

**STATE OF NEW YORK  
DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

**NOTICE OF DEADLINE FOR PETITIONS FOR PARTY STATUS  
AND ISSUES CONFERENCE**

**Applicant:** Finger Lakes LPG Storage, LLC  
Two Brush Creek Boulevard, Suite 200  
Kansas City, MO 64112

**DEC Project Application Number:** 8-4432-00085

**Project Description and Location:** Applicant Finger Lakes LPG Storage, LLC (applicant) proposes to construct and operate a new underground liquefied petroleum gas (LPG) storage facility for the storage and distribution of propane and butane on a portion of a 576-acre site located on NYS Routes 14 and 14A west of Seneca Lake in the Town of Reading, Schuyler County, and approximately 2.5 miles north of the Village of Watkins Glen. The storage facility will use existing underground caverns in the Syracuse salt formation created by US Salt (an affiliate of Finger Lakes) and its predecessors' salt production operations. The existing caverns are located near the western shore of Lake Seneca, and associated surface facilities would extend uphill to the west with compressors, brine ponds, and distribution operations along Route 14 south of the junction of Route 14A, and along Route 14A west of the intersection with Route 14.

As proposed, a maximum of 2.10 million barrels (88.20 million gallons) of LPG would be stored in the caverns seasonally, displacing some of the brine currently filling them, and will be withdrawn by displacement of propane by brine when demand occurs during the heating season, and displacement of butane by brine during the gasoline blending season. During storage operations, the brine displaced by LPG would be stored and contained in two (2) double-lined brine ponds: the East Pond and the West Pond. The East Pond will be located on the east side of NYS Route 14 approximately 2,000 feet south of the intersection of NYS Routes 14 and 14A and is 2.25 acres with a capacity of 0.17 million barrels (7.14 million gallons). The West Pond will be located approximately 1,500 feet west of the intersection of NYS Routes 14 and 14A and is 6.35 acres with a capacity of 0.80 million barrels (33.6 million gallons).

The facility would connect to the existing TEPPCO LPG interstate pipeline, and would ship LPG by pipeline, by truck via Routes 14 and 14A, and by rail via the existing Norfolk & Southern Railroad. As proposed, the project involves construction of a new rail and truck LPG transfer facility, consisting of a six-rail siding capable of allowing loading and unloading of 24 rail cars within 12 hours, and a truck loading station capable of loading four trucks per hour. The rail and truck loading facility would be capable of operation on a 24-hour basis, 365-days a year. Construction would also include surface work consisting of truck and rail loading terminals, LPG storage tanks, offices and other distribution facilities, and storm water control structures.

**Permits Requested:** On October 13, 2009, applicant applied to the New York State Department of Environmental Conservation (Department) for an Underground Storage of Gas Permit pursuant to Environmental Conservation Law (ECL) article 23, title 13. Applicant has also

obtained coverage under the State Pollutant Discharge Elimination System (SPDES) General Permit for Stormwater Discharges from Construction Activities (SPDES General Permit GP-0-08-001), and submitted updates to its Stormwater Pollution Prevention Plan through September 2012. On May 10, 2010, applicant submitted an application for an Air Facility Registration (6 NYCRR 201-4) for a proposed propane dryer at the facility.

**SEQRA Status:** Department staff determined that the project is a Type I action pursuant to ECL article 8 (State Environmental Quality Review Act) (SEQRA). The Department is the lead agency for the SEQRA review of the action, and issued a positive declaration of environmental significance on November 17, 2010. A draft supplemental environmental impact statement (DSEIS) was initially submitted by applicant on March 15, 2011, and revisions were received on June 9, July 18, and August 1, 2011. The DSEIS is a project-specific supplemental EIS to the Department's 1992 Generic Environmental Impact Statement for the Oil, Gas, and Solution Mining Regulatory Program. On August 17, 2011, Department staff accepted the DSEIS as adequate for public review and comment pursuant to 6 NYCRR 617.9(a).

**Prior Proceedings on the Application:** The permit applied for is not subject to the Uniform Procedures Act (ECL article 70 and 6 NYCRR part 621). However, on August 17, 2011, Department staff determined that the application was complete. A Notice of Acceptance of Draft SEIS and Public Hearing was published in the Department's electronic Environmental Notice Bulletin (ENB) on August 24, 2011 ([http://www.dec.ny.gov/enb/20110824\\_not8.html](http://www.dec.ny.gov/enb/20110824_not8.html)). On October 24, 2011, a Combined Notice of Complete Application, Notice of Acceptance of Draft Supplemental Environmental Impact Statement and Notice of Continuation of a Public Hearing dated October 5, 2011, was published in the ENB (<http://www.dec.ny.gov/permits/71619.html>).

Two legislative hearings on the application and DSEIS have already been conducted. Pursuant to the two notices, legislative hearings before an Administrative Law Judge (ALJ) were held on September 27 and November 3, 2011, for purposes of receiving comments from the public (see 6 NYCRR 624.4[a]). The period for public comments closed on November 14, 2011.

