Dear Mr. Sheeley,

My name is Joseph Campbell and I have been on the phone with Dave Bimber regarding the Crestwood, formerly Inergy, LPG storage project in the Town of Reading since 2011, when Dave was the Deputy Permit Administrator for Region 8.

I last called him Wednesday, June 4th regarding the status of the SEIS. According to Dave, the SEIS is not final yet and staff are continuing to review the document and public comments, including new information that DEC has received.

I asked him if the State Geologist had received some reports written by independent geologists and submitted by attorney's for Earthjustice. He said he couldn't be sure and that I should send them to you and ask that you make sure they are included in the DEC review and sent to the State Geologist as well.

The reason I think this is important is that when Acting Associate State Geologist Andrew Kozlowski wrote to Peter Briggs in March of 2013 that he granted his approval of the project, it was predicated on information that was supplied by the applicant. When Earthjustice commissioned reports by 2 independent PhD geologists, new information surfaced regarding cavern collapse that I don't believe the applicant supplied to the DEC, ie: a 1969 report by CH Jacoby that documented a 400,000 ton solid chunk of rock that fell from a cavern that is slated for the Arlington natural gas storage expansion.

Would you please acknowledge what Dave told me about the status of the SEIS and confirm that you have entered these 3 reports into the review process and forwarded them to the State Geologist?

Thank you in advance for your timely reply,

Joseph M Campbell, DC  
4207 Phelps Rd.  
PO Box 776  
Burdett  
Schuyler County, NY  
(607)769-4639
Storage of Hydrocarbons in Cavities in Bedded Salt Deposits Formed by Hydraulic Fracturing

ABSTRACT

In the last two decades a new concept of hydrocarbon storage has been created by the dissolving of cavities in salt and the use of these cavities for hydrocarbon storage. Storage operations in bedded salt are dissimilar to those in dome type deposits. Similarly, the operation of cavities formed by hydraulic fracturing varies from single well-jag type operations.

Fractured cavities, although creating more space for the storage of product, are more severely influenced by the geology of the salt deposit. This is true, not only from the standpoint of creating the cavity but also with respect to its operation. Pressure variation created by the input of product and its subsequent recovery, together with the character of the recycling fluid, is of utmost importance.

INTRODUCTION

Until recently, little was actually known about the geology of the bedded salt of the Appalachian Basin. Gradually there are emerging a few basic concepts which tend to explain some of the more complex geological problems that are being encountered in this area today. The existence of this complex geology has been shown during recently accelerated activities in the storage of hydrocarbons, exploration for new salt mines and development of brine fields. The number of new mines in the northeast section of the United States and adjacent to Canada has, in the last ten years, increased from 4 to 9. This increase in the number of salt mines was brought about by the increase in salt consumption in the United States from 16,053,802 tons in 1947 to 34,687,000 tons in 1965.

In 1948, a far reaching experiment was conducted in Keystone County, Kansas by a man named Ballue. In his experiment, Mr. Ballue took advantage of the extremely low permeability of salt to successfully store liquefied petroleum gas in an artificially leached salt cavern. It is true that for many years prior to this time, dry salt mines had been used for the storage of various commodities and art treasures but never before had L.P.G. been stored in bedded salt.

This seemingly simple idea has blossomed until now over 17 billion gallons of liquefied petroleum gas is stored annually in salt cavities in the United States. The full importance of this storage comes into focus when one realizes that a major portion of this same volume of gas was previously flared or burned at the refinery. If one multiplies this volume of gas by a wholesale price of 10¢ per gallon, you arrive at a rough estimate of the value of Mr. Ballue's idea—$1,700,000,000 per year.

As a waste product, propane, butane and isobutane are hazardous and the economic attendant with their surface storage in large volumes is adverse. Depending upon the type of product and the conditions necessary for its storage and recovery, underground storage can be accomplished for a cost of 1/20th to 1/100th that of surface storage. At the present time, such facilities as International Salt Company's Watkins Glen, New York plant have a static capacity of some 4,000,000 barrels in two cavities created by hydraulic fracturing.

Another visionary, Mr. H.L. Genny, in 1961 undertook an experiment at St. Clair, Michigan, in which over 300 million cubic feet of natural gas was successfully stored in an abandoned single well brine cavity. Again a major contribution had been
made to our standard of living, for now large amounts of natural gas can be stored in anticipation of consumer demand during the peak period of extremely cold weather when fuel demands are at a maximum.

Faulting—Watkins Glen, N.Y.

Watkins Glen, New York is one of two locations in the United States where L.P.G. is being stored in fractured cavities. A recent geological interpretation of the structure of the Watkins Glen area is shown in Figure 1. The four wells forming this cross section are in an eastwest direction. As is illustrated in this figure, both the top and bottom of the salt are horizontal in parallel planes. The underlying Vernon shale has a slight regional dip to the south. All wells in the cross section were cored and logged with gamma neutron tools.

When the original wells were drilled in this area, the number of major salt sequences were unknown. Thus as the first wells were drilled, six salts were delineated. The contact between the bottom salt and the underlying Vernon shale is sharp and smooth, forming a plane along which the entire salt series was thrust toward the north-northwest.

Because of the differential pressures exerted against the front of the evaporite mass and the variations in frictional resistance, movement was not uniform. Tear faults developed in the salt layers and the intervening strata of rock. Isopach maps of area show that major movement has occurred adjacent to Lake Seneca with a noticeable reduction in the amount of thrusting action in a westerly direction.

Gamma neutron logs show repeated rock sections in Wells 27, 28, 30 and 31. In Wells 27 and 28 the B2 salt, in keeping with Lande’s nomenclature, has been thrust over itself and a horizontal fragment of the B2 rock, on two separate tectonic occurrences. The D1 salt has, in Well 27, almost doubled its normal thickness. This was due to either an overthrust of the D1 salt within itself or concurrent sedimentation during the down-dropping of the C2 rock. The F unit of salt has...
experienced a considerable increase in thickness in well 27 over the other three wells involved in the cross section. The points of faulting as originally observed in the gamma neutron logs were confirmed by re-examination of the detail lithological logs and cores. At the points on the cross section where faulting has been confirmed, fault zones several feet in thickness are present. This generalized cross section does not attempt to take into consideration all the evidences of faulting but only those of primary concern.

An example of this low angle thrusting section is illustrated by photograph 1 which shows micro-thrust faulting within the bed of salt being mined by International Salt Company at their Cleveland Mine. Here both the upper and lower laminae of the salt bed are essentially horizontal and parallel to each other. The mid-section of the bed has experienced a thrust action which has folded and then overthrust the dolomitic anhydrite stringer upon itself.

In photograph 2 this same rock stringer at another point in the Cleveland Mine can be seen overthrusting itself. Again it is underlain and overlain by horizontal laminae which are generally flat lying.

Recently, the Morton Salt Company in their drilling at Himrod, New York, found good core hole evidence of a rear fault similar to those in the Watkins Glen area. After nearing completion of a core hole which depicted what was considered to be a normal sequence of salt-rock strata, a zone of

Photograph 1. Cleveland Mine. Micro-thrust faulting shown in a mine face.
lost circulation was encountered in a salt bed. Plugging the hole back up to a point above the top salt, a whipstock was set and the strata recored. This deflected core hole encountered huge thicknesses of salt which in no way correlated with the original hole but were representative of a tear fault.

L.P.G. and hydrocarbon storage.

In the hydraulic fracturing of salt beds to coalesce two wells, either for the solution mining of salt or the creation of hydrocarbon storage facilities, it has been learned that once fluid circulation has been established between the injection well and the target well, a pressure "prop" of the fracture between the two wells must be maintained until a self-supporting opening has been created. Failure to maintain sufficient pressure to prevent confluence of the overlying and underlying portions of the strata, will result in the "healing" of the fracture. Once this "healing" has occurred, we have never been able to re-establish the fluid connection. It is our opinion that this "healing" is brought about by the same phenomenon observed in salt mine excavations. That is, dilation of the salt in the walls or pillars of the cavity; heaving of the floor, particularly where shale underlies the salt bed and sagging of the roof rock.

