

**In The Matter Of:**  
*Finger Lakes LPG Storage, LLC*  
*Public Hearing*

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*November 3, 2011*

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NEW YORK STATE  
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

- - - - -

Public Hearing in the Matter of

FINGER LAKES LPG STORAGE, LLC  
LPG STORAGE FACILITY

Pursuant to 6 NYCRR Parts 617 of the implementing regulations pertaining to Article 8 (State Environmental Quality Review Act) and Article 23, Title 13 (Underground Storage of Gas) of the Environmental Conservation Law

PROJECT NUMBER: DEC FACILITY ID 8-4432-00085  
DATE: August 17, 2011

- - - - -

VOLUME II

Held Before: P. Nicholas Garlick  
Administrative Law Judge

Location: Watkins Glen High School Auditorium  
301 12th Street  
Watkins Glen, New York 14891

Date: November 3, 2011

Time: 5:30 p.m.

Reported By: KIMBERLY A. BONSIGNORE  
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Rochester, New York 14604



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A P P E A R A N C E S

Appearing as Administrative Law Judge:

P. Nicholas Garlick, Esq.  
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Appearing on Behalf of NYS Department of  
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David L. Bimber, Esq.  
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\* \* \*



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1                   OPENING REMARKS BY ALJ GARLICK

2 THURSDAY, NOVEMBER 3, 2011;

3                   (Proceedings in the above-titled matter  
4                   commencing at 5:30 p.m.)

5                                   \*           \*           \*

6                   ALJ GARLICK: Okay. If you could take  
7 your seats, please. It's 5:30.

8                   Okay. Good evening. My name is Nick  
9 Garlick. I'm an Administrative Law Judge with the New  
10 York State Department of Environmental Conservation.

11                   The hearing tonight is a continuation of  
12 the hearing that we had on September 27th, and we're  
13 here to receive public comment on the Draft  
14 Environmental Impact Statement of the proposed Finger  
15 Lakes LPG storage facility.

16                   We're here to receive oral comments. Many  
17 of you were probably here last time, so we're going to  
18 be doing the same thing we did on the 27th. We're  
19 going to do -- I'm going to call -- as you may recall,  
20 in the first hearing we had 84 cards; we got through  
21 41 of them when we had to leave.

22                   We now have -- we have the room longer and  
23 we're starting earlier tonight, so the remaining -- we  
24 should be able to get through these 44 cards.

25                   What I'm going to do is, I'm going to run



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1                   OPENING REMARKS BY ALJ GARLICK  
2           through this deck of 44 cards, I'm going to call the  
3           people in order, and come up -- they'll come up and  
4           speak. I'll call two people at a time, and I think  
5           what I'm going to do is -- since we're starting so  
6           early and some people don't get out of work until  
7           later, I'll run this -- after we've gone through the  
8           deck once, I'll run the deck again for those people  
9           who I called but weren't here the first time.

10                   Then the second group of cards that we'll  
11           go through will be what they're collecting out there  
12           now, which are cards for people who didn't speak at  
13           the first hearing but want to speak now. That would  
14           be the second batch of cards, and we'll see where we  
15           are after that in terms of time and whether we let  
16           people who have spoken once already have a second  
17           chance to talk.

18                   I've been asked by both the members of Gas  
19           Free Seneca, the Applicant and the DEC staff to remind  
20           people at about four minutes into their statements and  
21           to interrupt them in about four minutes and ask them  
22           if they're winding up their statements. I'm trying to  
23           limit people to about five minutes.

24                   As I said at the last hearing, oral  
25           comments and written comments receive the same weight



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1                   OPENING REMARKS BY ALJ GARLICK  
2           in the record. So if you have a lengthy statement,  
3           you don't have to read it all into the record; you can  
4           summarize it in your four or five minutes and the  
5           statement can then be -- I'll take it up here or you  
6           can give it to a member of DEC staff, and that will go  
7           into the record and that will be -- it will be  
8           evaluated and given the same weight as any oral  
9           comments.

10                   We're going to start -- I'm going to start  
11           by asking David Bimber from DEC staff to come up.  
12           Mr. Bimber is going to give you an update as to where  
13           the process is and what's going on with the  
14           applicant -- with the DEIS at this point.

15                   Oh, when I do call you and you come up,  
16           just be very careful. There's wires all over the  
17           place here, and so please don't trip.

18                   And let me apologize now; I can't really  
19           see you, I've got these lights in my eyes, so just  
20           please bear that in mind. You'll have the lights in  
21           your eyes when you come to speak.

22                   Mr. Bimber.

23                   MR. BIMBER: Thank you, Judge.

24                   Good evening. Thank you for attending the  
25           continuation of the Department's hearing concerning



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1 STATEMENT BY DAVID BIMBER

2 the Finger Lakes LPG storage project.

3 My name is Dave Bimber. I'm the Deputy  
4 Regional Permit Administrator, Senior Environmental  
5 Analyst with the Division of Environmental Permits in  
6 the Department's Region 8 office in Avon.

7 I'm the project manager for the review of  
8 this proposal pursuant to the State Environmental  
9 Quality Review Act, and I'm responsible for  
10 coordinating the review of the application and  
11 supporting materials among Department Staff, local  
12 governments, including the Town of Reading, various  
13 county agencies and federal agencies.

14 Again, a brief update on what's happened  
15 since the last hearing on the 27th of September. To  
16 date the Department has received almost 350 comment  
17 letters on this project. They currently have been  
18 circulated to Staff and they're being reviewed by  
19 Staff and the Applicant. Written comments on the  
20 DSEIS, again, will be accepted by the Department until  
21 November 14th.

22 Tonight we have Staff from both the  
23 Regional Office in Avon and our Central Office in  
24 Albany. They were here at the previous meeting in  
25 September, and they're here to listen to your comments



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1 STATEMENT BY DAVID BIMBER

2 and concerns.

3 The DSEIS and the original application  
4 documents have been and continue to be available to  
5 the public at Reading Town Hall, the Watkins Glen  
6 Public Library and the DEC Regional Office in Avon.

7 Also, selected documents, including the  
8 Notice of Continuation for this hearing, are posted on  
9 the DEC website, and the entire DSEIS and releasable  
10 application documents will continue to be available on  
11 Applicant's website. They are also available on CD;  
12 that may be requested from DEC staff.

13 The Notice of Continuance of the public  
14 hearing for tonight's meeting was issued by Department  
15 Staff on October 5th and published in the "Watkins  
16 Glen Review & Express" and on the Department's Online  
17 Environmental Notice Bulletin on October 12, 2011. It  
18 was additionally posted on the DEC Web page for the  
19 Finger Lakes LPG project, and I also e-mailed copies  
20 of the continuation of the public hearing to over 120  
21 citizens on my e-mail list for this project.

22 Again, as the judge indicated, it's very  
23 important to keep your comments short and to the  
24 point; summarize lengthy written comments rather than  
25 reading an entire prepared statement, in order to



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1 COMMENTS BY JOE PORCO

2 provide our Staff with a focused range of issues.

3 And that concludes DEC staff's update on  
4 the project. Again, thank you for attending tonight's  
5 hearing.

6 Thank you, your Honor.

7 ALJ GARLICK: Thank you.

8 And I would just remind people that we're  
9 being stenographically recorded here. So when you do  
10 come up, it's important that you speak clearly and  
11 enunciate, if you will.

12 The first card I'm going to call is Don  
13 Burger.

14 Okay. Joe -- "Parco," "Porco"?  
15 Phil Squair.

16 AUDIENCE MEMBER: Here comes Joe.

17 ALJ GARLICK: Joe, okay. After Joe will  
18 be Phil -- "Squair," "Squire"?

19 AUDIENCE MEMBER: "Squire."

20 ALJ GARLICK: "Squire," my apologies.

21 JOE PORCO: Good evening. Thank you for  
22 the opportunity to speak. My name is Joe Porco, and I  
23 own a small propane company, Porco Energy, which has  
24 served the Hudson Valley since 1954.

25 I'm also the President of the New York



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1 COMMENTS BY JOE PORCO

2 Propane Gas Association, so I speak not only for my  
3 company and family employees, but for all the propane  
4 companies that belong to our association in New York.

5 Propane being a home-grown energy source,  
6 we want to reduce our dependency on foreign oil, and  
7 therefore obviously we would like to see more people  
8 be able to use propane.

9 Most of us marketers that sell to the  
10 homeowners are small mom-and-pop operations; we're not  
11 big local corporations. I have 35 employees that I  
12 employ locally, we support the communities to which we  
13 serve, and our goal is to supply low-cost efficient  
14 fuel to our neighbors and our neighborhoods.

15 The cost of propane is one thing; the  
16 logistics of transporting it from point A to point B  
17 is quite another. And obviously the more it is used,  
18 the more it is moved, the more expensive it is.

19 Most of us in my part of the state get our  
20 propane from Selkirk, New York, off the Enterprise  
21 pipeline, Selkirk, New York being the end of the  
22 pipeline. And as part of our duties of the  
23 association, we're always meeting with agencies like  
24 NYSERDA, DOT, and discussing the fragile energy  
25 infrastructure of this state.



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1 COMMENTS BY JOE PORCO

2 Last year sections of the Enterprise  
3 pipeline were shut down due to maintenance reasons and  
4 I had to send my trucks up here to Watkins Glen to get  
5 propane for the south part of the state. I kind of  
6 figured out -- it was over -- well over a hundred  
7 trucks that I sent up here between September and  
8 January. I like your town, but I really don't want to  
9 send my trucks up this far.

10 Part of this project will help increase  
11 the energy infrastructure of this state, and anytime  
12 that we can improve that infrastructure, it takes the  
13 pressure off other supply points of the pipeline and  
14 of the infrastructure.

15 So obviously if we don't have to send  
16 trucks further distances, incurring more expenses and  
17 more cost to the consumer, by having the improvement  
18 of the infrastructure here, it is -- will allow  
19 pressure to come off of other parts of the state and,  
20 therefore, would be able to have fewer trucks on the  
21 road for less hours, actually saving fuel, saving  
22 energy, and obviously making roads safer when I have  
23 trucks on the road so often.

24 I also, as part of a personal, chair my  
25 local Planning Board and have for almost 20 years, so



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1 COMMENTS BY PHIL SQUAIR

2 I'm well aware of the obstacles and opposition that  
 3 certain projects bring along. I'd just ask everybody  
 4 to keep an open mind and, again, encourage the extra  
 5 support of the project.

6 Thank you.

7 ALJ GARLICK: Thank you.

8 Phil -- is it "Squair"?

9 PHIL SQUAIR: You got it right the first  
 10 time.

11 ALJ GARLICK: "Squair."

12 PHIL SQUAIR: (Nonverbal response.)

13 ALJ GARLICK: Okay. Followed by Mike  
 14 Hopsicher.

15 Again, my apologies.

16 PHIL SQUAIR: Good evening. My name is  
 17 Phil Squair. I'm with the National Propane Gas  
 18 Association; we're an advocacy and educational  
 19 organization with members across the United States.  
 20 I'm back again here in Watkins Glen to speak in favor  
 21 of the Finger Lakes project.

22 New York has nearly a quarter million  
 23 citizens who use this clean fuel and they use it in a  
 24 wide variety of ways. You already know that propane  
 25 is mostly used for winter heating in people's



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## COMMENTS BY PHIL SQUAIR

1  
2 furnaces, but other common and important uses are in  
3 backyard grills, water heaters, cook tops and  
4 increasingly as a clean alternative fuel to gasoline  
5 and diesel in motor vehicles and in forklifts.

6 We're also seeing significant growth in  
7 the use of propane in the organic farming sector,  
8 where elimination of the use of pesticides and other  
9 chemicals is a critical component of that business.  
10 New York ranks number four in the nation in the number  
11 of organic farms, according to the United States  
12 Department of Agriculture, and number seven in the  
13 nation in total organic farm sales.

14 New York is the 11th largest propane-  
15 consuming state in the country, but total demand for  
16 propane in the state far outstrips local supplies, so  
17 the state is highly dependent on imports from outside  
18 the state.

19 New York is at the tail end of the TEPPCO  
20 pipeline, which runs up from Texas; propane also gets  
21 here by truck, by rail car, from Canada, from the  
22 Midwest, from the Gulf Coast, from pretty far away.  
23 Propane can also get here by waterborne ship, and the  
24 terminals are in Rhode Island and New Hampshire.

25 As recently as the winter of 2008 and '9,



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1 COMMENTS BY PHIL SQUAIR

2 we saw propane supply disruptions to states in the  
3 Northeast, local propane marketers in the area were  
4 forced to truck propane supplies in from the Midwest  
5 and from the Gulf Coast. The outcome of this was  
6 temporary outages for some dealers and a rise in  
7 prices for their customers.

8 Similarly in other winters, extended  
9 severe cold weather leads to rapid drawdowns of local  
10 propane supplies, which can result in temporary  
11 outages again and other logistical problems that  
12 trigger increases in prices.

13 Having an additional secure supply source  
14 in New York, such as the Finger Lakes site, will help  
15 ensure the supply lines that are broken during the  
16 winter don't cause local shortages. In recent years  
17 we have seen any number of problems in the supply  
18 chain, ranging from pipeline shutdowns to rail labor  
19 strikes in Canada to ships not coming in from  
20 overseas. This overreliance on imports into the state  
21 only serves to inconvenience or harm New Yorkers and  
22 their families. I believe the Finger Lakes project is  
23 a responsible project to make sure that future outages  
24 can't occur.

25 The key is to diversify the area of supply



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## COMMENTS BY PHIL SQUAIR

1 of propane so that consumers can be served in the  
2 winter. Propane is typically stored at a retailer's  
3 site before being delivered to the ultimate end-user.  
4 At last count there were 169 propane storage sites  
5 throughout the state, operated by 101 different  
6 companies. Only two of these companies operate more  
7 than 10 sites, and 76 of the companies have only a  
8 single facility. These are by and large small  
9 companies that compete against one another in a fairly  
10 local fashion.  
11

12 The Finger Lakes facility will be  
13 regulated to a degree nearly unheard of by these other  
14 retail propane storage sites. It's going to be  
15 covered by the EPA's risk management program rules  
16 that require detailed plans to guard against incidents  
17 with offsite consequences. The site will also be  
18 covered by OSHA's process safety management standards  
19 to protect workers at the site itself.