**Issues Conference:** Pursuant to 6 NYCRR 624.4(b), a pre-adjudicatory hearing issues conference will be held on **Thursday, February 12, 2015, at 10:00 AM, at the Holiday Inn Express, 2666 Corning Road, Horseheads, New York, 14845**. If needed, the Issues Conference will continue on Friday, February 13, 2015. The purpose of the issues conference is to determine party status for any person who has properly filed a petition (as indicated below) and to define the scope of issues, if any, that require adjudication with regard to the application before the Department. Please note that participation at the issues conference is limited to Department staff, applicant, and those persons requesting party status.

**Adjudicatory Hearing:** An adjudicatory hearing will be scheduled at a later date if issues are identified for adjudication. Participation at any adjudicatory hearing will be limited to Department staff, applicant, and those persons who have been granted party status.

**Party Status:** Persons seeking to participate in the issues conference and any subsequent adjudicatory hearing must file a petition (a written statement) explaining whether the request is for full party status or amicus status. For the required contents of petitions for full party status,

see 6 NYCRR 624.5(b)(1) and (2). To determine whether an issue is substantive, see 6 NYCRR 624.4(c)(2), and to determine whether an issue is significant, see 6 NYCRR 624.4(c)(3). For the required contents of a petition seeking amicus status, see 6 NYCRR 624.5(b)(1) and (3).

All petitions for party status must be received at the Department's Office of Hearings and Mediation Services by 5:00 p.m. on **Wednesday, December 10, 2014**. Address all petitions to James T. McClymonds, Chief Administrative Law Judge, Office of Hearings and Mediation Services, New York State Department of Environmental Conservation, 625 Broadway, First Floor, Albany, New York 12233-1550, telephone: (518) 402-9003. Telefaxed petitions will not be accepted. Send copies of all petitions at the same time and in the same manner to counsel for Department staff: Lisa Schwartz, Esq., Assistant Regional Attorney, NYSDEC Region 8, Office of General Counsel, 6274 East Avon-Lima Road, Avon, New York, 14414-9516, telephone: (585) 226-5364, and Jennifer Maglienti, Esq., 625 Broadway, 14th floor, Albany, New York, 12233, telephone: (518) 402-9507; and to applicant's counsel: Kevin Bernstein, Esq., Bond Schoeneck & King, LLC, One Lincoln Center, Syracuse, New York 13202, telephone: (315) 218-8329, and Robert Alessi, Esq., DLA Piper, 1251 Avenue of the Americas, 27th Floor, New York, New York 10020-1104, telephone: (212) 335-4866.

Applicant and Department staff are authorized to file written responses to any petitions. Any responses must be received at the Department's Office of Hearings and Mediation Services by 5:00 p.m. on Tuesday, February 3, 2015. Responses should be sent at the same time and in the same manner to counsel for staff and applicant, and to all parties filing petitions for party status. No further written responses are authorized at this time. The filing of written responses is without prejudice to any revision or extension of comments by Department staff or applicant, or any reply by party status petitioners, at the issues conference.

**Document Availability:** The complete DSEIS, underground storage permit application and all other later updated application materials (publicly available materials) are available for public review by appointment during regular business hours at the Department's Division of Environmental Permits at the Region 8 Office, 6274 East Avon-Lima Road, Avon, New York 14414-9516, telephone: (585) 226-5400, and at the Office of Hearings and Mediation Services, 625 Broadway, 1st Floor, Albany, New York, 12233, telephone (518) 402-9003. A copy of 6 NYCRR part 624 may be obtained from the Office of Hearings and Mediation Services, or from the Department's website at <http://www.dec.ny.gov/regs/4483.html>.

Selected documents are also available on the Department's website at <http://www.dec.ny.gov/permits/6061.html> (scroll down to Documents of Public Interest for Noteworthy Projects, Region 8, and click on the link). Electronic copies (CD) are also available upon request from the offices listed above. Additionally, applicant has posted the entire DSEIS on the Finger Lakes LPG Storage website at <http://www.fingerlakeslpgstorage.com>.

Documents are also available during normal business hours at:

The Town of Reading Town Hall  
P.O. Box 5  
3914 County Route 28  
Watkins Glen, New York 14891

The Watkins Glen Public Library  
610 South Decatur Street  
Watkins Glen, New York 14891.

The publicly available materials are redacted to protect information applicant claims contains trade secrets, confidential commercial information, or critical infrastructure information (see 6 NYCRR 616.7[a]), or is otherwise considered confidential under the Environmental Conservation Law (see ECL 23-0313[1][b]). A party seeking party status that wishes to review the redacted material may contact applicant's representatives noted above and execute a confidentiality agreement and order.

By **Monday, November 10, 2014**, Department staff will prepare a draft Article 23, Title 13 Underground Storage of Gas Permit with conditions or a draft denial for consideration in the issues conference and will post a copy of the draft permit or denial on its website on that date.

**Statutory and Regulatory Provisions:** This application is being processed and this proceeding is being conducted according to ECL article 1 (General Provisions); article 3, title 3 (General Functions); article 8 (State Environmental Quality Review or SEQR); article 23, title 13 (Underground Storage of Gas); and 6 NYCRR part 617 (SEQR) and part 624 (Permit Hearings).

James T. McClymonds  
Chief Administrative Law Judge

October 22, 2014  
Albany, New York