As the salt and rock close in on the opening, a crystalline halite begins to grow in the crevice until the void is completely filled. This crystal halite is substantially stronger in tension than the original primary salt, thus resisting refracturing. Thus in refracturing a well at the same point as that at which...
it was initially fractured, after the collapse of the beds has occurred, the fracturing fluid will take a
direction of secondary preference avoiding the tar
get well. Advantage can be taken of this healing
effect in refracturing at the point of the original
fracture where the fluid in the original fracture has
taken an undesired direction. It is this healing ef
fect that allows fractured cavities in faulted salt
hills such as those of New York, Ohio and Penn
sylvania to be used for the storage of hydro
carbons.

The structural features found in the Salina Group
underlying Watkins Glen, New York, are believed
to be characteristic of the entire New York portion
of the Appalachian Basin.

As related to the creation of cavities and the
operation of these cavities for hydrocarbon stor
age, the significance of this type of structure is:
1. In the coalescence of wells by hydraulic frac
turing, fractures which normally have a tende
ncy of developing in an eastwest direction,
can progress in these directions only until the
fluid intersects one of the northsouth trend
ing tear faults. Establishment of a second frac
ture from the original target well, designed to
intersect the fracturing fluid previously
trapped in the tear fault, has only a very modest
chance for success.
2. Fracturing new pairs of wells in such an area,
where L.P.G. is already being stored, entails
the risk of encountering these storage cavities.
3. As illustrated in Gallery No. 2 of Figure 2 of
June 1964, the fracture patterns are not pre
dictable unless the detailed geology of the
area is available and understood. Here frac
tures were produced in the lower portion of
the B2 salt in both Wells 30 and 31. The con
nection between the two wells was finally
completed in the fault zone in the overthrust
block of the B2 salt.
4. Unless saturated brine is used continually in
recycling the product, there is distinct possi
bility of undermining fault blocks. Illustrated
in Figure 3 is a large block of rock calculated to weigh over 400,000 tons which fell from the roof even with the use of saturated brine. This portion of the cavity was outlined by using sonar surveying equipment. Although saturated brine is used for a recycling fluid, some minor quantities of salt will be dissolved so that the effluent from the brine well will be supersaturated. Steps must be taken to prevent the salting up of the brine well.

5. Where the brine recycled from the cavity is to be used in a salt refining or chlorine-caustic plant, considerable additional dissolved impurities in excess of those normally found, will be encountered. This condition results from the hydrocarbon flooding of the pile of detrital material associated with the injection well. As the residual brine in this pile of rock is flushed out of the pile, it severely contaminates the mass of brine in the open portion of the cavity.

6. Rock falls of small to medium volume (50 tons) may be unnoticed. Larger falls will form a cloudy brine or hydrocarbon if they occur during the storage or recycling operations. Normally, even the worst of these conditions will clear in 24 to 48 hrs. Wide fluctuations in cavity pressures during storing and recycling operations are one of the main factors in roof or ledge rock falls.

7. Entrapment "losses" are largely related to local dips of the rock beds. In areas such as the Appalachian Basin, rock masses unmined at a point removed from the bore of the well may collapse causing large volumes of product to be entrapped at this remote point.
Figure 4.
Dear Commissioner Joseph Martens,

I support the Finger Lakes LPG Storage Project because it will make our propane infrastructure more resilient against extreme weather and save consumers nearly 100 million dollars in additional energy costs.

This winter alone, increased demand and record-low temperatures have caused propane prices to rise over 43% for New York residents and businesses, costing $411 more per household and creating a nearly $100 million negative economic impact statewide. Without action, consumers like me will face winter after winter of supply constraints and price volatility. It’s dangerous to public health and our economy.

The Finger Lakes propane storage facility is a safe and proven shovel-ready solution. I urge you to approve it now and save New York from these unnecessary energy costs.

Sincerely,

Donald Mugglin
5958 Holtmart rd
Willet, NY 13863
September 2, 2014

The Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

Dear Governor Cuomo:

Levene Gouldin & Thompson, LLP has been providing quality legal services to clients in the Southern Tier and Finger Lakes region for more than 80 years. Our firm has 90+ employees and six offices in the Southern Tier, including six offices in Broome, Delaware, Tioga and Tompkins Counties. As a partner of Levene Gouldin & Thompson, LLP, I am writing on behalf of our firm to express our support for the proposed Finger Lakes LPG storage project.

Given the scope of our legal practice and client base, we recognize that energy projects and policies in New York can be contentious and controversial. Unfortunately, opponents to local energy projects are finding increased success in using emotional and political arguments to delay (and worse, kill) projects that otherwise are environmentally sound and which would benefit communities, consumers and taxpayers. It appears the proposed Finger Lakes LPG storage project is falling victim to this strategy.

We urge you to support permitting this important infrastructure project. The facts are:

- LPG has been stored and transported safely in the Finger Lakes for decades;
- LPG storage and transportation activities are highly regulated, and when combined with technological advancements associated with these activities, these activities are performed more safely than ever;
- Southern Tier communities must grow their tax base if businesses and residents are to avoid ever higher tax burdens;

Main Office: 450 Plaza Drive • Vestal, NY 13850 • Phone: 607.763.9200
Mailbox Address: R.O. Box F-1706 • Binghamton, NY 13902-0106 • Fax: 607.763.9211

Attorneys Admitted In: New York • Pennsylvania • New Jersey • Florida
September 2, 2014.

- our local communities cannot expect to attract new economic development in an environment of political and regulatory uncertainty, and a five-year permitting process for something as basic as propane storage demonstrates this level of uncertainty; and

- propane is a clean-burning "green" fuel, and propane remains the primary home heating fuel in multiple counties in the Finger Lakes region, including Schuyler County; and

- local propane storage helps to protect New Yorkers against price spikes and propane shortages during periods of extremely high demand, and the reasons for developing a strategic gasoline reserve support the development of additional local propane storage.

We encourage you to disregard the unsubstantiated claims being made by project opponents, and we urge you to move quickly to approve the Finger Lakes LPG storage project and help the business community create the jobs needed to grow our local economies.

Very truly yours,

LEVENE, GOULDIN & THOMPSON, LLP

By: Michael R. Wright
September 8, 2014

The Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

Dear Gov. Cuomo:

I am a family farmer in Candor, New York, and I writing to express my support for the proposed Finger Lakes LPG storage project. As a local business owner, I know that construction projects like the Finger Lakes storage facility are crucial to positioning our communities for success over the long run. An example of this success is located in Tioga County. A natural gas storage facility constructed by the owner of the proposed LPG storage project (Crestwood Midstream) has resulted in it being the highest single county tax payer, which has helped reduce the burden on property owners while providing revenue for our schools and municipalities.

As someone who also believes deeply in civil service, I have held various roles with Tioga County over the years. For example, I worked for the Tioga County IDA when Crestwood constructed the Stagecoach gas storage facility in Owego, and I was a member of the Steering Committee that partnered with Cornell a few years ago to assess, prepare for and manage the public sector impacts of natural gas development in Tioga County. I know all too well that energy projects can be divisive, but I also know that our communities are more supportive and better prepared than some critics would have you believe, and that these projects provide significant economic and other benefits to our communities.

I strongly urge you to provide the leadership necessary to show the public that New York is a good place to invest capital. Gas has been stored in Upstate New York for decades, so we know this type of activity can be done safely and without negatively impacting other growing areas of our economy.

Sincerely,

Ron Dougherty
Ron Dougherty Farms

cc: Commissioner Joe Martens, DEC
September 10, 2014

Commissioner Joseph Martens
New York State DEC
625 Broadway
Albany, NY 12233-1011

Dear Commissioner Martens,

Last summer, Crestwood’s VP suggested a boycott of local businesses and the withholding of propane deliveries to those opposed to gas storage on Seneca.

This summer, they are trying to coerce employees into getting petition signatures to create the impression that the community favors their LPG and natural gas storage projects. The employees feel obligated to get signatures for fear of losing their jobs or being consequenced in some way. In fact, the employee who shared the attached documents is someone who spoke out against gas storage, after which Crestwood switched him to night shift. I do not think the residents of Schuyler County should be bullied by Crestwood or any other corporation.

The literature sent with the petition (literature and petition are attached) gives the impression that the local propane shortage last winter demonstrates the need for the LPG storage project, whereas it is well known that the propane was diverted elsewhere, artificially creating a “shortage” with resulting higher prices.