20 Let me wrap up by saying that the mix of  
21 fuels used in New York is changing dramatically, and  
22 many users of fuel oil are shifting to cleaner burning  
23 propane. It's cleaner in the house and it's cleaner  
24 when it's used. If we're going to increase the number  
25 of families that use propane instead of fuel oil,



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1 COMMENTS BY ROLAND PENTA

2 offshore supplies.

3 I feel that for national security,  
4 economic security, environmental protection, we need  
5 to transition away from imported heavy carbon fuels to  
6 more environmentally friendly fuels, such as propane.

7 Short of that expected transition, we're  
8 also seeing growth in the demand of propane in the  
9 Northeast as homeowners switch from oil, as farmers  
10 grow more grain crops, as tourists and wine industries  
11 put more demand on local supplies. The Northeast has  
12 always been short of storage and consumers in the  
13 Northeast have paid some of the highest fuel costs in  
14 the United States because of that.

15 This area has been blessed with geological  
16 formations that provide donation of most of its table  
17 salt and is also conducive for underground storage of  
18 propane. There are already three such facilities in  
19 the -- propane storage facilities in this area, as  
20 well as many natural gas storage sites.

21 In recent research, I noted that in 1950  
22 there were already over 75 such sites in the United  
23 States. With a proven track record of over 60 years  
24 of safe storage and with the technical advances that  
25 have been made in recent decades and with the existing



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1 COMMENTS BY ROLAND PENTA

2 wells located here adjacent on the TEPPCO pipeline  
3 system and with good rail transportation, I feel that  
4 this is an ideal location for this project.

5 I expect that most of the product will be  
6 brought in and shipped out via rail and pipeline. I  
7 feel confident this project will eliminate the need  
8 for the historical trucking that has been taken place  
9 moving product from the TEPPCO systems to local two  
10 storage facilities in Eastern New York State,  
11 particularly in summer months when the tourists are  
12 here.

13 Many of the concerns expressed over the  
14 proposed storage facility relate to possible  
15 groundwater contamination by harmful chemicals. It  
16 should be helpful to know that propane is a nontoxic  
17 chemical, that it does not dissolve in water, and it  
18 boils at minus 44 degrees below zero, so it's  
19 impossible for propane to contaminate or otherwise  
20 adversely affect local water supplies, contrary to  
21 what those opposed to the project are saying. Propane  
22 is also a clean fuel and is not a greenhouse gas  
23 released into the air.

24 Every economy needs to diversify its base  
25 to assure continued local employment and revenue to



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1 COMMENTS BY ROLAND PENTA

2 meet the needs of its citizens. I think this project  
 3 offers many benefits to the local population that  
 4 other communities would love to have. In my view and  
 5 for all these reasons, I feel that it would be unwise  
 6 to forego the numerous benefits of this exceptional  
 7 energy source because of concerns that are neither  
 8 rooted in science --

9 ALJ GARLICK: That's four minutes.

10 ROLAND PENTA: -- nor by decades of  
 11 history with respect the safe underground storage  
 12 facilities quite similar to this one.

13 ALJ GARLICK: Thank you.

14 Next Bill Clark followed by -- is  
 15 Mr. Clark here?

16 Okay. Jacqueline Leidenfrost.

17 AUDIENCE MEMBER: "Leidenfrost."

18 ALJ GARLICK: "Leidenfrost," my apologies.  
 19 Followed by Burt Riley.

20 JACQUELINE LEIDENFROST: Thank you for  
 21 this opportunity to speak on behalf of Gas Free  
 22 Seneca.

23 My name is Jacqueline Leidenfrost. I am a  
 24 resident, taxpayer and voter from the Town of Hector.  
 25 I own and have operated the Rustic Log Cabins since



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1 COMMENTS BY JACQUELINE LEIDENFROST

2 1982. During the past 30 or so years of being an  
3 innkeeper, I have met many wonderful people from all  
4 walks of life, from many states in the Union and from  
5 many countries abroad.

6 I learned early on that these people who  
7 come to our area do so primarily to take in the  
8 enormous beauty Seneca Lake and the Finger Lakes has  
9 to offer. Thankfully, a few even remind me how  
10 fortunate and blessed I am to live in this natural  
11 paradise.

12 Often guests will tell me how very much  
13 they look forward to coming back here just to relax  
14 and refresh their mind, body and spirit against the  
15 onslaught of stress and duress that they have back  
16 home in their day-to-day lives.

17 A delicious glass of Finger Lakes wine or  
18 Finger Lakes beer while sitting on the cabin porch and  
19 gazing in the distance at a beautiful Seneca Lake  
20 sunset is the vacationer's idea of ending a perfect  
21 day. Year after year I am more and more amazed how  
22 much people want and need to get back to nature.

23 "Do you realize," they say, "that back  
24 home in the city we can't even see stars at night?"  
25 The entire Finger Lakes region, and namely Seneca Lake



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1                   COMMENTS BY JACQUELINE LEIDENFROST  
2           and Watkins Glen, is a haven for all who come here.  
3           After all, Seneca Lake and our locality is a  
4           vacationer's dream: antiquing, archery, biking, bird  
5           watching, boating, camping, car racing, canoeing,  
6           festivals, fishing, hiking, hunting, kayaking, outdoor  
7           concerts, sailing, swimming, wine tasting and beer  
8           tasting. Where else in the world can you find so many  
9           recreational activities under one clear and starry  
10          sky?

11                   My guests from Pennsylvania have  
12          substantiated all I read and need to know about what  
13          fracking and industrialization has done to their  
14          state. "Don't let this happen here," they say. "You  
15          have everything to lose and nothing to gain from  
16          drilling and gas storage." I completely agree.

17                   This is the wrong environmental for  
18          Inergy's proposed expansion project. This is  
19          vacationland, and should remain serene and beautiful  
20          and be protected and preserved for all to enjoy now  
21          and for generations to come.

22                   We are justifiably concerned as residents  
23          of this small and quaint community, with potential  
24          industrial risks to our health due to possible air and  
25          water pollution; of our safety due to possible



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1 COMMENTS BY JACQUELINE LEIDENFROST  
2 accidents, spills and explosions; of our welfare due  
3 to a possible decline in tourism, property values and  
4 failure to sustain farming.

5 From the standpoint of the wine, tourist  
6 and agricultural industries that already exist and  
7 sustain us, any permitting to allow Inergy's plan to  
8 turn our community into an industrial distribution hub  
9 would be irresponsible and an act of poor stewardship  
10 of our unique vacationland.

11 I earnestly hope that the scope of the  
12 DEC's final determination will reflect their mission  
13 of responsible stewardship and vision to protect and  
14 ensure our health, safety and welfare.

15 Please remember to vote September 8th for  
16 candidates who pledge to protect our community.

17 ALJ GARLICK: Okay. Burt Riley? Burt  
18 Riley?

19 Michael Fitzgerald.

20 No? I can't --

21 AUDIENCE MEMBER: Yes.

22 ALJ GARLICK: Is that Fitzgerald.

23 YVONNE TAYLOR: I'm -- my name is Yvonne  
24 Taylor. Michael Fitzgerald flew all the way from  
25 California to the first hearing to speak and was not



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1           COMMENTS BY YVONNE TAYLOR (MICHAEL FITZGERALD)  
2           given the opportunity, so he has requested that I  
3           speak on his behalf in a letter that I'm going to read  
4           to you now.

5           And he writes, "As a taxpayer in both the  
6           Town of Reading and the Town of Hector, with homes in  
7           both political subdivisions, I am deeply concerned  
8           about this project and its potential negative effect  
9           on the environment and physical well-being of all the  
10          surrounding communities in the Seneca Lake and Keuka  
11          Lake areas.

12          "Quantitative Risk Assessment. All of the  
13          points following, I believe support that there is a  
14          critical need for a professional, objective  
15          Quantitative Risk Assessment before this project  
16          receives any further consideration for permitting.  
17          That risk assessment report should be required by the  
18          DEC and funded by Inergy Midstream, not taxpayers. I  
19          urge the DEC to take action to require that this study  
20          be done.

21          "The brine pond. I have several concerns  
22          about the proposed 91 million gallon brine pond. The  
23          DSEIS does not adequately address the issues of liner  
24          safety, replacement, weather or seismic-related  
25          incidents. In the case of the two proposed liners, I



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1           COMMENTS BY YVONNE TAYLOR (MICHAEL FITZGERALD)  
2 do not see manufacturer's data to support the  
3 contention that these liners will not leak. I don't  
4 see any specifics about the manufacturer's assessment  
5 of lifespan, the corrosive effects of the brine and  
6 chemicals on the material or how replacement will  
7 affect operations.

8           "If the brine pond is integral to the  
9 extraction of the LPG stored underground, what will  
10 happen when the pond is drained to replace liners?  
11 Also, how will the liners be disposed of?

12           "DSEIS does not address the likelihood of  
13 a catastrophic event or effects. The recent  
14 earthquake and hurricane point out the need for a risk  
15 assessment of what will happen when another earthquake  
16 strikes or when another hurricane weather event occurs  
17 in Central New York.

18           "The 36-inch free board pointed out by  
19 Inergy as sufficient to keep brine water from  
20 overflowing the pond's sloping soil berms does not  
21 take into consideration the height of possible wind-  
22 driven waves caused by hurricanes or much lesser force  
23 winds. The effect of wind and waves on the body of  
24 water need to be studied also relative to berm  
25 stability, soil erosion and downstream effects on non-



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1 COMMENTS BY YVONNE TAYLOR (MICHAEL FITZGERALD)

2 Inergy properties.

3 "The DSEIS does not address the adverse  
4 effects of a possible catastrophic event, the results  
5 of a dumping of a portion or nearly all of the  
6 millions of gallons of brine water into Seneca Lake.  
7 The Watkins Glen's municipal water supply intakes are  
8 at risk in the case of a brine spill in Seneca Lake.

9 "The hillside embankment location of the  
10 brine pond and its proximity to the Watkins intake  
11 ensures that saltwater from such a spill would very  
12 likely be mixed into water drawn from Seneca Lake by  
13 the village water supply system. It would most likely  
14 cause damage to water treatment facilities. This  
15 needs to be studied and addressed.

16 "In addition, there is no information on  
17 how quickly the brine water would disperse in such an  
18 incident or how, in the event of northerly wind and  
19 chop on the lake surface, saltwater would impact the  
20 homes, businesses, aquatic and mammalian life in its  
21 path as it hit the shallow areas at the south end of  
22 Seneca Lake.

23 "The DSEIS does not adequately respond to  
24 DEC inquiries about the possibility of lowering risks  
25 by constructing two brine ponds at another location on



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1           COMMENTS BY YVONNE TAYLOR (MICHAEL FITZGERALD)  
2           the 576-acre site. The DEC asked earlier this year  
3           for Inergy Midstream to consider having two brine  
4           ponds instead of one. Inergy's response that having  
5           two ponds elsewhere on the site would not be  
6           economically feasible is insulting to the DEC Staff.  
7           Economic feasibility should not trump safety or good  
8           environmental design. It raises ancillary concerns  
9           about Inergy's other statements, as well as its  
10          intentions to fund proper safeguards in other areas:  
11          LPG transfer, worker protections and emergency alert  
12          systems.

13                        "In regards to emergency and safety  
14          preparedness, the DSEIS does not adequately address  
15          issues of safety, emergency preparedness or alerting  
16          residents in danger during an incident. The DSEIS  
17          does not adequately detail what emergency services are  
18          available within the radius of the Town of Reading  
19          project that would be affected by an explosion, fire  
20          or LPG spill. No data is available in the DSEIS about  
21          the preparedness of any of the first responders.  
22          There is no specific emergency plan cited in the event  
23          of an explosion, fire or spill. There is no data  
24          about the availability of outside of the area  
25          emergency resources to combat an explosion, fire or



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1 COMMENTS BY YVONNE TAYLOR (MICHAEL FITZGERALD)

2 spill.

3 "Additionally, there is no data or mention  
4 of any public alert system in the event of explosion,  
5 fire or spill. This public alert system is especially  
6 critical given the rural nature of the area and  
7 population; for example, Amish farmers, that in many  
8 cases do not have modern communication systems."

9 ALJ GARLICK: Okay. That's four minutes,  
10 just if you could wrap up.

11 YVONNE TAYLOR: I've got one more  
12 paragraph.

13 "Fiscal impacts from major incidents. The  
14 DSEIS does not address the fiscal impact on the  
15 surrounding communities in the event of an accident.  
16 A recent LPG fire in Roseville, California, involving  
17 a single railroad tanker car has cost \$500,000 in  
18 firefighting, cleanup and associated costs officials  
19 estimate.

20 "The DSEIS does not address if Inergy  
21 Midstream plans to reimburse local government entities  
22 for their costs involved in firefighting, cleanup and  
23 associated costs. It does not indicate if Inergy has  
24 sufficient fiscal resources to pay such costs.

25 "The DSEIS does not address the physical



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1           COMMENTS BY YVONNE TAYLOR (MICHAEL FITZGERALD)  
2           impacts on the surrounding communities should there be  
3           a catastrophic event. The state-approved poisoning of  
4           Lake Davis in Northern California to rid the lake of  
5           invasive species so tarred the presentation of that  
6           lake in the last decade that the surrounding  
7           communities have lost a major portion of their annual  
8           tourist revenues. That loss for the State of  
9           California, which conducted the lake poisoning to rid  
10          of it of the pike, to pay legal costs and punitive  
11          damages to various entities, public and private. The  
12          DSEIS should address potential impacts of an  
13          explosion, fire or spill on the economies of area  
14          communities."

15                           Thank you for your time and consideration.

16                           ALJ GARLICK: Okay. William Young.

17                           Mr. Young will be followed by Rachel  
18          Treichler.

19                           And my apologies.

20                           AUDIENCE MEMBER: "Treichler."

21                           WILLIAM YOUNG: Well, thank you for  
22          allowing me to speak also. My name is Bill Young, and  
23          I'm a representative of the company that is doing the  
24          construction of this facility.

