a downtown business owner.

22 What's in my hand?

23 AUDIENCE (en masse): Nothing.

24 MR. ROYER: We used to have the short end of the
25 stick. We're not even holding the stick anymore. Thanks to

1 Calais LNG, I see the stick and I think we can grab on to it.

2 I look at this as a catalyst of what the
3 opportunities are for Down East Maine and southwest
4 New Brunswick to maybe come upon the kind of industry as part
5 of this area for new jobs. Sadly paper plants are closing, and
6 that's part of our economics of the new century.

7 We use energy every day, so we're excited about this,
8 we're in support of this, and we should focus on all the best.
9 Thank you.

10 MR. CASSIDY: The next presenter is Dr. David Feiner.

11 DR. FEINER: I think I'm the first person from away.
12 I moved up here ten years ago because it's a beautiful area,
13 stayed here because I liked the people.

14 I, too, happen to be in favor of Calais LNG, and I
15 probably ought to tell you why -- whether people agree with me
16 or not -- hear what I have to say.

17 I'm a physician, have been for over 30 years. I
18 spent 30 years sorting out what's true and what's bologna, and,
19 believe me, there's a lot of bologna being published in that
20 field.

21 Along the way I've taken some courses that, while not
22 directly related to the practice of medicine, have given me an
23 understanding of what's involved in dealing with materials like
24 LNG.

25 Back in 2000 I took a couple of courses related to

1 weapons of mass destruction -- that was before 2001.

2 And then after that kind of more dealing with
3 hazardous materials, which we had quite a lot of going through
4 the area, and then finally last summer a course in dealing with
5 mass casualties, and another with pandemics. What that tells
6 me is the perspective is sort of now what the real hazards of
7 LNG are and what's hype.

8 Up to this point in time, LNG projects were proposed
9 for this area a little over two years ago. I've gone to
10 several meetings, and during that time I have not heard a
11 single argument against LNG that can stand up to any degree of
12 scrutiny.

13 No. 1, it's not a hazardous material, it's not an
14 explosive. It will burn, but it doesn't burn as fast or
15 fiercely as some of the many common things we deal with every
16 day.

17 It won't poison you, it's won't burn your skin.
18 Turning it into something evil, weaponized, is impractical from
19 any standpoint that you can think of. When it's released into
20 the air, it dissipates. It is no worse than the biological
21 products that all of us, and many of our pets produce.

22 When we burn it, it turns into the same stuff that we
23 exhale every day. You can't get away from it. It's
24 everywhere. It doesn't matter where it's released. It's not a
25 problem locally. It's not even a problem worldwide because it

1 gets recycled either in the form of methane or in the form of
2 carbon dioxide and water.

3 The mechanisms for transporting it and for storing it
4 and distributing it are about the cleanest there are for any
5 kind of energy source. The ships themselves are often designed
6 so that part of their power comes from the LNG that they
7 transfer, which instead of turning into nitrates and sulfates,
8 turn into carbon dioxide and water.

9 The plants that convert LNG don't release the same
10 toxins. They are far less polluting than any other energy
11 source that's used.

12 You can take any energy source that we use now
13 commonly for cooking or heating, and it will produce more or
14 worse pollution than LNG.

15 As far as local effects on the environment, I live
16 within that five-mile study zone. In fact, I live slightly
17 less than a mile from where the tanks are going to be, and I
18 live downwind from the tanks.

19 The prevailing winds blow right up the hillside past
20 my house. Having an LNG facility in the area doesn't bother me
21 at all. I won't lose a minute's sleep over it.

22 You've already seen how the visual and the audio
23 impact is likely to be mitigated. It boils down to, if you see
24 it, plant a tree. You won't be able to hear it. And a tree
25 will be a good thing for the environment.

1 I only have a couple of brief comments about the
2 economic impact. If LNG doesn't come to Maine, we get zero
3 jobs from LNG, right. If it comes in and we only get one job,
4 that's already better than we had before. You get 120 jobs and
5 it's great.

6 If the presence of cheap energy attracts someone else
7 to start up a business or a factory here and nobody locally
8 gets hired, we will still have people spending money and paying
9 taxes here.

10 If somebody here does the same thing, we'll have
11 employment locally, which is better than what we have now.

12 As far as damage to the infrastructure goes and what
13 it's going to cost to fix the roads and provide the extra cops
14 and fire engines, LNG has to do at least some of that just to
15 run its own business.

16 In addition, they need support locally and will be
17 upgrading our fire and security facilities, and finally,
18 they're going to pay a hell of a lot in tax money that isn't
19 coming here. It's about the only project that I've heard of
20 that if it is allowed to come here will bring money in rather
21 than draining it out.

22 MR. CASSIDY: Thank you, Dr. Feiner. I appreciate
23 all the information Dr. Feiner. I'm going to cease and desist
24 with the waste of my animals. Thank you very much.

25 The next presenter is Brad Flannery.

1 MR. FLANNERY: Good evening. My name is Brad
2 Flannery. I'm the energy manager with Verso Paper, Bucksport,
3 Maine, mill.

4 Verso Paper operates paper mills in three states,
5 including a mill in Jay and Bucksport, Maine. At two Maine
6 facilities, Verso employs over 1,600 employees and spends more
7 than \$450 million a year in business in Maine-based companies.

8 The manufacture of paper requires massive amounts of
9 energy to run the machines and generate steam used in the paper
10 making process. Maine's energy costs are much higher than the
11 U.S. average, placing a special burden on paper made in Maine.

12 Both Verso mills in Maine use mixed fuels. These
13 include natural gas, as well as biomass, No. 6 oil, waste oil,
14 pelletized waste paper, hydro power, and others.

15 We regularly adjust our fuel mix to manage our costs.
16 We are also leaders in implementing energy conservation to
17 remain responsive and any other energy efficiency measures to
18 reduce our operating costs and to address local environmental
19 concerns. We are one of the parties leading efforts to pass
20 the Regional Greenhouse Gas Initiative here in Maine.

21 Natural gas, though, is and will continue to be the
22 predominant fuel used in generating electricity in Maine and
23 New England. This is particularly true given the emphasis on
24 wind and other alternative energy sources, which require a
25 complementary supply. Maine pays a premium for natural gas