In Tioga County where I live, Crestwood owns Stagecoach storage field, a compressor station and miles of pipeline. When citizens of Owego, the county seat, attempt to learn more about this infrastructure, inspections, emissions, or safety, Crestwood is quiet and unresponsive to our calls and requests. Our town board simply collects the PILOT money and does not inform or protect its residents.

I ask that you put an end to this corporate domination of our lovely Southern Tier. We need to focus on conserving energy, promoting renewable energy, and maintaining and building our reputation as a tourist area, showcasing our locally grown foods and wines.

Please do not permit Crestwood’s LPG storage, natural gas expansion, and related infrastructure at Seneca Lake.

Sincerely,

Gerri Wiley, RN
Member of Revitalize Tioga
19 Lake Street
Owego, NY 13827
gerriwiley@yahoo.com
607-342-3159
Dear Governor Cuomo:

A majority of Schuyler County lodging facilities (listed below), strongly oppose the plan of Crestwood Energy Partners to store LPG (or other variants of natural gas) in abandoned salt mines on the shores of Seneca Lake in Schuyler County, Reading, New York.

Tourism has been the economic engine of this region and is poised, with your help, to expand.

Winemakers from California and Germany have recently invested in wine growing in the Watkins Glen area and believe that their presence here will “ignite a wave of interest and investment from around the world”.

Paul Hobbs, Sonoma County, California, March, 2014 (letter to the Governor)

As innkeepers, we interact extensively with tourists on a daily basis and we can attest to the features of our area that attract people here to support our economy.

Our guest feedback is consistent and documented in guest reviews: The wineries, the rural character, the peace and quiet and the natural beauty are the qualities the tourists cherish.

As innkeepers, our experience enables us to predict that the industrialization of this area will degrade tourist interest and, in tum, our businesses and the local economy.

Natural gas compressor stations, open brine pits, loud train depots, flare stacks and local roads clogged with heavy truck traffic will certainly turn away potential tourists!

As innkeepers, we are aware of multiple threats to our area from the proposed gas storage buildup. For example, we know that similar storage facilities have seen catastrophic accidents such as storage cavern collapses and explosions.

In one instance, in January 2001, Hutchinson, KS had explosions from a ruptured cavern that were quite devastating and resulted in several deaths. The KS caverns are geologically similar to the Watkins Glen caverns.

HC Clark, PhD in Geophysics per decbureau.org (a natural resources news source)

As innkeepers, we predict two possible outcomes of approving the Crestwood project, both resulting in a loss of jobs and tax revenue to the state and local governments.

1. We will see the local tourism economy degrade slowly as heavy industrial activity undermines our region’s tourism.

2. If there is a train accident, an explosion, or a spill resulting in water pollution, we will see our local tourism die quickly. Crestwood already has a history of water quality violations (at least one example cited on EPA.gov dated 9/29/10 as Inergy Midstream).

As innkeepers, we urge you to support the growing, thriving agri-tourism surrounding Seneca Lake and deny permits to Crestwood and its subsidiaries related to the proposed gas storage project. The resulting number of new jobs and the increase in tax revenue (from the expansion of the wine growing industry and subsequent increase in tourism) would be a win/win.

Respectfully,

The Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

September 15, 2014

Dear Governor Cuomo:

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Respectfully,

1892 Seneca Inn Bed and Breakfast Watkins Glen, NY
Admiral Peabody’s Lakeside Lodging Watkins Glen, NY
Arms at the Glen Watkins Glen, NY
Bout Time Bed and Breakfast Watkins Glen, NY
Budget Inn Watkins Glen, NY
Burdette Bed and Breakfast (Future) Burdett, NY
Catharine Cottages Montour Falls, NY
Cherry Orchard Bed and Breakfast Rock Stream, NY
Clarke’s Cottage on Hidden Pond Trumansburg, NY
Cook Mansion Montour Falls, NY
Cottagette Hector, NY
Echoes of the Glen Watkins Glen, NY
Endless Acres (Future) Watkins Glen, NY
Falls Motel Montour Falls, NY

Respectfully,

1892 Seneca Inn Bed and Breakfast Watkins Glen, NY
Admiral Peabody’s Lakeside Lodging Watkins Glen, NY
Arms at the Glen Watkins Glen, NY
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Clarke’s Cottage on Hidden Pond Trumansburg, NY
Cook Mansion Montour Falls, NY
Cottagette Hector, NY
Echoes of the Glen Watkins Glen, NY
Endless Acres (Future) Watkins Glen, NY
Falls Motel Montour Falls, NY
Finger Lakes Waterfall Resort
Fountainbleau Inn
Ginger Cat
Glen Guest House
Golden Knight Inn
Herb Cottage
Hunters View
Idlwilde Inn Bed and Breakfast
Magnolia Place
Manor Bed and Breakfast at Castle Grisch
Marmelade Cat
Pompous Ass Vacation Rentals
Red House Country Inn
Relax Inn
Rustic Log Cabins
San Felice on Seneca
Seneca Clipper
Skyland Guest House
Springs Retreat
Sunset on Seneca
Tudor Rose Bed and Breakfast
Villager Motel

Burdett, NY
Alpine, NY
Reading, NY
Watkins Glen, NY
Rock Stream, NY
Montour Falls, NY
Bradford, NY
Watkins Glen, NY
Hector, NY
Watkins Glen, NY
Watkins Glen, NY
Rock Stream, NY
Finger Lakes Nat'l Forest
Watkins Glen, NY
Hector, NY
Valois, NY
Watkins Glen, NY
Burdett, NY
Montour Falls, NY
Burdett, NY
Watkins Glen, NY
Watkins Glen, NY

cc: DEC Commissioner Joseph Martens
FERC Secretary - Kimberly D Bose
Schuyler County Legislature
Phil Palmesano, NY Assembly
Tom O'Mara, NY Senate
Kirsten Gillibrand, US Senate
Chuck Schumer- US Senate
Tom Reed- US House of Representatives
The Honorable Andrew M. Cuomo  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224  

Dear Gov. Cuomo:  

We are writing to express our support for the proposed Finger Lakes propane storage project and offer our assistance in moving the project forward. The proposed storage facility is one mechanism that would relieve regionalized distribution constraints and help prevent a future propane shortage thereby protecting our constituents from the associated consequences.  

The extreme winter weather experienced throughout the Midwest and Northeast wreaked havoc in our respective districts. Some of our constituents were displaced from their homes as heating supplies ran out and temperatures plummeted well below zero. Livestock producers were unable to provide adequate heat for animal inventory putting significant investments at risk. Local retailers struggled to stay in business as supplies decreased and prices skyrocketed. You no doubt dealt with similar hardships first hand.  

In response to the shortage, a number of congressional and state and federal agency actions were taken to relieve impacted communities. These actions resulted in certain regulatory waivers that allowed propane transporters flexibility to speed-up delivery to the most impacted regions and a reprioritization of pipeline shipments.  

While we have certainly worked through the height of the propane shortage and resulting crisis, both the U.S. House and U.S. Senate have continued to assess the causes for the shortage and considered proactive steps we can take today to prevent future shortages. One such step would include building up regional storage, such as the Finger Lakes propane storage project. While the proposed storage facility would primarily serve the Northeast region, it would have residual benefits on neighboring regions, including areas where our constituents reside.  

We understand and respect the role of New York in deciding whether this project ultimately goes forward. We simply write to express our support for the project and offer any assistance you may need.  

Sincerely,  

[Signatures]  

Reid C. Labs  
Member of Congress  

Timothy J. Walz  
Member of Congress
Thomas E. Petri
Member of Congress

Gwen Moore
Member of Congress

Erik Paulsen
Member of Congress

Tim Walberg
Member of Congress

Steve Chabot
Member of Congress

Reid J. Ribble
Member of Congress

F. James Sensenbrenner, Jr.
Member of Congress
5370 East Lake Road
Romulus, New York 14541

September 19, 2014

Dear Mr. Scott Sheeley NYSDEC,

Crestwood Midstream’s plans to store methane and LPG gasses in the salt caverns under and near Seneca Lake are too dangerous.