25                           The Finger Lakes LPG facility is



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## COMMENTS BY WILLIAM YOUNG

1  
2 engineered by Superior Energy Systems. As Vice  
3 President of Engineering at Superior Energy Systems, I  
4 have of 50 years experience in designing LPG  
5 facilities. These vary from a small standby system  
6 for a McDonald's restaurant to an oceanside receiving  
7 facility with storage of 3 million gallons. I've also  
8 been responsible for the design of numerous rail  
9 delivery terminals and several pipeline delivery  
10 terminals.

11 I've been a member of the National Fire  
12 Protection Association, NFPA 58, Liquid Petroleum Gas  
13 Committee, for over 20 years. I'm also a member of  
14 NFPA 59, which is utility LP gas plant code, that's  
15 natural gas utilities. I'm a member of NFPA 160,  
16 which writes the standard for the use of flame effects  
17 before an audience and NFPA 1126 standard for use of  
18 pyrotechnics before a proximate audience.

19 I'm chairman of two American National  
20 Standards Institute, or ANSI, technical advisory  
21 groups involved in the ANSI codes for gas-consuming  
22 appliances. And I've been involved in ANSI codes for  
23 over 40 years.

24 For the majority of my working life, I've  
25 been involved in voluntary consensus code development



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1 COMMENTS BY WILLIAM YOUNG

2 and the design of large LPG facilities.

3 The Watkins Glen facility will interface  
4 with both pipeline connections and a rail receiving  
5 system. The facility is designed to be in compliance  
6 with the 2011 edition of NFPA 58, Liquified Petroleum  
7 and Gas Code. The scope of NFPA 58 applies, its  
8 sections -- its basic scope is -- applies to operation  
9 of all LPG gas systems, including the following:  
10 containers, piping, associated equipment when  
11 delivering LP gas to a building for use as fuel gas;  
12 the highway transportation of LP gas; the design,  
13 construction, installation and operation of marine  
14 terminals whose primary purpose is a receipt of LP gas  
15 for delivery to transporters, distributors or users,  
16 except for marine terminals associated with  
17 refineries, petrochemical plants, gas plants and  
18 marine terminals whose purpose is the delivery of LP  
19 gas to marine vessels; the fourth, the design,  
20 construction and installation and operation of  
21 pipeline terminals that receive LP gas from pipelines  
22 under the jurisdiction of US Department of  
23 Transportation whose primary purpose is the receipt of  
24 LP gas for delivery to transporters, distributors or  
25 users. The coverage of this begins downstream of the



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1 COMMENTS BY WILLIAM YOUNG

2 last pipeline valve or type manifold inlet. Rail  
3 terminal facilities are also covered in various  
4 sections of NFPA 58.

5 The storage tanks to be installed at the  
6 Finger Lakes facility are built to requirements of  
7 Section 8 of the American Society of Mechanical  
8 Engineers, or ASME, code for unfired pressure vessels.  
9 The vessels will have a working pressure of 250 pounds  
10 per square inch. The design margin or safety factor,  
11 if you will, is 3.5 to 1.

12 Each vessel includes a stainless steel tag  
13 with proper identification, including a U stamp, as  
14 required by the NFPA code and ASME. All pipe loading  
15 in the facility will be in compliance with ASME B31.3  
16 process piping. This includes radiographic  
17 examinations as prescribed by B31.3. The completed  
18 piping will be tested in compliance with the  
19 requirements of NFPA 58.

20 All piping welders used on the project  
21 will be certified, as required in Section IX of the  
22 ASME code.

23 Valves and fittings utilized in the  
24 facility will be in compliance with national standards  
25 for such equipment. Safety valves and similar



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1 COMMENTS BY WILLIAM YOUNG

2 equipment will also be approved by a nationally  
3 recognized third-party testing laboratory, such as  
4 Underwriters Laboratory, CSA or Factory Mutual.

5 ALJ GARLICK: That's four minutes, if you  
6 could wrap up.

7 WILLIAM YOUNG: I'm sorry?

8 ALJ GARLICK: That was four minutes, if  
9 you could wrap up, please.

10 WILLIAM YOUNG: A programmable logic  
11 controller will monitor the operation of the equipment  
12 and operate switches, transmitters and valves and will  
13 communicate with or control -- will be controlled by  
14 the PLC.

15 Emergency stop switches will be  
16 strategically placed throughout the facility to allow  
17 operators to easily shut down any portion of the  
18 operation in an emergency.

19 It is our intent to provide the safest  
20 possible operating and monitoring system at the  
21 Watkins Glen Fingers Lakes LPG facility to assure a  
22 safe and functional facility.

23 Thank you.

24 ALJ GARLICK: Thank you. Rachel -- is  
25 it...



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1 COMMENTS BY RACHEL TREICHLER

2 RACHEL TREICHLER: "Treichler."

3 ALJ GARLICK: "Treichler," my apologies,  
4 and followed by Jean -- "Fudala," "Fudala"?

5 AUDIENCE MEMBER: "Fudala."

6 ALJ GARLICK: Okay.

7 RACHEL TREICHLER: My name is Rachel  
8 Treichler. I'm an attorney in Hammondsport, New York.  
9 I live 2 miles from Keuka Lake and 20 miles from  
10 Seneca Lake.

11 We've heard from earlier speakers about  
12 the benefits of propane and the intention to create a  
13 safe plant. And I'm sure that they do intend to  
14 create a safe plant, but the problem with this plant  
15 in this location is the difficulty in doing that.

16 And I don't see in this Draft EIS an  
17 examination of the unique characteristics of this  
18 location. This lake is a beautiful freshwater lake.  
19 The many geologic faults that are here, the dangers of  
20 putting this storage facility in salt caverns -- it's  
21 true that we already have storage facilities in the  
22 salt caverns here, but that doesn't mean that it's  
23 safe to increase them.

24 A number of the speakers the last time and  
25 some of the speakers this time have pointed out the



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1 COMMENTS BY RACHEL TREICHLER

2 risks that are not properly analyzed in this Draft  
3 EIS. And it is disappointing that the DEC accepted an  
4 environmental review that really doesn't take into  
5 consideration many of the risks that are presented by  
6 this project, and I think that the problem -- you  
7 know, a problem that we are seeing, many citizens, the  
8 number of citizens here tonight and who were here at  
9 the previous hearing, you know, we recognize the  
10 impact that a catastrophe could have.

11 We have seen catastrophes which have  
12 tremendously unintended consequences. Fukushima in  
13 Japan most recently, you know, devastated a huge area.  
14 And of course those consequences were not intended,  
15 but they were not adequately planned for. So citizens  
16 like ourselves are seeing the need to, you know, not  
17 to trust, really, the rosy projections that a company,  
18 you know, gives us, but -- they haven't done the  
19 adequate risk analysis. They haven't -- you know,  
20 they haven't looked at the geology of this lake.

21 Professor John Halfman has shown that  
22 Seneca Lake has already been impacted by the -- you  
23 know, probably by the salt mining and salt storage  
24 activities here. Seneca Lake is already saltier than  
25 the other lakes. This may be a factor, too, of faults



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1 COMMENTS BY RACHEL TREICHLER

2 that are located in it. So there needs to be more  
3 analysis.

4 And also, we as citizens -- you know, we  
5 are taking a very careful look at this project. Many  
6 of us, you know, are looking at the Draft EIS on the  
7 hydrofracking. You know, we've looked at the EIS on  
8 the Lom-ber-zhay (phonetic) facility. You know, we  
9 are seeing all of these environmental reviews which  
10 are not taking into consideration the full  
11 possibilities of negative impacts and they're not  
12 looking at the cumulative impacts that could take  
13 place.

14 So, you know, I think that with this  
15 increased scrutiny that the public is giving to all of  
16 these projects, you know, the DEC really -- you know,  
17 the DEC really needs to make sure that they are taking  
18 into account these risks, are addressing these risks  
19 and -- because if they don't, it really calls into  
20 question some of the legitimacy of the function of the  
21 DEC. That the DEC is not just supposed to be  
22 promoting -- promoting the development of these  
23 resources; the DEC is supposed to be protecting us  
24 from environmental harms.

25 So thank you.



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1 COMMENTS BY JEANNE FUDALA

2 ALJ GARLICK: Thank you.

3 Okay. "Jeanne" or "Jeannie" Fudala.

4 JEANNE FUDALA: "Jeanne Fudala."

5 ALJ GARLICK: Jeanne Fudala will be  
6 followed by Hope Moffett.

7 JEANNE FUDALA: Hello, I'm Jeanne Fudala.  
8 I live about 10 miles from Seneca Lake and have been a  
9 resident of Schuyler County for virtually all of my  
10 life. Excuse me. I'm a little out of breath.

11 I have some statements I was going to say  
12 last time, but I have turned them in, so I'm just  
13 going to comment briefly on an aspect that doesn't get  
14 talked about a lot and I don't believe was addressed  
15 in the DSEIS, which is that any project of this  
16 nature, there should be a significant discussion of  
17 potential impacts on climate change.

18 I understand that this project could --  
19 well, besides the fact that any project has a lot of  
20 energy input into the construction, the traffic, there  
21 could also be a flare resulting from the project. And  
22 it's all interrelated, because climate change is  
23 contributing to the kind of severe weather events that  
24 can affect any facility and cause -- anyway, cause any  
25 facility to sort of act up -- that's not very good,



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1 COMMENTS BY JEANNE FUDALA

2 but -- including the recent flooding that damaged so  
3 much of our area and left a lot of our neighbors in  
4 really rough shape, and anything that's of a  
5 potential -- that could be a spill or anything will be  
6 affected by extreme weather events.

7 And even though they say there's no  
8 relation between this and fracking, fracking is being  
9 shown to cause earthquakes. They think the earthquake  
10 that we actually felt up here was caused by fracking  
11 in one of the states.

12 So, again, with the more severe fossil  
13 fuel extraction, you're going to get more impacts not  
14 only on the weather, but on the Earth itself, and all  
15 of that is going to impact other things.

16 The other thing I'm going to bring up,  
17 just because it's been stated, even though they're not  
18 talking about storing methane at this, it keeps being  
19 said that natural gas, which is stored around here, is  
20 a clean form of energy. Well, natural gas, especially  
21 in this area, is almost entirely methane. Methane is  
22 a far more potent greenhouse gas than carbon dioxide.  
23 In fact, recent studies have shown that over 20 -- a  
24 20-year period, it has 105 times the global warming  
25 potential of carbon dioxide, and even over a hundred



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1 COMMENTS BY BOB FITZSIMMONS

2 years it has something like 31 times.

3 They keep moving that amount up. They  
4 keep finding that it's more potent than they thought  
5 before. Increased studies on climate change have  
6 increased their estimate of the impact. So when  
7 anybody starts spouting, too, that natural gas is also  
8 a safe, clean energy, as I heard the representative  
9 from Inergy doing last time, it's absolutely false.

10 And studies, as I said, keep showing more  
11 and more that it's going to contribute significantly  
12 to climate change, which in turn is going to make any  
13 project more tenuous and everything is going to keep  
14 reinforcing itself.

15 Thank you.

16 ALJ GARLICK: Hope Moffett.

17 Okay. I don't see anybody getting up.

18 Okay. Bob Fitzsimmons, followed by Bill  
19 Hecht.

20 BOB FITZSIMMONS: Thank you, sponsors of  
21 this meeting, employees of the Department of  
22 Environmental Conservation. My name is Bob  
23 Fitzsimmons; I am from Hector, New York.

24 Here's what I have to say about the  
25 proposal: Number one, New York does not need it. We



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1 COMMENTS BY BOB FITZSIMMONS

2 do adequately already meet our propane needs and  
3 supply issues, we did last year. In a year of  
4 extraordinarily blizzards across the Northeast, with  
5 the closing of Selkirk, Enterprise met the need of  
6 every supply requirement in the Northeastern United  
7 States. I know because I dispatched the trucks that  
8 delivered the propane.

9 Number two, we already take on enough of  
10 the risk of the propane industry in Schuyler County.  
11 We've made good partners with the existing part of the  
12 industry, we're happy to have them here, work with  
13 them, negotiate with them, support their safety  
14 efforts. We do not want to take on more of the  
15 industrial requirements of risk and infrastructure.

16 I think I saw Bill Moler here. Is he  
17 still in the room? Man, is he going to be mad when he  
18 gets back to work and tells his boss the following  
19 things, because they told him to come up and just  
20 propose a little propane storage increased facility  
21 for this little area of Schuyler County so they can  
22 lower our propane costs because, as he said, many  
23 times the price in New York is the highest in the  
24 country.

25 October 31, 2011, New York, \$3.17 a



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1                                   COMMENTS BY BOB FITZSIMMONS  
2     gallon.    Pennsylvania, very gas-friendly state, \$3.24  
3     a gallon.   Massachusetts, \$3.40 a gallon.  
4     Connecticut, \$3.10 a gallon.   Do you know what?   We do  
5     pay more for propane up here than they do down South.  
6     This is where the winter's at, folks.

7                                   Here's what's really going to make Bill  
8     Moler mad, when he gets back to his boss and says,  
9     "How can you tell me to go up there and propose this  
10    phony proposal to these decent, hard-working,  
11    salt-mining, grape-growing people" -- he's going to go  
12    back and tell his boss, "How dare you tell me to go up  
13    there and do this, when it's not what you meant for us  
14    at all."

15                                  There is no need to double or triple the  
16    storage possibilities of this region.   There's not  
17    going to be enough market for that much increase.   And  
18    as a matter of fact, their ultimate proposal is to  
19    quintuple that storage capability, and there certainly  
20    is no market requirement for that.

21                                  By the way, Ingery's own forecast for  
22    winter development is warming winters -- we could have  
23    told you that -- and we're not all switching to  
24    propane.   We like to burn propane, some of us use it  
25    for lots of reasons in our houses, but we're also



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1 COMMENTS BY BOB FITZSIMMONS

2 switching to wood, wood pellets, solar and wind. You  
3 may have heard of some those.