There has already been a 400,000-ton roof collapse in those caverns. Leaking gasses in Hutchinson, Kansas and a roof collapse in Livingston County, New York have caused explosions or permanently poisoned drinking water.

The roadways along the length of Seneca Lake cannot safely support the hundreds of tank trucks needed to deliver liquefied gases. The many huge garbage trucks that travel along the New York State Thruway and onto local roads on the north side of Seneca Lake and through Geneva to the Ontario County Landfill on Route 5 and 20 already burden our roadways. We also have Seneca Meadows Landfill in Seneca Falls, NY with similar heavy traffic.

Our lakeside rail system cannot remain safe with tankers filled with explosive liquefied gasses traveling on them. The train tracks run lakeside along the length of Seneca Lake where hundreds of lake homes and businesses are nearby. Some homes are very close to those tracks, indeed. Transporting such hazardous materials through tight residential areas is not acceptable.

Please make the cease and desist order by the New York State Department of Conservation (DEC) permanent. We cannot have the storage of BOTH methane and LPG gasses in our region. Help us maintain and enhance the safety of our environment.

Thank you.

Patricia Thomas

jgthomas8@yahoo.com

1.585.233.1604
September 22, 2014

VIA FEDERAL EXPRESS

The Honorable Andrew M. Cuomo
Governor, State of New York
State Capitol
Albany, New York 12224

Dear Governor Cuomo:

Our company is a large energy company providing propane processing, storage and transportation in the United States. We have been a supplier of propane to New York for many years, and store LPG underground in the Finger Lakes area. As a member of the propane industry, we urge you to permit Crestwood's proposed Finger Lakes LPG storage project in Schuyler County, New York, even as it would likely be a competitive threat to our New York interests.

As you may know, hundreds of thousands of New York households use propane to heat their homes. To support this use, propane companies need adequate supplies of propane in storage facilities located reasonably close to these consumers in order to facilitate high demand periods such as the winter experienced last year, as well as providing propane consumers and retailers the opportunity to secure and store summer supplies of propane.

The energy market is currently undergoing unprecedented change. Increased production of "wet" gas in domestic shale plays has required significant changes in the way companies have traditionally moved propane to market. Despite an increase of local supplies, local and regional storage facilities continue to play an important role in helping balance supply and demand during winter months and ensuring that consumers can obtain sufficient propane supplies. In particular, as was witnessed last winter, a lack of local propane supply in New York and its neighboring states can result in consumers paying higher prices for propane supplies during the peak winter months.

Propane companies have a proven track record of being able to store and transport LPG safely in New York. Our company has safely stored LPG underground in Schuyler County, including storing propane in salt caverns. We operate a LPG storage and loading terminal in Watkins Glen and in Harford Mills. Strict regulatory oversight, together with advances in technology, make underground storage of propane a safe and economic way to help balance supply and demand.
We appreciate that the Finger Lakes LPG storage project has received its fair share of publicity and remains under attack by a small number of vocal opponents. However, (i) propane can be stored safely in underground facilities, (ii) New Yorkers and its neighbors would benefit from this additional storage capacity, and (iii) if done correctly, Crestwood's ability to provide local propane services with this project will not deter the growth of other industry locally. We therefore support the approval Finger Lakes LPG storage facility.

Sincerely,

Enterprise TE Products Pipeline Company LLC

Michael C. Smith
Group Senior Vice President

cc: Commissioner Joseph Martens (New York Department of Environmental Conservation)
October 6, 2014

The Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

Dear Governor Cuomo,

In June of 2014, the United Steelworkers - District 4 was contacted by Crestwood Energy Partners LP, a developer of underground natural gas storage facilities in New York. Crestwood was looking for support in regards to a gas storage project called Finger Lakes LPG Storage, a facility for the storage of propane and butane gas.

Before the USW agreed to support this project, we made it clear that the company had to prove to our satisfaction; that this was not only safe for the workers, the community, but also safe for the environment. The company provided the USW with an unprecedented level of access to all documents requested and answered all questions completely.

After a thorough review by our Health and Safety Department, the decision was made to support this project. We are continuing communications with the company to address any issues which may arise and to share progress in our efforts to move this project forward.

District 4 of the USW encompasses nine (9) States, from Delaware, New Jersey, New York, all of New England, and Puerto Rico. The issue of natural gas availability is of great importance to us. District 4 had members laid off by companies which could not obtain sufficient fuel supplies to sustain operations in the winter in 2013 (a Paper Mill in Berlin New Hampshire, and another Paper Mill in Madawaska Maine).

The USW has a long and proud history of involvement with the environmental movement. We are founding members of several organizations which work toward greater sustainability through the use and development of renewable technologies. In 2004, the USW became a founding member of the National Apollo Alliance. In 2005, we helped form the NYS Apollo Alliance. In 2006, we founded the Western New York Apollo Alliance and also the National Blue-Green Alliance.

With our strong commitment to the environment, the United Steelworkers support Crestwood’s efforts to obtain the storage permit for a variety of reasons. The request for a
permit from the Department of Environmental Conservation (DEC) for the Finger Lakes, was filed almost five years ago. This seems to be an unusually long permitting process and does not reflect the State’s continuing efforts to sustain and create jobs along with its efforts to provide options to communities and fuel customers.

The proposed project would create at least 50 temporary construction jobs and an additional 8-10 permanent jobs. These permanent jobs would join with the other manufacturing jobs in the area as the highest paid private employees in Schuyler County. The relative number of jobs may seem small, until you compare the wages to other industries in the area.

Because of the seasonal nature of the Food Service and Hospitality industries, the unemployment rate and costs need to be factored in:

<table>
<thead>
<tr>
<th>Industry Title</th>
<th>Year</th>
<th>Qtr</th>
<th>Reporting Units</th>
<th>Avg Employment</th>
<th>Total Wages</th>
<th>Avg Wages</th>
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</thead>
<tbody>
<tr>
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<td>$160,654,552</td>
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<td>Manufacturing</td>
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<td>Annual</td>
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<td>527</td>
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<td>$48,443</td>
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<tr>
<td>Leisure and Hospitality</td>
<td>2013(P)</td>
<td>Annual</td>
<td>73</td>
<td>787</td>
<td>$14,341,174</td>
<td>$18,223</td>
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<tr>
<td>Arts, Entertainment, and Recreation</td>
<td>2013(P)</td>
<td>Annual</td>
<td>11</td>
<td>125</td>
<td>$3,394,503</td>
<td>$27,156</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>2013(P)</td>
<td>Annual</td>
<td>62</td>
<td>662</td>
<td>$10,946,671</td>
<td>$16,536</td>
</tr>
</tbody>
</table>

*data from the NYS DOL

This project would provide opportunities for our members and others in the community, based on an increased tax base estimated to be an additional $20 million dollars, to promote sustainability and provide for economic expansion for other business in Schuyler County.

The USW also supports this effort because the proposed storage project helps to sustain significant ongoing capital investment at US Salt facility currently at $163 million dollars.

This project officially remains “under review,” even though DEC Senior Executives confirmed to the State Senate Energy Committee Chair and the Schuyler County Legislative Chairman that the DEC staff completed their review and recommended project approval more than a year ago. This was after a complete review and dismissal of all the objections raised by Gas Free Seneca.

The increased tax base, increased jobs, and increased local storage capacity which may lower energy costs for local residents and businesses (on average $410 last winter) are a few of the reasons the USW supports this effort. NY had additional cost of $100 million dollars in gas transportation cost alone in 2013.

The USW also supports this project because we recognize the importance of increased gas storage capacity, not only for New York, but for the entire North East. The need for increased
storage capacity was recognized by the Federal government in 2005 when they provided the initial $500,000 for this project. The problems of gas shortages which occurred not just in New York, but also across the entire North East negatively impacting businesses and home owners in obtaining sufficient fuel supplies.

The Finger Lakes Storage project is also in line with the draft 2014 New York State Energy Plan of creating a “clean energy economy”. In the Road Map to Success, several initiatives stand out as applying directly to this effort:

**Initiative 06**
Update and modernize electricity and gas delivery systems to replace aging infrastructure and ensure service quality and reliability with a more integrated and distributed energy network.

**Initiative 08**
Accelerate securing of critical infrastructure to ensure the safety, security, and reliability of an increasingly complex and interconnected energy system, including transportation, liquid fuels, electricity, and natural gas infrastructure.

**Initiative 09**
Reduce reliance on petroleum products for heating buildings by supporting the use of clean alternatives to heating oil and expanding access to natural gas in the near term while pursuing strategies to reduce natural gas leakage.

While New York is moving toward the increased use of renewables, the State is also looking for options to move from dirty fossil fuels. Granted, propane and butane gas is still a fossil fuel, but it is the cleanest and most efficient and is the best option as a transition fuel.

“This Draft Plan envisions a flexible and clean energy system that empowers residential customers, businesses, and communities to receive the reliability and affordability they value.”

To achieve this, it focuses on the following five areas:

1. Improving energy affordability
2. Unleashing the power of private sector energy financing
3. Providing a more resilient, flexible and clean power grid
4. Giving customers more control over their energy use
5. Aligning energy innovation with market demand

The United Steelworkers whole heartedly support the vision and goals laid out by the State Energy Plan. We feel the proposed project, Finger Lakes LPG Storage, meets or exceed the goals as envisioned in the State’s Plan. The facility, once in operation, will prove to be an invaluable source of cleaner energy for the residents of New York State.
The United Steelworkers, for all the reason enumerated above, ask the Governor to consider supporting this project for the hard working men and women of New York State.

In regards,

John E. Shinn, Director
United Steelworkers District 4
October 9, 2014

The Honorable Andrew M. Cuomo  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224

Dear Governor Cuomo:

I am the Vice President of Postler & Jaeckle Corp. headquartered in Rochester, New York, and I am writing in support of proposed Finger Lakes LPG storage project.

Projects like the proposed LPG storage terminal are critical to helping our communities over the long run. This project adds significant tax base to help fund our schools and public services, which reduces the need for more tax hikes on businesses and residents. It will help protect families against price spikes, and help ensure that propane supplies are available for New York consumers during the winter. The project creates temporary and permanent jobs, both of which support our local economies as those workers spending money locally. Additional storage supplies provide greater opportunities for our communities to promote cleaner-burning fuels like propane.

Our communities work hard to attract and retain all types of businesses. Propane has been stored safely in the Finger Lakes for decades, so there’s no reason to believe the proposed LPG project will hurt other growing areas of our local economies. I urge you to permit the Finger Lakes LPG storage project.

Sincerely,

Erich K. Postler, Jr.  
Postler & Jaeckle Corp.
Dear Governor Cuomo and Commissioner Martens

I am a resident of New York State and I support the Finger Lakes LPG Storage Project.

Propane is one of the main heating fuels in my county. Over 24% of Schuyler County households utilize propane for heat. Due to shortages, we had price spikes last winter, approximately $410.00 per household, resulting in $100 million additional cost for homeowners and businesses across NY State.

New York does not have enough propane storage capacity to prevent future supply shortages and price spikes. Additionally, the added tax revenue, an estimated $20 million, will benefit our local businesses, residents, schools, and other critical projects.

I urge you to demonstrate your leadership and commitment to the Upstate region by approving the Finger Lakes LPG storage project. Our local Schuyler County leaders have already shown their support, I hope you will not delay in joining them.

Sincerely,

The residents of Schuyler County signing their names below

<table>
<thead>
<tr>
<th>Signature</th>
<th>Printed Name</th>
<th>Town / Village</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>L. A.</td>
<td>Ernest H. Hartman</td>
<td>Clifton</td>
<td>10-13-14</td>
</tr>
<tr>
<td></td>
<td>Robert J. Hadley</td>
<td>Honeoyts</td>
<td>10-13-14</td>
</tr>
<tr>
<td></td>
<td>Pamela Deligie</td>
<td>Southport</td>
<td>10-13-14</td>
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<tr>
<td></td>
<td>Kristine W. Van Fleet</td>
<td>Woodville</td>
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<td></td>
<td>David C. Patel</td>
<td>East City</td>
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<td>Steven Spitzian</td>
<td>Victor</td>
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<td>Glenn Decker</td>
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<tr>
<td></td>
<td>Steven Achterberg</td>
<td>Corning</td>
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</tr>
</thead>
<tbody>
<tr>
<td>Nick Ahrens</td>
<td>Nick Ahrens</td>
<td>Elmira</td>
<td>10/13/14</td>
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<td>Steve Josteki</td>
<td>Steve Josteki</td>
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<td>10/13/14</td>
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<td>Keanan Eagen</td>
<td>Keanan Eagen</td>
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<td>10/15/14</td>
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<tr>
<td>Frank Minut</td>
<td>Frank Minut</td>
<td>NISKAYUNA, NY</td>
<td>10/15/14</td>
</tr>
<tr>
<td>David J. Blauvelt</td>
<td>David J. Blauvelt</td>
<td>ERIN, NY</td>
<td>10/15/14</td>
</tr>
</tbody>
</table>

[Petition in Support of Finger Lakes LPG Storage Project]
Dear Governor Cuomo:

I am writing you to elicit your support for the advancement of the Finger Lakes LPG Storage facility in Schuyler County, New York that is being proposed by Crestwood Midstream Partners, L.P. ("Crestwood"). Suburban Propane, L.P. is a nationwide marketer and distributor of liquefied petroleum gas ("LPG" or "propane"), serving the needs of more than 1.0 million residential, commercial, industrial and agricultural customers in 41 states. In the state of New York, we currently serve more than 123,000 customers from 21 locations. We also distribute propane to more than 393,000 customers in the neighboring states that rely upon New York for supply reliability. As a major propane distributor and employer in the state and region, we urge you to permit Crestwood’s proposed Finger Lakes LPG Storage Facility.

The pipeline infrastructure for the transport of LPG is somewhat limited, particularly in the northeast region. Hundreds of thousands of New Yorkers, most of whom are located in rural parts of upstate New York, heat their homes with propane. New York farmers also consume significant amounts of propane for crop drying and other agricultural purposes. Propane is delivered to end users by truck, so we must store adequate supplies of propane reasonably close to our customers in order to provide cost-effective and reliable service.

Propane demand in New York outstrips local supplies, and because propane is not produced locally, New Yorkers are dependent on propane shipments from outside the state. TEPPCO historically supplied a substantial part of New York’s propane needs from the Gulf Coast, but its recent reversal of part of its pipeline has reduced TEPPCO’s capacity to deliver propane to New York. At the same time, producers are exporting more propane due to higher prices abroad, which reduces New Yorkers’ ability to rely on imports to help make up the propane shortfall.

As a result of these changing market dynamics, propane dealers and consumers during the winter often pay higher costs to obtain supply from farther away sources when the amount of propane stored locally is not sufficient to serve customer demand. This past winter alone, the New York Propane Gas Association estimates that New York residential consumers paid $100+ million (or more than $410 per household) of higher transportation costs to obtain propane, and that these costs could have been avoided had the Finger Lakes LPG Storage facility been operational. The supply disruption that we experienced last winter was another unfortunate reminder that New York’s existing delivery...
infrastructure is subject to severe constraints during the winter, and this disruption will almost certainly occur again until more local storage capacity is installed.

Beyond consumer benefits, the proposed Finger Lakes LPG Storage project will provide significant economic benefits to many communities in which our employees and customers live. With more than 561 employees located in New York, we appreciate how infrastructure projects that increase the local tax base can defray the need for communities to ask residents and businesses to pay more taxes.

The New York State Propane Gas Association for years has touted the benefits of the Finger Lakes LPG Storage project, namely providing much-needed supply reliability and helping to alleviate potential price volatility for the consumer. We understand all too well that opponents of the project will assail the safety risks of constructing an LPG storage facility that can move propane by truck and rail, but as an experienced propane distributor, we cannot stress enough that our industry’s track record in New York proves that propane can be stored and transported safely. Propane has been stored in underground salt caverns in the Finger Lakes and trucked to customers for decades in a safe manner, and we have long relied on rail and trucks to deliver propane into New York when stored volumes weren't enough to satisfy customer demand in the winter.

We urge you to support the Finger Lakes LPG Storage project.

Sincerely,

SUBURBAN PROPANE, L.P.