4 I tend not to be a very nervous, jumpy guy  
5 about floods, but this year has been a very  
6 interesting year for floods in New York. I tend not  
7 to be a very nervous, jumpy guy about fires, but I  
8 imagine trying to fight -- have our guys fight a  
9 propane fire of the magnitude that occurred for that  
10 car in California, and it sounds like never mind  
11 fighting it; the firefighting prospect when you deal  
12 with a propane fire like that is run hard and run  
13 fast.

14 That \$500,000 cleanup is not one that we  
15 care to entertain. I didn't think we were in an  
16 earthquake area until this year, and I think that it  
17 is incumbent upon the DEC to take all that into  
18 consideration as it begins to further review the  
19 process of approval.

20 Here is the document, the burning document  
21 that Mr. Moler, when he reads it, is going to totally  
22 infuriate him upon his return to Kansas City. This is  
23 page 8 of the Securities and Exchange Commission  
24 Financial Disclosure Form of the Inergy Corporation  
25 filed November 2010.



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1 COMMENTS BY BOB FITZSIMMONS

2 ALJ GARLICK: That's -- we're at four  
3 minutes.

4 BOB FITZSIMMONS: I have four minutes,  
5 right. Thank you. Perfect.

6 "Our US Salt facility has existing cavern  
7 space we're currently developing into a 5 million  
8 barrel LPG storage facility" -- not 2.1 -- "that we  
9 expect to place in service in the spring of 2011."  
10 Sorry for that delay.

11 "There is also existing cavern space that  
12 we intend to convert to approximately 10 billion cubic  
13 feet of natural gas storage."

14 You don't want us to be your customer, you  
15 want us to be your supplier. It is incumbent upon the  
16 DEC to recognize that these two projects are  
17 inextricably intertwined; that it is incumbent upon  
18 the DEC to tell these guys to go back and write a  
19 proposal that reflects what's in their financial plan,  
20 to tell the Town of Reading the truth, to tell Watkins  
21 Glen the truth, to tell the state of New York and the  
22 Finger Lakes the truth.

23 It is incumbent upon the DEC every time  
24 they hear the word "Finger Lakes" to go, bing, that is  
25 the crown jewel of the State of New York and deserves



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1                   COMMENTS BY JEFF DEMBOWSKI (ROBERT MORRIS)

2 special protection.

3                   Thank you very much.

4                   ALJ GARLICK: Bill Hecht. Is Bill Hecht  
5 here?

6                   Okay. Joseph Wetmore.

7                   David Marsh.

8                   Robert Morris.

9                   AUDIENCE MEMBER: Here.

10                  ALJ GARLICK: After Mr. Morris, Aaron  
11 Stevens.

12                  JEFF DEMBOWSKI: My name is Jeff  
13 Dembowski. I'm reading on behalf of Robert Morris,  
14 President and CEO of Flow Safe, Inc., of Denville, New  
15 Jersey.

16                  "Dear Mr. Bimber: I was pleased to learn  
17 another public hearing was scheduled, since I attended  
18 the previous hearing, but because of the tactics of  
19 Inergy/Finger Lakes LPG, I was prevented from making a  
20 public comment. Unfortunately, I will be out of the  
21 country for the November 3rd public hearing, but wish  
22 to have my comments read into the public record by the  
23 executive member of Gas Free Seneca.

24                  "I have a residence in Hector. I'm an  
25 electrical and chemical engineer and a retired PE., I



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1           COMMENTS BY JEFF DEMBOWSKI (ROBERT MORRIS)  
2           have been an expert witness in state and federal  
3           courts involving high-tech mechanical ventilation  
4           systems and worker chemical exposure when these  
5           systems fail to protect.

6                         "I'm also the President/CEO of Flow Safe,  
7           Inc., which manufactures award-winning technology that  
8           creates the opportunity to green yesterday's chemical  
9           and biological laboratories by reducing operating  
10          energy 60 to 70 percent, improving research worker  
11          safety and creating green construction jobs.

12                        "My company was in advance plans to  
13          relocate its corporate headquarters and expand  
14          manufacturing operations to Schuyler County. This  
15          would have created 35 jobs initially, with a projected  
16          75 jobs over the next five to seven years. Today's  
17          green technology requires the reeducation of designers  
18          and owners. An easily accessible training center in a  
19          green area location is beneficial. Wine production is  
20          a very green industry and makes this a pleasant area  
21          to visit. Schuyler County is an ideal location for  
22          any firm supplying green technology, particularly  
23          since it is near the East Coast's high density  
24          laboratory research facilities. Watkins Glen can be  
25          considered similar to what Santa Rosa/Healdsburg is to



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1 COMMENTS BY JEFF DEMBOWSKI (ROBERT MORRIS)

2 Sonoma County.

3 "Because of the proposed Inergy/Finger  
4 Lakes LPG storage facility, Flow Safe's planned  
5 relocation is on hold. Why? What was once a  
6 favorable area for green industry will now be  
7 negatively transformed into a flare stack industrial  
8 area. The only other industry this LPG facility will  
9 attract is other flare stack polluting industries with  
10 few jobs created and at considerable risk and costs  
11 for the community. The DSEIS states that perhaps six  
12 Walmart equivalent value sales associate jobs would be  
13 created once their published numbers are corrected for  
14 a required administrator and facility engineer.

15 "What should be of concern is that today's  
16 cogeneration technology could have eliminated the need  
17 for any flare stack. The energy wasted could be  
18 turned into power to help offset the energy consumed  
19 by almost 1,800 added motor horsepower. This fact  
20 only makes one realize how selfish and uncaring Finger  
21 Lakes LPG storage has been for the community.

22 "What should be of concern is that salt  
23 cavern gas storage facilities represent perhaps only 7  
24 percent of the underground gas storage capacity in the  
25 United States, but represent the majority of



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1           COMMENTS BY JEFF DEMBOWSKI (ROBERT MORRIS)  
2 catastrophic gas storage failures, causing both  
3 massive property damage and death because of the  
4 inherent risk of single-point failures, unless  
5 redundant backup systems are included in the design.

6           The DSEIS indicates none of the industry  
7 standard redundant systems required to mitigate these  
8 risks. Why? An explosion and fire at the Mont  
9 Belvieu storage complex killed several people and  
10 required the evacuation of a town equivalent in size  
11 to Watkins Glen, but no such evacuation plan is part  
12 of the DSEIS.

13           "The 14-acre open-air brine pond is not a  
14 farmer's pond, but a pond handling hazardous  
15 industrial waste. The design drawings submitted are  
16 not stamped by a New York State professional engineer,  
17 PE, whose main obligation is to protect the public in  
18 New York State. This is not a farmer's pond, but a  
19 dam waiting to fail. The DSEIS goes through an  
20 elaborate explanation of why the pond site location  
21 was selected. The proposed site location was  
22 explained as the least bad location on the property  
23 they own. This would be similar to telling the DEC  
24 that none of the property was percolatable for a  
25 septic system, but we found one spot that was better



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1                   COMMENTS BY JEFF DEMBOWSKI (ROBERT MORRIS)

2                   than the rest. The answer is simple: Purchase the  
3                   appropriate property for the application.

4                   "The DSEIS mentions that the process  
5                   requires the final LPG product go through a molecular  
6                   sieve dryer, but fails to discuss how these molecular  
7                   sieve beds will be regenerated. This process could  
8                   present an added hazard to the community.

9                   "There are other problems with the DSEIS  
10                  that have been discussed by others. Without an  
11                  independent third-party Quantitative Risk Analysis,  
12                  QRA, including an evacuation plan for a propane  
13                  emergency, the relocation of Flow Safe to the Schuyler  
14                  County area is on permanent hold. Much of this bad  
15                  plan can be blamed on local elected officials that do  
16                  not deserve our continued support.

17                  Sincerely, Robert Morris, President/CEO,  
18                  Flow Safe, Inc."

19                  ALJ GARLICK: All right. Next Aaron  
20                  Stevens.

21                  Bo Lipari, followed by Ross Horowitz.

22                  BO LIPARI: Hello. My name is Bo Lipari,  
23                  I've lived in Schuyler County for 31 years, and since  
24                  so many have already commented on such a diverse range  
25                  of issues, I'm going to keep my comments brief and



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## COMMENTS BY BO LIPARI

1 limited to a few points only.

2 First the claim this project is no  
3 different from existing gas storage projects. Well,  
4 simply put, the scale of this project has no current  
5 comparison in the Finger Lakes, and that's going to  
6 have a dramatic effect on its impact. As a military  
7 strategist said, "Quantity has its own very special  
8 sort of quantity."  
9

10 The size of the initial phase of this  
11 project alone is larger by far than anything else in  
12 the region. It's 74 times larger than the TEPPCO  
13 storage facility already present here. So let's  
14 consider how much bigger 74 times is. If I compare a  
15 radio-controlled model airplane to the largest plane  
16 ever built, the Spruce Goose, the Spruce Goose at 219  
17 feet long is 74 times longer than the 3-foot model  
18 airplane. Now, I could put a radio-controlled  
19 airplane in my garage without noticing it too much,  
20 but the Spruce Goose, I think my wife would have  
21 something to say about that.

22 How about we compare a shed to the Empire  
23 State Building. If we take a big shed at 16 feet  
24 high, the Empire State Building, which is 1,250 feet  
25 high, is 74 times larger. So if I build a 16-foot



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## COMMENTS BY BO LIPARI

1 shed on my property, my neighbors aren't going to  
2 mind. But if I build the Empire State Building on my  
3 land, well, they're definitely going to have something  
4 to say about it.  
5

6 Finally, let's compare a small boat to the  
7 great Titanic. If we take a small boat, say 12 foot  
8 in length, the great Titanic was 882 feet; 74 foot  
9 times longer.

10 And speaking of the great Titanic, it's  
11 worth remembering that it too was considered  
12 failure-proof. The great Titanic was a marvel of  
13 engineering, the great Titanic was foolproof, the  
14 great Titanic was unsinkable, the experts all signed  
15 off on it, but somehow, despite all the expert  
16 assurances and all the public relations, husbands,  
17 wives, little children lost their lives the day that  
18 great ship went down.

19 Today we're given assurances that the  
20 great brine pond, an open pit on the steep hillside  
21 right above Seneca Lake, can't be breached. It's got  
22 amazing safety features, it can never fail, the great  
23 brine pond will hold merely a hundred million gallons  
24 of liquids many times saltier than seawater. We're  
25 told the great brine pond is a marvel of engineering,



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1 COMMENTS BY BO LIPARI

2 it's foolproof. It's not possible, we're told, for  
3 million gallons of -- millions of gallons of brine to  
4 spill into Seneca Lake, killing it, killing it.

5 So the experts signed off on it. But when  
6 I think of the great brine pond, I think of the great  
7 Titanic. So why am I not reassured when I hear,  
8 "Nothing can go wrong"?

9 Let's remember the Titanic. Let's  
10 remember if we don't learn from history, we are  
11 condemned, condemned to repeat it.

12 Last point, heavy industrialization and  
13 tourism can co-exist. No, they can't. We don't need  
14 a scientific analysis to tell us; plain ol' common  
15 sense will do. When is the last time an Inergy  
16 executive went to Newark, New Jersey for vacation?  
17 Huh? How about Akron, Ohio? How about Detroit,  
18 Michigan? How about Dimock, Pennsylvania?

19 Over the 31 years I've lived here, I've  
20 watched our tourism economy grow. In 2008 Schuyler,  
21 Seneca, Ontario, Yates County visitors spent more than  
22 \$307 million. The tourism section employed 6,335  
23 people, generated \$146 million in income, labor  
24 income. Visitor spending contributed 20 million in  
25 local taxes, 19 million in state taxes. Tourism is



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1 COMMENTS BY ROSS HOROWITZ

2 our future, not gas.

3 Over those same 30 -- over those same 31  
4 years I've seen the wine industry develop from a  
5 handful of large wineries to an explosion of small  
6 businesses all over, up and down Seneca Lake. These  
7 Finger Lake wines are now gaining international  
8 reputation. They're bringing jobs, tourists and  
9 businesses to our local economy. Wine is our future,  
10 not gas.

11 A final thought, one last thought to the  
12 executives at Inergy who want to bring this heavy  
13 industry to this place many of us call home. We're  
14 the people who live here, we raise our families here,  
15 we drink its water, we make its wine. We're the  
16 people who live here. Who the hell are you?

17 ALJ GARLICK: Ross Horowitz will be  
18 followed by Shirley Rice.

19 ROSS HOROWITZ: My wife and I own a home  
20 near Ithaca. To us, the LPG storage facility is a  
21 regional issue. To better understand the environment  
22 that the DEC should be protecting, let's look at three  
23 different landscapes.

24 In parts of Texas and Oklahoma, for  
25 example, a landscape of open plains and rolling hills,



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## COMMENTS BY ROSS HOROWITZ

1 covered with vast industrialized farms, and the  
2 apparatus and pollution of oil and gas extraction is a  
3 landscape viewed by some as a thing of beauty.  
4

5 At the other end of the spectrum is a  
6 landscape described by Chief Standing Bear of Lakota,  
7 quote, "We did not think of the great open plains, the  
8 rolling hills, and winding streams with tangled growth  
9 as wild. To us it was tame, Earth was bountiful, and  
10 we were surrounded with the blessings of the Great  
11 Mystery."

12 Between these two at Lake Seneca we have a  
13 landscape of natural beauty coexisting with low-impact  
14 industry and family farms. A sustainable landscape  
15 that attracts tourists, artisans and winemakers. The  
16 proposed LPG facility and its cumulative effect is  
17 incompatible with its landscape, its people and sense  
18 of place.

19 Energy said it will disclose its safety  
20 measures after the permit is issued; that rail and  
21 pipeline security are not its responsibility. Is this  
22 wise? How can we get an idea of a worst-case  
23 scenario? Using industry conversion factors from the  
24 Internet, the proposed storage facility can hold about  
25 20 percent more energy than the largest LNG tankers as



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## COMMENTS BY ROSS HOROWITZ

1  
2 of 2008.