[Signature]

Michael A. Stivala
President & Chief Executive Officer
October 16, 2014

Governor Andrew Cuomo
New York State Capitol Building
Albany, New York 12224

Dear Governor Cuomo:

Southern Tier Economic Growth, Inc. (STEG) is the lead economic development organization serving Chemung County, New York (Elmira MSA). STEG's Board of Directors and membership consists of business, industrial, education, government and community leaders from throughout Chemung County and the central Southern Tier of New York. STEG supports the Finger Lakes LPG Storage project owned by Crestwood Midstream, and recognizes it as a critically important economic development project in Upstate New York.

The storage and distribution of propane has been safely done in the Finger Lakes for decades, yet STEG does not pretend to be knowledgeable of the environmental practices under a review. Assuming the Finger Lakes Storage project will be done in an environmentally safe manner, the project will provide a broad array of positive economic impacts in Upstate New York. The Southern Tier of New York has not experienced the economic recovery from the natural recession enjoyed in the Capital Region and New York City. If anything, the Southern Tier economy has worsened since the great recession "ended". The Finger Lakes Storage project will:

- Increase property tax revenues
- Create new jobs
- Make propane, used throughout rural Upstate New York available at more affordable and stable prices
- Provide a cleaner-burning fuel than heating oil or wood products, or for that matter, electricity generated by coal.

STEG eagerly encourages the granting of a permit for the Finger Lakes Storage project.

Respectfully,

George E. Miner
President
Penn Yan, N.Y. October 14, 2014

I hereby certify, that I have compared the preceding with the original thereof, on file in the office of the Clerk of the County Legislature at Penn Yan, New York, and that the same is a correct transcript therefrom and of the whole of said original; and that said original was duly adopted at a meeting of the County Legislature of Yates County held at Penn Yan, New York on the 14th day of October, 2014.

RESOLUTION NO. 332-14
YATES COUNTY CONCERNS OVER PROPOSED LPG STORAGE PROJECT IN THE SENeca LAKE WATERSHED

WHEREAS, Yates County contains 24 miles of lake shoreline on Seneca Lake; and

WHEREAS, the Yates County Legislature recognizes the importance of Seneca Lake to the State and to the local community as a drinking water source, for recreation, as a natural habitat, and in supporting the thriving tourism economy of the Finger Lakes Region; and

WHEREAS, Crestwood has proposed a large scale liquefied petroleum gas (LPG) storage facility adjacent to and beneath Seneca Lake; and

WHEREAS, said project would involve storage of LPG in caverns created by the solution mining of salt deposits below and adjacent to Seneca Lake, and movement and surface storage of salt water displaced from said caverns as LPG is pumped into and out of said caverns; and

WHEREAS, the Yates County Legislature is deeply concerned with the potential for dramatic and catastrophic environmental impacts from this project due to:

1. The uncertain geologic stability of the subterranean caverns, and the risk that such caverns could be compromised by even low level earthquakes that are common in this region of New York State.
2. The threat of discharge of large amounts of salt water from surface storage facilities into Seneca Lake or its tributaries.
3. The threat of discharge of large amounts of salt water as it is being moved between subterranean caverns and surface storage facilities during the course of operations.
4. The threat of LPG seepage from said subterranean caverns; and

RESOLVED, that the Yates County Legislature joins Senator Michael Nozzolio in respectfully requesting that the New York State Department of Environmental Conservation withhold approval of any plan for mass storage of LPG adjacent to or under Seneca Lake and exercise its power in assisting in determining a more appropriate location for any such storage site; and further

RESOLVED, that certified copies of this resolution be sent to Senator Michael Nozzolio, Assembly Minority Leader Brian Kolb, the Commissioner of the New York State Department of Environmental Conservation, the Permit Administrator for Region 8 of the New York State Department of Environmental Conservation; Seneca County Board of Supervisors, Schuyler County Legislature, Ontario County Legislature, Senator Charles Schumer, Senator Kirsten Gillibrand, Assemblyman Philip Palmesano, Senator Thomas O'Mara, Congressman Thomas Reed, and Governor Andrew Cuomo.

Clerk of the Yates County Legislature
October 21, 2014

Commissioner Joseph Martens  
New York State Department of Environment Conservation  
625 Broadway  
Albany, NY 12233-1011

Dear Commissioner Martens,

I am writing you about the concern of a resident of my district. Mr. John C. Granwehr is concerned about the proposed Inergy gas storage proposal at Seneca Lake. I understand this proposal is under review by the DEC.

Attached is an email from Mr. Granwehr for you to review. I would ask that you follow up with him to address his concerns about the proposal. I know Mr. Granwehr is not a resident of the Seneca Lake area but his concerns are still valid.

I thank you for addressing this concern and look forward to from hearing you.

Sincerely,

Peter D. Lopez  
102nd Assembly District
October 21, 2014

Joe Martens, Commissioner
NYSDEC
625 Broadway
Albany, New York 12233-0001

Dear Commissioner Martens:

I am writing about the FOIL request made to DEC by Dr. Rob Mackenzie and the related pending permit for the Crestwood LPG storage facility near Seneca Lake. I wrote previously about the new risk analysis done by Dr. Mackenzie and asked for a hold on a permit pending further study of this matter.

I am now advised by Dr. Mackenzie, who tells me that a Crestwood employee showed him an east-west vertical transect map which was submitted to DEC as part of Crestwood’s application, that that material could raise very serious concerns about the proposed storage cavern and about the application to DEC by Crestwood. He, and now I also, have questions about the integrity of the salt caverns that would be used for LPG storage, and specifically whether items, such as an east-west vertical transect map or other pictures or studies, indicate serious problems with cavern integrity, salt brine seepage, or other public safety risks. Dr. Mackenzie made a FOIL request on October 8, 2014 in regard to that information and received acknowledgement of that request from Ruth Earl, your Records Access Officer on October 16th. She said that he could expect a reply by November 14, 2014.

Because of the nature of this FOIL request for possibly very critical information, I respectfully, but strongly, urge that DEC not issue any permits for this facility until Dr. Mackenzie has received any and all pertinent maps, pictures, drawings or other descriptive material about the salt caverns, their shape and integrity, any health and safety risks of this project, and DEC’s analysis of these issues — and, very importantly, has had a reasonable amount of time to study that information, share with other interested people in this region, and relay any concerns about that information to the DEC and elected officials. I am extremely concerned that Dr. Mackenzie — and the larger public that has great concern about the risks of such a facility — might not have time to do an adequate review of these materials if DEC moves to issue a permit before such records are available to the public.

I write to seek assurance from you that the many interested citizens of this region will see all the requested material as soon as feasible and fully in keeping with case law on public disclosure which sets a very high bar for “non-disclosure of ‘trade secrets,’” whereby it must be proven that substantial harm to a company would result from disclosure. I also seek assurance from you that DEC will allow ample time for public review and response once they have that information.

Many thanks for your consideration of this request and thank you for your work and that of your dedicated staff on behalf of the public.

Sincerely,

Barbara Lifton
Member of Assembly
125th District
October 22, 2014

The Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

Dear Gov. Cuomo:

I am the Vice President General Manager of Hanson Aggregates New York, LLC headquartered in Jamesville, New York, and I writing to express my support for the proposed Finger Lakes LPG storage project. As a local business throughout New York State and member of the New York Construction Materials Association, and The New York State Association of General Contractors I know firsthand that construction projects like the Finger Lakes storage facility are crucial to positioning New York communities for success over the long run. The significant tax base provided by this infrastructure project will dramatically reduce the tax burden that local residents will otherwise bear, and will provide funding for our schools and public services. The project will also help to reduce price spikes and ensure product supply for local consumers, and provides an environmentally-sound way to further use our natural resources (salt deposits) for the benefit of local communities.

I strongly urge you to provide the leadership necessary to show the public that New York is a good place to invest capital. Propane and natural gas have been stored in Upstate New York for decades, so we know this type of activity can be done safely and without negatively impacting other growing areas of our economy.

Sincerely,

Daniel M. Meehan
VP/GM Hanson Aggregates New York, LLC

cc: Commissioner Joe Martins, DEC
October 22, 2014

The Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

Dear Governor Cuomo:

The Independent Oil and Gas Association of New York (IOGANY) is an oil and gas industry trade association comprised of approximately three hundred member companies and individuals. Formed in 1980, we are the oldest such independent trade group in the state and represent numerous oil and gas operators, storage companies, landowners, utilities, service companies, individual professionals, and others earning their living in New York’s oil and natural gas industry. I am writing to express our support for Crestwood’s proposed Finger Lakes LPG storage project.

Crestwood is not an IOGANY member company and yet we fully support the project for various reasons. Storage capacity is critical to continued abundant supply of propane gas for New Yorkers and this project will contribute to those much-needed reserves, especially during the winter heating season. This project will almost certainly contribute to the local and state tax base, aiding in school and community services. Also, this can absolutely be done safely, and in an environmentally sound manner, as has been proven at various locations around the state for decades.

In short, I urge you to approve the Finger Lakes LPG storage project to ensure a continued abundance of clean propane, protect the environment, and help the business community create the jobs needed to grow New York’s local economies.

Sincerely,

Bradley R. Gill
Executive Director, IOGANY
October 23, 2014

The Honorable Andrew M. Cuomo
Governor, State of New York
State Capitol
Albany, New York 12224

Dear Governor Cuomo:

I am the Superintendent of Building and Grounds of the Tioga Central School District, and our school district uses propane to fuel generators and other equipment. As someone familiar with increasingly tight education budgets and skyrocketing propane prices during the winter, I urge you to support the proposed LPG Storage Facility near the town of Reading, New York.

We cannot expect to attract businesses to New York when it takes more than five years to obtain a permit for something already being done (propane storage) safely in our communities, and this storage project would generate significant tax revenue to fund local schools and community services. It just makes sense to support something that protects consumers and promotes greener fuel options.

As a voter, I urge you to support the proposed LPG storage project.

Sincerely,

David Keene
October 23, 2014

BY FAX AND MAIL

Hon. Joseph Martens
Commissioner
New York State Department of Environmental Conservation
625 Broadway
Albany, NY 12233

RE: Arlington Storage Company, LLC

Dear Commissioner Martens:

It has come to my attention that certain information submitted to the Department of Environmental Conservation (DEC) as part of the permit request by Finger Lakes LPG Storage LLC (Finger Lakes) to store liquefied propane gas (LPG) in the town of Reading, New York may either be faulty or fail to disclose an accurate history of the integrity of the subject salt caverns.

I have also been advised that a FOIL request was submitted to DEC by Dr. Robert Mackenzie, dated October 8, 2014 (copy enclosed), requesting various materials submitted by Finger Lakes in relation to its permit request. I hereby join in Dr. Mackenzie's FOIL request and ask that DEC expedite its response due to the impending Issues Conference on the LPG permit request, which I'm told may be scheduled sometime in November.

It is imperative that accurate information regarding the stability of these caverns be fully disclosed to both DEC and the public prior to the Issues Conference. This is especially true in light of recent reports stating that the USGS water study commissioned by NYSERDA in 2011, which was "reviewed and edited" by DEC and NYSERDA staff, purposely "excised a reference to risks associated with gas pipelines and underground storage". This included language from an early draft of the USGS report which stated "that gas 'drilling, extraction, transport via pipelines, and underground storage' could inadvertently introduce methane into drinking water supplies". http://www.capitalnewyork.com/article/albany/2014/10/8553530/cuomo-administration-edited-and-delayed-key-fracking-study. Regardless of the type of material stored, be it LPG or CNG, the administration, legislature and citizens of this state must have access to accurate information setting forth the integrity of these salt caverns and the potential risks of leakage of either fuel source before any permits are issued by DEC or the Federal Energy Regulatory Commission (FERC).

I am also requesting that DEC withhold issuance of any permits relating to the Gallery Two Expansion Project (FERC Docket No. CP13-83-000) for compressed natural gas (CNG) storage in these same salt caverns on Seneca Lake until the information requested by Dr. Mackenzie is provided.
In addition, I ask that the Issues Conference not be scheduled until such documents are provided and sufficient time is given to Dr. Mackenzie and other interested parties to fully review this material.

Sincerely,

Tony Avella
State Senator
6252 Bower Road  
Trumansburg, NY 14886  
October 8, 2014

VIA E-MAIL: foil@gw.dec.state.ny.us  
Records Access Officer  
New York State Department of Environmental Conservation  
625 Broadway  
Albany, NY 12233-1500

Re: Freedom of Information Law Request for Records

Dear Records Access Officer:

Pursuant to the Freedom of Information Law ("FOIL"), N.Y. Pub. Off. L. Art. 6, I request the opportunity to review and copy New York State Department of Environmental Conservation ("DEC") records dated after January 1, 2012, related to an application made by Finger Lakes LPG Storage LLC ("the company") to the DEC for permission to store liquefied propane gas underground in the Town of Reading, New York. Because I have learned that the DEC's decision whether to permit additional underground storage of natural gas by a related company is imminent, I am requesting action on an expedited basis.

I am specifically interested in:

(1) materials submitted by the company related to the location, shape, and integrity of the salt caverns to be used for gas storage, and related to the geology and seismicity of the surrounding area, including any maps, diagrams, and pictures.

(2) materials submitted by the company related to the assessment of public safety, including any quantitative assessments of community and public health risks associated with the company's storage proposal.

(3) materials related to the DEC assessment of (1) and (2) above.

This request covers both paper and electronic records; I would appreciate receiving records in electronic format whenever possible. Because I am an individual with limited resources, and because I have no expectation of personal gain, I would respectfully request the waiver of any fees associated with this request. If fees cannot be waived, please let me know the amount, prior to making copies.

I have heard that other requests for this information may have been denied because some of the information is a trade secret, which if disclosed could cause substantial injury to the company's competitive position. However, according to the NYS Department of State's Committee on Open Government, case law has established that "if there has been a voluntary disclosure by the plaintiff...then any property right has evaporated."

In that connection please be advised that there has indeed been voluntary disclosure to the
public of much this information by employees of a subsidiary of Crestwood-Midstream Partners, LP, which is the parent company of Finger Lakes LPG Storage LLC.

Specifically, at a meeting with me in a public venue on August 17, 2014, Mr. David A. Crea, Process Engineer for U.S. Salt (a Crestwood subsidiary), voluntarily produced, displayed, and discussed with me a large Crestwood east-west vertical transect map through many of the caverns proposed for gas storage, and also showed me enlarged diagrams of individual caverns. At the conclusion of our meeting Mr. Crea indicated that the map he had shown was the same as that submitted to the DEC in connection with the company's permit application.

Subsequently, at a public meeting of the Government Operations Committee of the Yates County Legislature on October 6, 2014, Mr. Barry Moon, Manager of Finger Lakes LPG Storage described in detail aspects of the location, shape, and integrity of the salt caverns to be used for storage, and described in detail aspects of the company's analysis of the related public safety issues. At the same meeting, Mr. Crea displayed for the legislators the same transect map I had viewed on August 17th, and permitted it to be photographed.

Therefore, since there has been voluntary verbal and visual disclosure to the public of much of the information I am requesting from your agency, I would respectfully submit that any claim of property right to this information has now evaporated.

Thank you for your prompt response to my request. Please contact me with any questions at (607) 592-2508 or rmackenzie@zoom-dsl.com.

Sincerely,

D. Rob Mackenzie, MD FACHE

Cc: Michael Lausell, Schuyler County Legislator
    Barbara Lipton, NYS Assemblyperson
    Edward McTiernan, General Counsel, DEC
    Deborah Goldberg, Managing Attorney, EarthJustice
October 29, 2014

Commissioner Joseph Martens
NY State Department of Environmental Conservation
625 Broadway Albany, NY 12233-1010

Dear Commissioner:

Based in Owego, New York, we operate short line railways in northeastern Pennsylvania. We are writing in support of Crestwood's proposed LPG storage project in Schuyler County.

Our railway transports various products for our customers, including propane and other products classified as hazardous materials. Rail operations and the transportation of hazardous materials are heavily regulated. Propane has been imported into New York by rail for decades, so history demonstrates it can be done safely.

Economic development plays an invaluable role for Upstate communities. We support projects that generate tax revenue (helping to defray the need for tax hikes), broaden tax base, create jobs, lowers energy costs, and promote cleaner burning fuels.

Please approve the Finger Lakes LPG storage project.