3 Why is this important to us? Because at  
4 this quantity, the Department of Energy commissioned  
5 Sandia Labs to evaluate the potential hazard of  
6 accidents and terrorist attacks on tankers at sea, in  
7 port and in aboveground storage facilities. The  
8 results strongly suggest, given the proximity to  
9 Watkins Glen and major gas pipelines, that the DEC  
10 request the Departments of Energy and Homeland  
11 Security and Sandia National Labs to evaluate the  
12 proposed LPG facility in the context of supply  
13 handling, storage and distribution.

14 The storage process is presented as a  
15 closed container having high seals for brine in and  
16 LPG out. However, if nearby faults open to the  
17 storage cavity or a more soluble evaporite that is  
18 found within the cavity structure, the pressurized LPG  
19 may move to the surface and ignite.

20 In addition to geology breaching the  
21 closed container, another possibility is what happened  
22 in 2004 at Moss Bluff, Texas, where a major  
23 underground pipe broke, allowing high-pressure natural  
24 gas to rush to the surface through a brine pipe,  
25 rupturing the emergency shutdown system and igniting



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## COMMENTS BY ROSS HOROWITZ

1  
2 the natural gas. The explosions and fires rocked Moss  
3 Bluff facility, doing 20 million worth of damage,  
4 releasing more than 36 million worth of natural gas  
5 into the air and causing the evacuation of some 360  
6 people up to three miles away.

7 Aboveground activity can also lead to  
8 disaster, as in the June 2009 LPG release, dispersion  
9 and explosion at the railroad station in Viareggio,  
10 Italy, where part of a train with LPG tank cars  
11 derailed. One car hit a signaling stake and the  
12 resulting LPG leak led to four tank cars exploding,  
13 with 31 people dead, more than 30 seriously injured,  
14 and 1,100 people evacuated.

15 The analysis suggests extraordinary  
16 measures that Inergy should be required to take around  
17 the entire proposed facility.

18 Finally, let's consider the amount of  
19 energy stored as LPG. If we convert the energy and  
20 the maximum volume of LPG to an equivalent amount of  
21 TNT and divide by 15,000 tons of TNT, we have the  
22 energy of 129 Hiroshima-size atomic bombs stored in  
23 the salt caverns. This doesn't mean we could see a  
24 mushroom cloud over Watkins Glen, but it does mean  
25 that the DEC must have an independent third party do a



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1 COMMENTS BY SHIRLEY RICE

2 Quantitative Risk Analysis, not the hand-waving by  
3 Inergy. The stakes are just too high, and common  
4 sense would deny this permit.

5 Thank you.

6 ALJ GARLICK: Shirley Rice will be  
7 followed by William -- "Huske?" My apologies.

8 Ms. Rice.

9 SHIRLEY RICE: I have one of those little  
10 winery jobs of which Inergy is so dismissive. It  
11 keeps me in food and clothing and heat. I pay Social  
12 Security taxes, county taxes, state taxes and federal  
13 taxes. I shop here. I am 76 years old; the oldest  
14 person at our winery with another little winery job is  
15 almost 81 years old. There are many of us older folks  
16 who earn a living working at wineries. You can be  
17 sure that Inergy, with its ten or so jobs a year, will  
18 not hire us. We will not be independent, but  
19 dependent.

20 Vineyards are green, they are beautiful,  
21 and they absorb carbon dioxide and other pollutants  
22 from the air and make our air cleaner to breathe.  
23 Vineyard owners are aware of pollution and incorporate  
24 clean farming practices into their vineyard  
25 management. They use natural products to fertilize



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1 COMMENTS BY SHIRLEY RICE

2 their grapes and do their darnedest to avoid poisons  
3 promoted by chemical companies for pest management.

4 Vineyards bring tourists from all over the  
5 world. As a winery worker, I see them every day.

6 They come from Sweden, Germany, France, Spain,  
7 Australia, Ohio, California, Colorado, Maine,  
8 Pennsylvania, all states in fact, and Canada. More of  
9 them come every year and are amazed at the beauty of  
10 the Finger Lakes and the quality of our wines and they  
11 plan to return.

12 Because of the vineyards bringing  
13 tourists, people who own guesthouses, hotels and  
14 restaurants also earn a living. Camping grounds cater  
15 to tourist campers. This year local carpenters had  
16 been busy building new tasting rooms, new production  
17 rooms and new storage buildings for the wineries.  
18 Their businesses will fail if wineries fail and if  
19 people no longer want to build new homes in our area  
20 or improve their old homes.

21 To turn our area into the hub for propane  
22 gas storage is an anachronism, postdated, out of synch  
23 with our country and the Finger Lakes need and want to  
24 go. Gas stored in old salt caverns is the most likely  
25 to explode, and it does.



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1 COMMENTS BY SHIRLEY RICE

2 The corporate moguls who want to store gas  
3 here say there are always tradeoffs to progress; we  
4 get the tradeoffs, they get the profits. But this is  
5 not progress. Progress is getting us away from old  
6 energy sources and helping each of us to have energy  
7 in wind and solar and yet-to-be-perfected sources of  
8 warmth and light.

9 The moguls think it is okay to burden us  
10 with more heavy truck traffic. My winery is on a  
11 hill, and I watch the big propane trucks and other  
12 trucks accelerate right down to the spot where they  
13 need to slow and then they apply their jake brakes,  
14 jake brakes make that huge gurgling noise that can be  
15 heard for several miles and make living on a hill hell  
16 for those who live adjacent to highways.

17 After the gas storage is established, it  
18 will no doubt expand to other salt caverns under the  
19 Finger Lakes. It will need new four-lane highways  
20 through our front yards and new pipelines through our  
21 forests and fields. We will pay for them with our  
22 taxes.

23 Other dirty industries that use gas will  
24 follow, and this region, one of the most beautiful  
25 spots in the world, will be turned into another



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1 COMMENTS BY SHIRLEY RICE  
2 industrial wasteland with dirty air, dirty water, sick  
3 people, and sick and dying farms, vineyards included.

4 We have something really good going here,  
5 and it is old-fashioned thinking that would trade it  
6 for old-fashioned energy sources and all its  
7 pollutants. The Finger Lakes won't reach saturation  
8 in vineyards for another ten years, and we want to  
9 shoot for that and continue with the beautifying of  
10 our most-valued natural resources: scenic beauty,  
11 clean air, clean water, clean soil, healthy working  
12 older folks and jobs for our young people. And most  
13 of all, we want a safe environment for our children  
14 and we want children born free of chemicals.

15 Thank you.

16 ALJ GARLICK: William -- "Huske," "Huske"?

17 Ellen Harrison.

18 Leyana Dessaver.

19 Michael Fesen.

20 Jim -- "Dressaver," "Dessaver"?

21 Tim Dunlap.

22 TIM DUNLAP: Here.

23 ALJ GARLICK: All right. And followed  
24 by -- oh, my goodness -- Bill Gautreaux.

25 TIM DUNLAP: My name is Tim Dunlap. I



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## COMMENTS BY TIM DUNLAP

1  
2 grew up in Valois, New York, went to school in Watkins  
3 Glen. I live on Peach Orchard Point in Hector. I  
4 sleep with the window open; I listen to the lake  
5 waters go up, I listen to the lake waters go down. If  
6 we build a railhead over here (indicating), you will  
7 not be hearing the lake anymore.

8 I went to school here. We're going to go  
9 through the ABCs. We let these things roll off the  
10 tip of our tongue: The EPA, the DEC, the DEP. DEP  
11 stands for Department of Environmental Protection. In  
12 Pennsylvania they've had to shut down municipal water  
13 systems due to the hydrofracking fluids dumped into  
14 their rivers. The EPA does not -- don't let it roll  
15 off your tongue, every time you read that acronym,  
16 Environmental Protection Agency.

17 The DEC, Department of Environmental  
18 Conservation, they work for the taxpayer. We are the  
19 taxpayers. Corporations get taxpayers by billions of  
20 dollars; we get no breaks. It's up to us to hold the  
21 DEC, the Department of Environmental Protection, the  
22 DEC, the Department of Environmental Conservation and  
23 the EPA, Environmental Protection Agency, we hold  
24 their feet to the fire because they are beholden to  
25 the taxpayer. We must remember that. Words count.,



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1 COMMENTS BY TIM DUNLAP

2 write your words, send them to the correct address.

3 The Dominion Corporation just filed to  
4 export 3 billion cubic feet of natural gas in Maryland  
5 or a marine terminal somewhere down there. I try and  
6 pay as close attention as I can, but I don't have all  
7 the facts and figures, but that much I do know.

8 We live near the Millennium pipeline. The  
9 Millennium pipeline is much bigger than the TEPPCO  
10 pipeline, and if you don't think the natural gas  
11 they're looking to produce from Upstate New York is  
12 going to hit the Millennium pipeline and go away,  
13 you've got another think coming. And if you think  
14 that the price of your natural gas or your LP gas is  
15 ever going to go down, you've got a third think  
16 coming, and you better think hard and you better think  
17 now.

18 I want to put a challenge up to the  
19 Department of Environmental Conservation to do the  
20 correct thing and live up to what their name says.  
21 Pete Grannis tried it; he was excused from duty by our  
22 previous governor for saying what is the truth. The  
23 truth is, we don't have enough people to police the  
24 industry and he was handed his hat.

25 ALJ GARLICK: All right. Bill --



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1 COMMENTS BY BILL GAUTREAU

2 "Gautreaux"?

3 BILL GAUTREAU: That's good.

4 ALJ GARLICK: Followed by Terry Rice.

5 BILL GAUTREAU: Good evening. My name is  
6 Bill Gautreaux and I'm the President of Inergy  
7 Services, which is the LPG marketing and distribution  
8 division of Inergy LP.

9 I've been calling on independent New York  
10 business owners since 1985. I'm very familiar with  
11 the history of the supply and demand in this market.  
12 I'm here tonight to speak in strong support of the  
13 Finger Lakes project, and I urge the DEC to move  
14 quickly and alleviate the consumer hardship, help  
15 promote cleaner fuels availability, and provide a  
16 greater efficiency and safety to the marketplace.

17 Who the hell are we? We employ 297  
18 employees in the State of New York, 121 in  
19 Massachusetts, and 293 in the Greater New England area  
20 in general. Our employees have deep roots in the  
21 community and are active builders in our local  
22 communities.

23 Everyone here uses energy products in some  
24 form. The vast majority of us rely on energy for  
25 heating, cooling, hot water, refrigeration and



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1 COMMENTS BY BILL GAUTREAU

2 transportation and farming every day. As a matter of  
3 fact, in this winter weather we could not survive as a  
4 species without heat. It's essential to our quality  
5 of life.

6 The only forms of heat available to supply  
7 this demand today are natural gas, electricity,  
8 propane and heating oil. Of these, which are the  
9 cleanest products that generate the fewest emissions?  
10 Natural gas and propane.

11 Inergy LP is an infrastructure and  
12 downstream distribution company. Our role is to  
13 provide and manage distribution infrastructure like  
14 pipelines, storage, terminals and transportations, so  
15 that consumers get the energy that they need  
16 efficiently, safely and as cost-effectively as  
17 possible. We're not an upstream company, we don't  
18 drill for gas, we don't produce gas; we simply  
19 transport, store and deliver to consumers.

20 Natural gas in New York State is dry gas.  
21 It does not contain material quantities and natural  
22 gas liquids for propane. By virtue of this, propane  
23 storage has no relationship whatsoever to New York  
24 natural gas, whether or not it's produced by virtue of  
25 hydraulic fracturing. Don't confuse the two or it



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1 COMMENTS BY BILL GAUTREAUX

2 will simply dilute your argument, and it is factually  
3 inaccurate.

4 There are a couple other inaccuracies, one  
5 of them from this gentleman here. I don't know where  
6 he got his information, but the TEPPCO propane storage  
7 cavern is 1.2 million barrels, and so your colossal  
8 comparison was a colossal mistake. And that's a lot  
9 of the problem that we're seeing here tonight, is that  
10 people don't have facts. Our facility is 2 million  
11 barrels as proposed, and I don't know the exact math,  
12 but I think that 1.6 or 7 times. Again, propane has  
13 no relationship to hydraulic fracturing in New York.  
14 There's no propane that comes from it.

15 Our job as a company is to make markets  
16 more efficient. The propane market in New York and  
17 New England is inefficient. Last year propane was  
18 exported from Texas, and at the same time we were  
19 paying Texas prices plus a dollar to import propane  
20 into New England. That's a classic mind-boggling  
21 inefficiency, and it's simply because prices were  
22 higher internationally and we had to incentivize an  
23 international product to come to New England at the  
24 same time that we were exporting them out of Texas and  
25 pay a dollar premium.



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1 COMMENTS BY BILL GAUTREAUX

2 The cost of shipping it on a pipeline is  
3 14 cents.

4 ALJ GARLICK: That's four minutes.

5 BILL GAUTREAUX: If that cost reduced to  
6 25 cents over Texas on all the incremental product  
7 that people bought last year, that would have been \$63  
8 million savings. And that's the wholesale price of  
9 propane, not the \$3.20 that the gentleman earlier  
10 referred to. That's the retail price he was talking  
11 about.

12 To those who say the Finger Lakes facility  
13 will create an industrial landscape, I would ask them  
14 what their landscape is today, because propane and  
15 natural gas has been stored here for over 40 years.  
16 The reality is that it isn't noticeable to the vast  
17 majority of people; you have to know it is there to  
18 know it exists.

19 To those who say there will be a major  
20 rise in truck traffic, the facts and facility capacity  
21 paint a different picture. My own calculations are  
22 that peak trucking will never be any more than in the  
23 wintertime, about two trucks every 15 minutes, and I  
24 can give you the math. Additionally --

25 ALJ GARLICK: Can you wrap this up? It's



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1 COMMENTS BY TERRY RICE

2 over five minutes now.

3 AUDIENCE MEMBER: Go back to Kansas.

4 BILL GAUTREUX: It's Missouri.

5 My final suggestion is that the tourism  
6 and wine industry will flourish just like it always  
7 has, based on the marketplace, just like our business  
8 will.