Regards,

[Signature]

Steven May, President
Lehigh Railway, LLC
October 29, 2014

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NY State Department of
Environmental Conservation
625 Broadway Albany, NY 12233-1010

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Regards,

Steven May, President
Lehigh Railway, LLC
October 30, 2014

The Honorable Andrew M. Cuomo  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224

Dear Governor Cuomo:

Norfolk Southern is one the largest and most experienced common carrier railroads in the United States. Our companies have operated in New York since 1999 and more than 300 of our employees are based in New York. As an organization focused on the safety of our employees, communities and environment, we support the proposed Finger Lakes LPG storage project in Schuyler County, New York.

Opponents of the storage project claim that the transportation of liquefied petroleum gas (LPG) by rail presents unmanageable or extraordinary risks to local communities. We disagree. Our rail systems have transported freight, including hazardous materials like LPG, without incident throughout the Finger Lakes for decades. Our customers throughout upstate New York rely upon us to transport their fuels and products safely and reliably.

Exceptional Track Record

Class I railroads like us are required by federal law to offer to transport hazardous materials. Rail is an extremely safe way to transport hazardous materials; in fact, according to the Association of American Railroads, 99.9977% of all hazardous material rail shipments reach their destination without a release caused by a train accident. Our company transported 531,582 carloads of hazardous materials last year (compared to roughly 350,000 carloads five years ago), while experiencing only three accidental releases involving six tank cars and non-accident releases involving 63 railcars. None of these releases involved LPG or occurred within New York, and the amount released in each case was relatively small. Although we strive for incident-free operations, our performance record demonstrates that the transportation of hazardous materials by rail does not itself pose unacceptable risks to our communities.

According to the Federal Railroad Administration, 1,782 railcars carrying hazardous materials were transported in New York between January 1, 2004 and December 31, 2013, with only 7 hazardous material releases from 12 railcars. During the same period, only three reportable rail accidents or incidents occurred within Schuyler County (includes railcars carrying hazardous materials and non-regulated freight), none of which resulted in a fatality or a release of hazardous materials. Our local track record is particularly relevant considering (a) rail is the transportation lifeblood for many local, regional and national businesses located in New York, and (b) recent market changes are driving increased rail shipments of energy products in general and, in the case of the Northeast, greater volumes of propane are forecast to be transported to the Northeast to help satisfy winter demand.

We understand that opponents of the LPG storage project have expressed concern about the risks of a rail incident on the Watkins Glen Gorge Bridge, which spans a portion of the Watkins Glen State Park. Built in 1935, we have operated over the bridge without incident since 1999. Its 303 feet of track is inspected at least twice a week and its structure is inspected annually, and we adhere to stringent speed and weight restrictions while operating over it. We are confident in our ability to traverse the Watkins Glen Gorge Bridge without incident, as it is one of one more than 100 major railroad bridge structures that must be maintained and crossed to transport freight between Watkins Glen and Buffalo, New York. In fact, with more than 10,000 bridges across our system, we have experienced only three bridge failure incidences in the past decade.
Significant Regulatory Oversight

Our strong operating record should not come as a surprise considering that railroads and the transportation of hazardous materials are heavily regulated. The Surface Transportation Board has broad economic regulatory oversight of freight railroads, including service and construction requirements, and the Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) regulates the transportation of hazardous materials. PHMSA regulations are designed to achieve three goals: (i) ensure that hazardous materials are packaged and handled safely and securely during transportation; (ii) provide effective communication to transportation workers and emergency responders of the hazards of the materials being transported; and (iii) minimize the consequences of an incident should one occur. PHMSA pursues these goals by establishing rules for classification, packaging, hazard communication, incident reporting, handling and transportation of hazardous materials. In our case, PHMSA regulations require us to ensure our employees are appropriately trained to handle hazardous materials.

Moreover, the tank cars used to transport LPG are built to specifications and standards established by the U.S. Department of Transportation and/or Association of American Railroads. These enhanced specifications and standards address tank car design, type and thickness of material required to be used in construction, types of fittings, welding procedures, inspection, maintenance, repair, and quality assurance system requirements. For example, tank cars are equipped with safety devices and systems to protect the tank and fittings from damage during an accident or severe impact, such as pressure relief devices, tank head puncture-resistance systems, fire protection systems, service equipment (filling, discharge, venting, safety, heating, and measuring devices), and protection systems. It’s fair to say tank cars are safer than ever.

Emergency Preparedness

We have more than 300 employees who have been specially trained and certified through the Hazardous Waste Operations and Emergency Response program developed by OSHA. Each employee who directly affects hazardous materials, including train crews, receives annual training in awareness, safety and security. We also actively participate in the Transportation Community Awareness and Emergency Response program known as TRANSCAER, and last year our employees conducted through TRANSCAER 256 rail-accident response training classes in 110 locations in 17 states (including 12 training courses in New York with 226 attendees in the last two year).

More importantly, this additional storage capacity will help ensure more propane for New York State. As we all know, last year the Empire State experienced one of its harshest winters ever.

We take great pride in our safety and environmental compliance and emergency preparedness, and our operating performance shows that hazardous materials can be transported safely by rail through upstate New York communities. We urge you to create jobs, grow tax base and broaden local economies by supporting the Finger Lakes LPG storage project.

Sincerely,

Michael R. Fessen
Government Relations Manager
Dear Linda,

As you can see I'm copying Mr. Scott Sheeley, Regional Permit Administrator for DEC Region 8 as well as Basil Seggos, Deputy Secretary for the Environment to Governor Cuomo.

As you may already know, 10 people were arrested blocking 2 gates that lead into the brinefield at the Crestwood gas storage area last Friday, and 15 more were arrested this morning for taking the same action. They are protesting the FERC decision to permit the expansion of methane storage in 2 interconnected salt caverns known as the Gallery II Expansion Project. Coincidentally, 25 people were arrested this morning in Washington, DC blocking the FERC building.

http://ecowatch.com/2014/10/29/protesting-gas-storage-facility/

http://ecowatch.com/2014/11/03/15-arrested-protesting-crestwood/

The reason for my email is this: As I was driving down State Rt. 414 across the lake on the East side of Seneca on Thursday, I noticed some activity taking place across the lake on the US Salt/Crestwood property. I decided to go home and get my camera and see if I could get some pictures from this side of Seneca Lake. This activity turns out to be just down the hill from where 3 people blocked a small gate and were arrested a few hundred yards South of the main gate on Friday and where several more were arrested this morning.

What I have attached to this email are several photos that I took Thursday, Friday and again today, that show clearly the activity that is ongoing. In trying to determine where this activity is taking place, I found a google earth map that depicts some of the wells that exist there. It appears that the activity is either well 35 or 36, permitted by DEC as "stratigraphic/active" and the permits were issued to Crestwood Midstream.

The first picture labeled "Excavator and Truck" doesn't have a date stamp and was taken last Thursday, as was the photo labeled "Excavator". As you can see they were actively digging on the site.

In the next photos labeled "Pipe and Level Area" and "Site with Red Object" you can see where they have installed a large diameter pipe (larger than what they typically use for brine production) and a level area similar to what they construct in order to erect a drill rig. The next photo is of a rig drilling into Gallery II 2 years ago (apparently without proper authorization from FERC) so that you can see what I mean by preparing the site.

The last 2 photos were taken today and are easier to see because there was less haze this morning. They clearly show the site, and the red object that is similar to what they use when the drill rig is active. I assume it contains the large diesel compressor engine for the drilling rig that we clearly hear over on the East side during drilling activity.
The next attachment is the google map that was made for us before Crestwood took over from Inergy. As you can see, the site of the new work has to be either well 35 or 36.

My question is, does Crestwood have permission to be working on these wells and what exactly are they doing? Our concern is that they have shown in the past that they will do unauthorized work on these wells and we are concerned that they are preparing these caverns for a new expansion of natural gas storage. Wells 35 and 36 are only a few hundred yards from Gallery II and it would be a simple matter to run another short pipeline for another natural gas expansion project. If that is their plan then this is clearly segmentation, something we have raised in the past with DEC and again recently with FERC.

Thank you and I am anxiously awaiting your reply,

Joseph

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Joseph M Campbell, DC
President and Co-Founder
Gas Free Seneca
www.gasfreeseneca.com