9 Thank you.

10 ALJ GARLICK: Terry Rice.

11 TERRY RICE: Thank you, your Honor.

12 My name is Terry Rice. I was born and  
13 raised in the Finger Lakes. I have done two tours in  
14 the Air Force, moved back to this area because I love  
15 it; I've been here all my life. I am the plant  
16 supervisor at the Savona facility for Inergy, and I  
17 kind of took notice last meeting when you people told  
18 Inergy to go home. I did; I went home to Savona.

19 I am just as much Inergy as Bill Moler and  
20 any of the employees from Kansas City. All my  
21 employees at the plant live locally, within 15 miles.  
22 Our place is safe. It's been there since the early  
23 '50s. And Inergy has done wonders for the facility.  
24 They don't balk at safety measures. If I ask for it,  
25 it's given to me. And all I ask is that you people



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1 COMMENTS BY TIM REGAN

2 learn the facts, learn the numbers. And, yes, wine  
3 and brine can co-exist.

4 Thank you.

5 ALJ GARLICK: Tim Regan.

6 Gary Kirton.

7 Mr. Regan?

8 TIM REGAN: Yes, sir.

9 ALJ GARLICK: I'm sorry.

10 After Mr. Regan it will be Gary Kirton.

11 TIM REGAN: Hello, your Honor. Hello,  
12 friends and neighbors. My name is Tim Regan. My  
13 entire career path has been dictated by the desire to  
14 never have to get up in front of a large group of  
15 people and speak, so I hope you can appreciate how  
16 important it is to me and excuse my nervousness and  
17 lack of professional polish.

18 I'm a third-generation Upstate New Yorker  
19 and quite proud of that and my family, who have been  
20 stewards and supporters of this region for all their  
21 lives too. I was born and raised in the Finger Lakes  
22 area and was lucky enough to spend my childhood  
23 summers in the St. Lawrence River. Needless to say,  
24 I'm quite familiar with the area and its inhabitants,  
25 as it has been my whole life and business for that



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## COMMENTS BY TIM REGAN

1  
2 time.

3 I am not a person who is against change  
4 just because it is change, nor an enemy of business.  
5 Indeed, many of my customers are small businesses in  
6 the area who are happy to have my advice and insight  
7 about this area, whether or not it necessarily agrees  
8 with what they're trying to do here, in addition to  
9 the help they seek with their carpentry problems.

10 So in response to Mr. Moler, yes, I am  
11 from this area; not someone from away, brought here to  
12 raise hell with plans. Yes, I do feel qualified to  
13 speak on its behalf and, yes, I am your neighbor. I  
14 live at 3449 Salt Point Road, directly on top of the  
15 proposed LPG project, ground zero and the 33-1/3  
16 percent chance there's an environmental disaster.  
17 These are odds that I do not find appealing.

18 I'm a slow and deliberate man by nature,  
19 who does his research, not given to make rash or  
20 uninformed decisions and more than willing to listen  
21 to both sides of an argument before coming to a  
22 decision. I'm glad and thankful for the scientists  
23 and professors who have preceded me for their command  
24 of the facts and their motivation and courage to  
25 present the unvarnished truth. Also thankful to Gas



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1 COMMENTS BY TIM REGAN

2 Free Seneca and the multiple other organizations for  
3 their tireless and mostly thankless job for presenting  
4 this to the public and raising awareness.

5 Great thanks are all due to Chris Tate and  
6 all the performers and volunteers who made the Big  
7 Splash event. Thanks also to the band Phish for their  
8 charitable contribution to the cause. It is very  
9 gratifying to see both sides of the lake come together  
10 and protect this unique, irreplaceable body of water  
11 that we all call home. Long live Seneca Lake.

12 As one of the first people to feel the  
13 effects of the efforts to further industrialize this  
14 area that people who come from all over the world to  
15 enjoy its natural beauty, I would like to speak to the  
16 assertions made by the Finger Lakes Railway and Inergy  
17 that they would like to be good neighbors.

18 In the spring of this year the railroad  
19 started to dump piles of black contaminated dirt on  
20 the properties of myself and neighbors next to the  
21 lake. This dirt contains asbestos, diesel fuel, oil,  
22 creosote and coal dust.

23 When it was pointed out to the DEC, it was  
24 stated by them that it was ordinary C&D waste for the  
25 railroad. It was then pointed out by myself that



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## COMMENTS BY TIM REGAN

1  
2 normal CD or not, it is still illegal for a commercial  
3 business to bury waste on their own property, much  
4 less someone else's. This was their obvious intent,  
5 along with many old disregarded railroad ties which  
6 they also failed to remove. Good neighbors do not  
7 attempt to bury toxic waste on my property. This was  
8 eventually removed, but I still see a huge pile of it  
9 in Watkins Glen. I hope your kids aren't playing on  
10 it.

11           Upon further inquiry, we discovered that  
12 the railroad intended to build a siding between us and  
13 the lake to store railroad cars on. News to all of  
14 us. We were told this was their property, that they  
15 could do anything they wanted on it without a permit,  
16 and that there was nothing that we could do about it.

17           We were informed in writing by Mr. O'Hearn  
18 that, in fact, if we wanted to, we could consider  
19 ourselves the losers in this situation. A bullying  
20 load of blarney, in other words.

21           Here are the true facts in this case:  
22 One, this was funded by a federal grant, and such, we  
23 are entitled to a public hearing on this matter.  
24 Anyone affected by this is given an opportunity to  
25 speak or against it, as in the case of this hearing.



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1 COMMENTS BY TIM REGAN

2 Here is where the fraudulent  
3 double-dealing disinformation comes in. The  
4 information that was distributed to the Schuyler  
5 County Legislature described the project as removal of  
6 400 feet of track at the former Watkins Glen water  
7 plant to be replaced by 400 feet in Watkins behind the  
8 Walmart, which specifically stated was not to be used  
9 to store cars on, and 400 feet at the US Salt Company  
10 at our end.

11 What was actually applied for to  
12 Washington, DC, was 1,400 feet in the Town of Reading  
13 location, identified only by railroad mile markers and  
14 a similar amount of track in Watkins. What was  
15 actually built at the Reading end was 1,900 feet on  
16 private property next to the lake, without any notice  
17 to the neighboring landowners.

18 ALJ GARLICK: That's four minutes.

19 TIM REGAN: Okay.

20 This was explained away as an unfortunate  
21 cycle that was unintentionally repeated to the  
22 Schuyler County Legislature, Scope It, the IDA and the  
23 public disclosure. Again, this information was  
24 unfortunately repeated on the Finger Lakes Railway's  
25 website. Good thing they caught it before paperwork



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## COMMENTS BY TIM REGAN

1  
2 went to DEC.

3           This is the information we were given to  
4 comment on. Had the true nature and scope of the  
5 project been revealed prior to the hearing, I know  
6 that I would have attended and spoke against it, as  
7 well as anyone who did not wish to see a new rail car  
8 siding filled with graffiti-covered cars parked within  
9 25 feet of Seneca Lake. Certainly not an addition to  
10 our natural scenic viewing, duty and tourism industry.

11           This alone should be enough for a new  
12 public hearing on the use of our federal moneys for  
13 this project on the basis of the patently false and  
14 misleading information that was distributed to the  
15 public and local governing body.

16           The Finger Lakes Railway's assertion that  
17 "This is our property and we will do want we want to  
18 on it and do not need a permit for anything," this is  
19 really three assertions. "This is our property." Not  
20 really. The right-of-way was purchased by the Finger  
21 Lakes Railway from Conrail for \$1 and then immediately  
22 sold to the Schuyler County IDA for \$1 and then leased  
23 back to the railroad for \$1 --

24           ALJ GARLICK: Can you wrap it up, please.

25           TIM REGAN: Okay. I hope this speaks to



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## COMMENTS BY TIM REGAN

1  
2 exactly what kind of business we're dealing with here;  
3 lies, misdirection, no concern for the residents and  
4 strong-arm tactics are the order of the day here, and  
5 if allowed to continue, will be the norm for the  
6 foreseeable future. And Inergy is in the acquisition  
7 phase here, trying to start a new business, and as  
8 such, is being very diplomatic and even trying to slay  
9 the part of the business beleaguered by the evil  
10 organized environmental groups.

11 I have no problems with the existing  
12 businesses running as they always have, with the  
13 minimal environmental impact continuing to operate.

14 They continue to point to TEPPCO having  
15 operated for years without a problem. That is not  
16 entirely true. During the years that they operated at  
17 capacity, there was such a dramatic rise in the  
18 salinity of the lake that it caused alarm among the  
19 scientists that studied it. Hard to legally pinpoint  
20 it to them, but the truth of the matter is they have  
21 not tried to operate it at that capacity since, as I  
22 understand it.

23 This is the battle over just the first two  
24 caverns. They want to try it again. There's  
25 something on the order of another 160 caverns on the



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## COMMENTS BY TIM REGAN

1  
2 property that it would open the door to. This is just  
3 the beginning. This does not get mentioned. And they  
4 also learned to shut up about the fact that they  
5 intend to make this a gas storage hub for the entire  
6 Northeast.

7 No increase in truck and train traffic? I  
8 know many people in the audience are of the same mind  
9 as me, but if anyone is undecided, please look into it  
10 yourself; you'll find out the same things that I did.  
11 I have not seen anyone not directly employed by them,  
12 nor any study or engineering not financed by them,  
13 come out in support of this. Few people would  
14 directly benefit --

15 ALJ GARLICK: That's about eight minutes.  
16 If you could end now, please.

17 TIM REGAN: In conclusion, I would like to  
18 thank all of you for allowing me to share my  
19 experiences with these interrelated projects and how  
20 I've been dealt with.

21 There has been a lot of talk about how we  
22 need to store this precious natural resource for our  
23 own benefit, but in reality this is to benefit a  
24 Spanish company and their bottom line. If you look at  
25 the current economic situation in Spain and the rest



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1 COMMENTS BY TIM REGAN

2 of Europe, I think you'll agree that our well-being is  
3 not -- is the least of their worries. We must protect  
4 ourselves.

5 Only 3 percent of the water in the world  
6 is freshwater, and even to take the remote chance that  
7 something we are doing for short-term economic gain  
8 could endanger that precious natural resource is  
9 foolhardy and irresponsible. There's no going back  
10 once you've killed Seneca, and no amount of  
11 reparations that could ever repair or bring it back.

12 Your Honor, this is not the place for this  
13 project. Please consider the wishes of the people in  
14 this area as paramount and a priority as far as this  
15 project is concerned.

16 Thank you very much.

17 ALJ GARLICK: Okay. I'm going to call a  
18 few more cards and we're going to take a break at  
19 7:30, about ten minutes, come back and pick up where  
20 we left off.

21 Gary Kirton.

22 I really can't see in the audience, so if  
23 you're here, sing out.

24 John Santos.

25 Lou Johns.



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1 COMMENTS BY NANCY YOUNG GEORGE

2 Julia Walsh.

3 Anya Harris.

4 Nancy George.

5 Got one. Followed by Jeff Andrysick.

6 NANCY YOUNG GEORGE: Hello. My name is  
7 Nancy Young George and I'm here from Trumansburg, New  
8 York, which is across the lake, Mr. Bimber.

9 I didn't come with any prepared comments.  
10 I needed to speak from my heart.

11 Do you know what, Mr. Bimber? I would  
12 appreciate it if you would look at me when I talk.

13 But here's the thing. At the last  
14 meeting, when the Department of Environmental  
15 Conservation introduced the meeting, you -- I believe  
16 it was you -- said that originally you thought this  
17 was a dangerous project and shouldn't happen and you  
18 had great reservations about it, "you" meaning the  
19 Department of Environmental Conservation, as other  
20 people have pointed out. Okay?

21 So a Draft Environmental Impact Statement,  
22 no matter how wonderfully worded, no matter how much  
23 energy or any other company puts out "This can be done  
24 safely," "This can be done wonderfully," guess what?  
25 It does not change in any way, shape or form that this



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1                   COMMENTS BY NANCY YOUNG GEORGE

2           is a bad idea, this is a dangerous project.

3                   We have -- we heat our home with natural  
4           gas, but do you know what? I'm ashamed that I have  
5           natural gas in my house. If I had an alternative, by  
6           God, I would not have natural gas. If my neighbors  
7           have propane, I know that if they have an alternative,  
8           they would not be supporting that industry.

9                   And I ask you, I ask you as a person to  
10          look me in the eye. You look everybody in this  
11          audience in the eye and guarantee, your own personal  
12          guarantee that this -- if this goes through, that  
13          you're going to account to every one of us who is  
14          going to lose our beauty, who is going to lose this  
15          beautiful lake -- we are on Cayuga Lake. Well, what  
16          happens on Seneca Lake happens to Cayuga Lake as well,  
17          and happens to the whole other Finger Lakes. It's not  
18          just a local little project.

19                   And to the man from Inergy who spoke,  
20          guess what? Your own internal documents say that this  
21          is not a small project. This wants to be the  
22          beginning of a bigger, big, big, big project.

23                   So I would like guarantees from the  
24          Department of Environmental Conservation, from people  
25          who work there, from people who are supposed to be



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1                   COMMENTS BY NANCY YOUNG GEORGE  
2           protecting our environment. I know that there's some  
3           pressure on your folks to develop resources; I mean,  
4           perhaps even from our own government. No? But I'm  
5           going to ask you as a person, I'm going to ask the  
6           people at the Department of Environmental Conservation  
7           as people, as people who depend on Earth to live, to  
8           look us in the eye and do the right thing like other  
9           people have said and say no to this, for goodness  
10          sake, please.

11                   Thank you.

12                   ALJ GARLICK: Jeff Andrysick.

13                   Barbara Schiesser.

14                   Patricia Bee.

15                   Jan Quarles.

16                   Kay Newbury.

17                   John Istvan.

18                   All right. We've run through the first 44  
19          cards. That's everybody who asked to speak at the  
20          first hearing and didn't get a chance to. We'll take  
21          a break now. When we come back, I'm going to run  
22          through the cards that I called that I didn't get a  
23          response to, just in case any of those people showed  
24          up late, because we did start early and people do have  
25          to work. And then after that, I'm going to get cards



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1                   COMMENTS BY JAY JACKSON (MIKE HOPSICHER)  
2           from DEC staff and I'll call the people who asked to  
3           speak, but who have not spoken yet at either hearing.

4                   All right. Let's see. It's 7:15. We'll  
5           start again at 7:25.

6                   Thank you.

7                   (The proceeding recessed at 7:15 p.m.)

8                   (The proceeding reconvened at 7:26 p.m.)

9                   ALJ GARLICK: All right. I'm going to run  
10          through these cards. First one is Don Burger. Stand  
11          up if you're here. Don Burger.

12                   Mike Hopsicher.

13                   I was told that Mike Hopsicher has a  
14          statement that's going to be read into the record.

15                   MIKE HOPSICHER: Yes.

16                   ALJ GARLICK: Okay. After Mr. Hopsicher,  
17          Mr. Clark, Bill Clark.

18                   JAY JACKSON: Good evening. My name is  
19          Jay Jackson. I am employed by Inergy. I'm the  
20          Regional Manager for the Wholesale Marketing  
21          organization, but I am here tonight to speak on behalf  
22          of Mike Hopsicher, who was originally signed up to  
23          speak and he could not be here tonight because his  
24          daughter has a play this evening, and I'm reading all  
25          this first person.



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1                   COMMENTS BY JAY JACKSON (MIKE HOPSICHER)

2                   "Good evening. My name is Mike Hopsicher.  
3 I have many ties to the Finger Lakes area, and I'm  
4 here tonight to speak to you in favor of the Finger  
5 Lakes project. I am a business owner who resides in  
6 Cazenovia, New York, which is on the far side of the  
7 Finger Lakes region. My wife and I both attended  
8 Cornell University back in the 1980s."

9                   He was -- Mike was an electrical engineer  
10 and he has an MBA from the Johnson School. Mike was  
11 also former CEO of Agway Energy Products and directly  
12 involved with the propane business in New York State,  
13 which at one time serviced over 90,000 customers in  
14 the greater triangle, stretching from Binghamton to  
15 Syracuse, the Buffalo area.

16                  Probably the most important tie that Mike  
17 that to this area is that his in-laws, as well as he  
18 and his family, own a camp in the Himrod area, up on  
19 14, and it's on the west side of Seneca Lake. It's a  
20 beautiful place, he's shown me the area, and he and  
21 his family and in-laws vacation there frequently. And  
22 he did specifically state that his in-laws and he were  
23 both proud to safely state that if this project were  
24 completed, it would not have any adverse impact to  
25 their property values, and they felt as property



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1 COMMENTS BY JAY JACKSON (MIKE HOPSICHER)

2 owners that it was not a negative sign to state.

3 "My current business" -- Mike's current  
4 business serves the propane industry and over 100  
5 propane marketers in this region. Roland Penta, who  
6 spoke earlier, is one of his customers; Inergy is  
7 another customer, as well as many other companies  
8 large and small. Mike's company, Ray Murray, services  
9 propane equipment and appliances to the propane  
10 industry and are used in millions of homes in the US  
11 and on the East Coast.

12 Mike's summary on his support for the  
13 Finger Lakes are four points. "In supporting the  
14 Finger Lakes project, I would like to support the  
15 continued growth of propane as a very versatile fuel  
16 that benefits thousands of existing and future New  
17 York consumers who enjoy its many uses, including home  
18 heat, water heating, cooking, space heating and a  
19 variety of other space and environmental-type uses.

20 "The facility" -- "Number two, the  
21 facility would help greatly the local propane supply  
22 infrastructure and reduce the need to import from  
23 foreign and domestic sources into New York State  
24 propane, and this has -- a result of these importing  
25 propane from these imported domestic and foreign



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1                   COMMENTS BY JAY JACKSON (MIKE HOPSICHER)  
2 sources greatly increase transportation costs to the  
3 consumers in the past.

4                   "Number three, the project would create  
5 eight to ten local jobs, which would further support  
6 the several thousand jobs in New York State that are  
7 currently directly employed by the propane industry.

8                   And number four, the propane industry is a  
9 very serious industry with its focus on safety and  
10 places a significant amount of resource towards  
11 providing safe products and the training employees of  
12 safe products.

13                   "There are" -- "as a" -- I'm trying to  
14 read this; bear with me. "As an equipment  
15 distributor, we play a significant working role with  
16 LP marketers like Inergy, Roland Penta's organization  
17 and others to facilitate and provide produce and safe  
18 training. We believe firsthand that the experience  
19 and interaction with every propane company in the  
20 Northeast, Inergy is right at the top of the list,  
21 with an outstanding safety record. They have several  
22 employees dedicated specifically to safety and safety  
23 training and devote hundreds and hundreds of hours  
24 each year to safety training.

25                   "Salt caverns provide storage and has been



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1                                   COMMENTS BY AARON STEVENS  
2           in operation in the Finger Lakes for many, many years,  
3           as a proven and safe way of storing propane. The  
4           market needs this facility and the project would like  
5           to be a long-term asset to this industry."

6                                   Thank you.

7                                   ALJ GARLICK: Thank you.

8                                   I'm going to run through these cards.

9                                   Bill Clark.

10                                  Burt Riley.

11                                  Hope Moffett.

12                                  Bill Hecht.

13                                  Joseph Wetmore.

14                                  David Marsh.

15                                  Aaron Stevens.

16                                  AARON STEVENS: Yes.

17                                  ALJ GARLICK: I think Mr. Stevens is here.

18                                  Yes.

19                                  After Mr. Stevens, William Huske.

20                                  AARON STEVENS: Good evening. I guess  
21           there's been some question about local people speaking  
22           here. My great-grandparents are buried in Valois  
23           cemetery, grandparents are buried in Lodi cemetery,  
24           they own residences on Seneca Lake and I currently  
25           live on Seneca Lake.



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1 COMMENTS BY AARON STEVENS

2 applications that no one ever really reads completely.

3 We have federal and state politicians who  
4 are desperate to get reelected, taking the fossil fuel  
5 industry money and forgetting the people and land they  
6 should be representing.

7 We have local politicians who think that a  
8 few gifts to local charities and a couple hundred  
9 thousand dollars are worth selling the entire future  
10 of the area. And, oh, yes, the promise of jobs, jobs,  
11 jobs.

12 Seneca Lake is the third-largest body of  
13 water located entirely within the United States  
14 borders. What price tag do we put on Seneca Lake?  
15 One spill of gas or brine into the lake and you've  
16 just destroyed what was created at the beginning of  
17 time. Can the multibillion-dollar fossil fuel  
18 industry that is represented here tonight begging for  
19 a chance to do just that fix the lake after it happens  
20 with lawyers, engineers and applications?

21 Unintended consequences happen, and I  
22 think we only have to ask British Petroleum that  
23 question, after the catastrophic oil spill in the Gulf  
24 of Mexico two years ago. Or should we ask the people  
25 of the Gulf Coast, who no longer can catch enough fish



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1 COMMENTS BY AARON STEVENS

2 and shrimp to make a living.

3 Are my concerns only based on fear? I  
4 think not. My brother, whose untimely death two years  
5 ago by heart attack, was a geophysicist who worked for  
6 the oil and gas industry. He worked for Exxon, the  
7 Venezuela government oil company, a/k/a Citgo, and at  
8 the end of his career as an independent contractor for  
9 smaller oil and gas producers in Houston, Texas.

10 For those who do not know what a  
11 geophysicist is, this is an individual who tells the  
12 oil and gas company where to drill for oil and gas.

13 My brother was solidly against deepwater  
14 drilling and hydrofracking because he recognized as a  
15 scientist we can't destroy the environment to get more  
16 fossil fuel.

17 LPG represents a major problem of storage,  
18 as does natural gas, and this problem can't be solved  
19 by endangering this lake. I understand NYSEG is  
20 already using the caverns below the lake to store  
21 natural gas. This practice must stop immediately.

22 To the local politician who recently said  
23 that hydrofracking should not be tied with this issue,  
24 I think you do not understand once the foot is in the  
25 door, lots of natural gas will be stored here as well,



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1 COMMENTS BY AARON STEVENS

2 and where do you think that gas will come from?

3 I challenge the DEC to finally follow its  
4 own mission statement and stop this environmental  
5 insanity now or change its name to DEAD, Department of  
6 Environmental Assisted Destruction or Death, because  
7 that is what we will -- that was what we will be once  
8 big corporate America has its way.

9 On the subject of liners to protect the  
10 lake and the environment from spills and leakage, I  
11 know that from analyzing what is going on with the  
12 dumps that all liners eventually leak and that's --  
13 and that the statement that no liners have leaked in  
14 New York State is absolutely stupid. Is that  
15 statement saying that liners have not yet leaked in  
16 New York State and they have leaked in all other  
17 states?

18 We have a growing wine and tourism  
19 industry that's providing more jobs every year, and by  
20 allowing the fossil fuel industry to do this, we  
21 endanger those industries and those jobs. The fossil  
22 fuel industry is not a fit in this area, period, with  
23 the exception of traditionally drilled oil and gas  
24 wells.

25 ALJ GARLICK: We're at four minutes.



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1 COMMENTS BY AARON STEVENS

2 AARON STEVENS: Thank you.

3 Most of all you would never be able to  
4 replace Seneca Lake, which is part of the Lake Ontario  
5 watershed, if unintended consequences occur. And they  
6 always do; just ask BP.

7 Thank you for your time.

8 ALJ GARLICK: Okay. William -- "Hustes,"  
9 "Huste"?

10 Ellen Harrison.

11 Leyana Dessaver.

12 Michael Fesen.

13 Jim Dessaver.

14 Gary Kirton.

15 John Santos.

16 Lou Johns.

17 Julia Walsh.

18 Anya Harris.

19 Jeff Andrysick.

20 Barbara Schiesser.

21 Patricia Bee.

22 Jan Quarles.

23 Kaye Newbury.

24 John Istvan.

25 All right. Those are all the cards from



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1 COMMENTS BY JOSEPH CAMPBELL

2 side of Seneca Lake, almost directly across from US  
3 Salt property.

4 I would like to talk about the character  
5 of this region. For generations we've been  
6 successfully building a local economy based on  
7 tourism, agriculture, recreation. In short, we've  
8 been able to capitalize on the unique beauty that is  
9 the Finger Lakes, called by Sherman Travel two years  
10 running as the top freshwater vacation destination in  
11 the world.

12 This industrialization is counter to  
13 everything we have worked toward. Let me point to the  
14 Town of Reading Land Use Law, Local Law Number 1 of  
15 1995, where the residents of the Town of Reading  
16 expressed their desires. I quote, "Preserve open  
17 space, keep agriculture economically healthy,  
18 discourage large-scale development, protect Seneca  
19 Lake, keep the town rural with moderate growth,  
20 provide better access to Seneca Lake, improve the  
21 appearance of the town."

22 Indeed, all that part of the Town of  
23 Reading lies between Route 14 and Seneca Lake is  
24 designated Seneca Lake protection area. I'm not a  
25 lawyer, but the land use law is very clear on two key



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1 COMMENTS BY JOSEPH CAMPBELL

2 points: Any activity within the Seneca Lake  
3 protection area requires a special permit, and the  
4 same is required for anywhere else in the town that  
5 uses -- or occupies more than 50,000 square feet of  
6 land.

7 The brine pond and flare stack and four  
8 700 horsepower compressors are located in the Seneca  
9 Lake protection area. The six-track rail siding is  
10 occupying I don't know how many acres on the other  
11 side of Route 14. In addition to all the other errors  
12 and omissions in the DSEIS, Table 1 listing permits  
13 and approvals makes no mention of the Town of Reading  
14 or a special permit in any way.

15 This project is totally inappropriate for  
16 the Town of Reading and for this area. This company,  
17 Inergy LP, from Kansas City, Missouri, already owns  
18 LPG storage -- we've heard it discussed tonight -- 1.5  
19 million barrels halfway between the Town -- the  
20 Village of Bath and the Village of Savona, located in  
21 a very sparsely populated area, rail and truck  
22 facilities already in place and exactly halfway  
23 between two on/off ramps to a major four-lane highway  
24 and interstate. But not only that, the topography is  
25 flat as a pancake.



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1 COMMENTS BY JOSEPH CAMPBELL

2 Now I would like to talk about the  
3 character of this company. The DEC has issued four  
4 permits to Inergy Midstream to drill, quote,  
5 "stratigraphic test wells," end quote, on US Salt  
6 property. We watched and listened to this drilling  
7 activity for over two months.

8 Inergy has a well- documented history of  
9 acquiring a gas storage facility and immediately  
10 filing for expansion. Consider their acquisition of  
11 Stagecoach near Owego in 2006. Inergy, doing business  
12 as Central New York Oil and Gas, immediately filed  
13 with the FERC Docket Number CP06-64 to almost double  
14 the storage, install huge compressors and construct a  
15 9.3 mile pipeline, and to do all this, they used  
16 eminent domain to take property for the pipeline and  
17 compressor station.

18 In March of 2008, this time doing business  
19 as Arlington Gas Storage, they filed a FERC, Docket  
20 Number CP08-96, to construct Thomas Corners, another  
21 natural gas storage facility. In order to build this  
22 time, the facility that Bill Moler seems to be so  
23 proud of, by the way, they used the gas lease signed  
24 in 1970 by the now deceased Lawrence Mullins to go on  
25 the Mullins estate property, over 90 acres, and by



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1 COMMENTS BY JOSEPH CAMPBELL

2 eminent domain taking 27 acres to build this facility.  
3 Those two stratigraphic test wells that they built on  
4 Mullins' property were eventually converted to storage  
5 wells.

6 I would like to mention a letter that  
7 Mr. Dennis Fagan, Chairman of Schuyler County  
8 Legislature, in his letter to the DEC recommending  
9 approval of the LPG storage project, stated, quote,  
10 "Hence, I take Inergy at their word that they have no  
11 expansion plans for this LPG storage facility," end  
12 quote.

13 Well, I'm not so sanguine as Mr. Fagan.  
14 In a conversation that I had with Mr. Peter Briggs at  
15 the Division of Mineral Resources, it appears the  
16 four, quote, "test wells" are easily capable of being  
17 converted to storage. I believe DEC frowns at  
18 segmentation.

19 Inergy tells DEC and the public one thing;  
20 they tell their investors something quite different.  
21 One look at their website and at the amended S1 filing  
22 that was just filed in October with the SEC, their  
23 plans for expanding this project become quite clear.

24 I ask the DEC to deny this permit and  
25 instead let Inergy develop more LPG storage at a more



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1 COMMENTS BY DAVID WALCZAK

2 appropriate site like the vast Savona facility, which  
3 was engineered and constructed for the purpose for  
4 which it's being used, by the way; not putting LPG in  
5 salt caverns that were developed 50, 60 years ago for  
6 the purposes of mining salt.

7 And I would ask Mr. Young, who spoke  
8 earlier, if 50, 60 years ago those miners thought that  
9 someday we might want to store liquid propane or  
10 butane down there, so we better make sure those  
11 caverns are properly constructed. I don't think so.

12 Thank you very much, sir.

13 ALJ GARLICK: David Walczak.

14 DAVID WALCZAK: Yes.

15 ALJ GARLICK: Followed by Jeff Dembowski.

16 JEFF DEMBOWSKI: I spoke already for  
17 someone else.

18 ALJ GARLICK: Okay. Then -- is it Betty  
19 Ek -- will be next after Mr. Walczak.

20 DAVID WALCZAK: I'm Dave Walczak from  
21 Bath, New York. I don't think it's too important who  
22 I am or where I'm from. I think that the most  
23 important thing here tonight is the fact that a  
24 community should have a right to self-determination.  
25 And I think that the Department of Environmental



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1 COMMENTS BY DAVID WALCZAK

2 Conservation has kind of lost its mission, and the  
3 proceedings here are good, but I think these are a  
4 futile exercise in gaining the public's voice in this  
5 situation, in this matter.

6 I think it's kind of conflicting to have  
7 the Department of Environmental Protection also the  
8 same agency that gives permits to an industry that can  
9 possibly do serious harm to the community.

10 Much of the testimony here has been about  
11 the history of LP gas, jobs, economy, independence  
12 from foreign oil, safety of industrial practices, and  
13 we found through a lot of research that this is really  
14 a disingenuous proposal. Lying is not against the  
15 law, and neither is voicing your opinions and  
16 exercising every available opportunity to keep your  
17 community the way you want it to stay. Self-  
18 determination should be an autonomous right of every  
19 community.

20 We do need a Quantitative Risk Assessment  
21 in this process, the project should really be  
22 scrapped, and most of all, I want to encourage people  
23 to practice everything in their power to continue what  
24 they determine is fit for their community.

25 Thank you.



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1 COMMENTS BY BETTY EK

2 ALJ GARLICK: Okay. Betty Ek. Is that  
3 right?

4 BETTY EK: (Nonverbal response.)

5 ALJ GARLICK: Followed by Lou Vogel.

6 BETTY EK: Thank you for allowing me to  
7 speak.

8 Things can get real complicated when we  
9 hear all of the facts and so forth, and believe me,  
10 facts are very important. I spent many years teaching  
11 college students in their research, in their papers,  
12 to look at the credibility of your sources. They  
13 could give me some wonderful facts on their papers,  
14 but if there was one really preposterous statement or  
15 some untrue fact, they learned what a D minus was.

16 But I think the biggest issue here is who  
17 do you trust, okay? I think many of you here are  
18 parents, and as parents, if you had an opportunity to  
19 get a really great-paying job but that meant your  
20 family living in a very industrialized society or a  
21 place with poor air quality, I don't think many people  
22 would choose that.

23 What kind of community chooses a place  
24 which is very likely to have air pollution and be  
25 unhealthy to children? Who does that? I hope it's



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## COMMENTS BY BETTY EK

1  
2 not this area.

3           And I said all it takes is one lie to  
4 undermine a whole a lot of facts. Okay? In reading  
5 this article about a bridge which would connect Route  
6 14 and 14A -- many of you may have heard about this;  
7 you should, because it's going to cost taxpayers \$3.68  
8 million. In this article, there are the first seven  
9 paragraphs that talk about concerns because of the LPG  
10 storage. It says that before the completion of this  
11 bridge, which is sometime down the road, but Inergy  
12 believes it will be up and running by April 2012, it  
13 says before that time, 18 months before the bridge  
14 rebuilding is scheduled to take place, thousands,  
15 thousands of LPG tankers would have to make this turn.  
16 Okay? And those tankers can weigh -- LPG tankers can  
17 weigh up to 50 tons or more. Okay?

18           All of these paragraphs go on about  
19 concerns about the LPG trucks and the dangers. And  
20 then in the eighth paragraph, the incredible statement  
21 that the decision to rebuild 14A was made by the DOT  
22 engineers and was neither connected to Inergy's plans  
23 for the truck/rail depot nor influenced by officials  
24 outside the DOT. There is no such link to Inergy;  
25 there's just a bunch of engineers looking at a bridge



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## COMMENTS BY BETTY EK

1 that's old. Okay? They're observant. That's good.

2  
3 Anyway, but the mind-boggling statement  
4 for the DEC -- so write this down -- the mind-boggling  
5 statement for the DEC is this one, okay? This is from  
6 Inergy: "There will be no impacts as the result of  
7 the traffic that will be using the truck rail  
8 facility." Okay? "No impact." I would have thought  
9 that this was a misprint except this exact statement  
10 was made to me by an official of Inergy. Okay? There  
11 would be no impact as a result of the traffic, where  
12 earlier they're talking about thousands of trucks  
13 weighing 50 tons. Okay?

14 The statement troubled me, and I said,  
15 where I have heard something like that before? And  
16 then I remembered. Do you remember when Nixon said,  
17 "I am not a crook"? Okay? And not -- to be  
18 politically neutral, how about Clinton, "I did not  
19 have sex with that woman."

20 All I'm saying is that when DEC looks at  
21 all of the facts and figures, you need to take a  
22 second look if there's even one statement that's  
23 preposterous, okay? One statement that is  
24 preposterous can reduce the whole credibility of the  
25 statement.



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1 COMMENTS BY BETTY EK

2 The second thing is that I don't believe  
3 that the DEC, either in the fracking regulations or at  
4 this time, is giving adequate attention to health in  
5 the community, and particularly the health of  
6 children. Okay? So I am asking you to work as hard  
7 as I would have expected students to critically  
8 evaluate the sources. If there's one false statement  
9 in the source, question all the rest. Okay?

10 And in terms of who profits from this, I  
11 don't know. I don't know if it's the Town of Reading,  
12 I don't know if it's some jobs -- eight to ten jobs  
13 doesn't seem like a lot to me. You could just open a  
14 brothel, call it a day.

15 ALJ GARLICK: It's four minutes.

16 BETTY EK: Okay.

17 But I would say this: Whoever profits,  
18 remember one thing. And this is a quote from  
19 a distinguished rabbi: "When a group of people are  
20 sailing in a boat, none of them has a right to bore a  
21 hole under his own seat."

22 Thank you.

23 ALJ GARLICK: Okay. Lou Vogel, followed  
24 by Joseph Rose.

25 LOU VOGEL: Hello all. Thanks for hanging



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## COMMENTS BY LOU VOGEL

1  
2 out here and thanks to DEC for taking a good look at  
3 this process and -- so my name is Lou Vogel. I'm a  
4 Hector resident, and I'm Vice President of a 30-person  
5 engineering firm, primarily heating and cooling work.

6 And for starters I wanted to point out --  
7 I think this may have been pointed out already, but  
8 there's a part in the DEC requirements for this DSEIS,  
9 there is in Part 617-96, it requires that the DSEIS  
10 have a -- note a listing of the catastrophic impacts  
11 that a facility -- and they especially mention LPG  
12 facility, and I did not see that anywhere in the  
13 impact statement. So, I wanted to make sure that that  
14 was revised.

15 Yes, we do use propane. I mean, that's  
16 not a reason to put this facility in. Who profits  
17 from it? I mean, it's pretty obvious that the people  
18 speaking in favor of this are employed by the  
19 industry. We do use propane that is similar, perhaps,  
20 to -- in the electric industry that by reducing your  
21 usage, you're able to reduce the number of power  
22 plants that you need to produce or to make. And so we  
23 need to cut back on our usage of propane, and you  
24 don't need to put this facility here.

25 It seems to me that the reason for this



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## COMMENTS BY LOU VOGEL

1 facility is you can buy cheap in the summer and you  
2 can sell it for more in the winter. That, to me, is  
3 the crux of what is going on here.

4  
5 There was this interview, the President of  
6 Hydrogen, not Inergy, on "Mad Money" that Cramer was  
7 going crazy and calling this thing a cash cow. You  
8 know, you're not paying taxes on it, you're getting a  
9 payment in lieu of taxes. I just don't think you  
10 understand how important the lake is to us and to many  
11 people in -- and it's just crucial that we protect  
12 these freshwater supplies. We've been screwing them  
13 up for so many years that at some point we're going to  
14 be -- we're not going to have it anymore and wars are  
15 going to be fought over them. It's just too important  
16 to perch a brine pond and have a flare stack sitting  
17 up there. We need to be just more protective of the  
18 beautiful freshwater supplies that we have.

19 Somebody mentioned 60 years of safe  
20 storage. They may have been referring to the storage  
21 here, but there was an accident in the Savona facility  
22 something like four years ago.

23 Propane not being a greenhouse gas? Well,  
24 it's not specifically called that when it is released  
25 into the atmosphere, but when it is burned, it is as



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1 COMMENTS BY LOU VOGEL

2 much as any other fuel a greenhouse gas.

3 Safety factors don't matter. You can have  
4 a safety factor of 200 and something is still is  
5 probably going to happen at some point. It just -- I  
6 mean, there's so many recent examples of that that  
7 have already been mentioned tonight.

8 Last night a gas well in Bedford,  
9 Pennsylvania exploded; 50 homes had to be evacuated,  
10 150 people. That was a gas well, admittedly not a  
11 propane facility. But things happen again and again.  
12 It's no surprise.

13 These companies, their strategy really is  
14 to build now, apologize for it later. "Sorry, we're  
15 really sorry, here's a few hundred bucks." You know,  
16 "We'll try to make it up to you." So what we're  
17 trying to do here is to stop it now before it will  
18 have a chance to -- for something bad to happen that  
19 they don't think will happen. And I know they don't  
20 think it will happen, but the fact is that it does  
21 happen. It's just the wrong location for the great  
22 brine pond, as I like that description of it.

23 I do a lot of swimming, and 5-acre ponds  
24 are pretty much the biggest ponds that I go swimming  
25 in., 14 acres is huge and it's not -- it's brine, but



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## COMMENTS BY LOU VOGEL

1  
2 it's supposedly been stripped of propane, which is  
3 what has to be flared off every so often. Who knows  
4 how often, a 50-foot flare stack. But it's -- you  
5 know, any process does not get a hundred percent of  
6 anything, so there is going to be some pollutants left  
7 into that brine, and maybe some smells. It's not as  
8 if it's just an extremely salty saltwater.

9 So, again, we do need to use less propane.  
10 It's going to be painful. It needs to be painful.  
11 There's too many other parts of the world that want to  
12 live like us, and the Earth, I don't think, can  
13 support it. We need to cut back drastically on how  
14 much fuel we use in general.

15 ALJ GARLICK: It's about four minutes.

16 LOU VOGEL: Okay. Thank you.

17 So, again, I would like to recommend that  
18 a QRA be done to really assess both the impact of a  
19 potential explosion and other problems and also the  
20 impact on the air, which I really even wonder if that  
21 kind of analysis can really determine how much of an  
22 impact this is going to have on us and on our lake,  
23 which is so precious to us.

24 So thanks for listening.

25 ALJ GARLICK: Joseph Rose, followed by Jay



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1 COMMENTS BY JOSEPH ROSE

2 Jackson.

3 Joseph Rose?

4 JOSEPH ROSE: Yes.

5 ALJ GARLICK: Oh, sorry.

6 JOSEPH ROSE: Thank you for the  
7 opportunity to speak. My name is Joseph Rose. I  
8 don't live here; I live in Loudon, New Hampshire,  
9 another state where we really value the scenery,  
10 natural resources that we have.

11 My job is the President and CEO of the  
12 Propane Gas Association of New England, and I'm here  
13 to support this project and I would just like to take  
14 two minutes to tell you why.

15 We have over a million homes in New  
16 England that use propane gas. You've already heard  
17 tonight that the pipeline from Texas ends at Selkirk,  
18 New York. We send trucks from New England to New York  
19 every day, hundreds of trucks, to pick up propane.  
20 The reason we have to do that is because we don't have  
21 any supply storage in New England except for two  
22 import terminals where we bring propane in from  
23 Algeria into Providence, Rhode Island and into  
24 Newington, New Hampshire.

25 So why am I here to talk about this



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## COMMENTS BY JOSEPH ROSE

1 project? The storage capacity that this project would  
2 afford will allow propane companies in New England to  
3 purchase product, put it into storage for the winter  
4 months when they need it, have it be reinjected into  
5 the pipeline, and then they can go pick it up in  
6 Selkirk outside of Albany and help reduce the volume  
7 of fuel that we're buying from foreign countries.

8 As you know, there's an abundance of  
9 propane in America, we're getting more and more  
10 propane all the time, and we would really like to be  
11 using the American fuel.

12 And in relationship to the truck traffic,  
13 again, the propane that will be consumed in New  
14 England will only be picked up outside Albany, because  
15 as Mr. Porco mentioned earlier this evening, we sent  
16 those hundreds of trucks every day out to Watkins Glen  
17 all last winter when the pipeline had issues, and  
18 that's not a good experience. It wasn't a good  
19 experience for the drivers, and I'm sure it wasn't a  
20 fun experience for all of you in the community who had  
21 to sit here and watch those trucks go by.

22 So by having a rail facility and a  
23 pipeline connected to the storage, the product can be  
24 safely brought into the New England region without  
25



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1 COMMENTS BY JESSICA RODGERS

2 allow public questions.

3 It seems to me that they just wanted to  
4 patronize us by saying, "Hey, we're good guys, you can  
5 trust us. Don't worry, this is no big deal." If  
6 there's really nothing to hide, why has it been so  
7 hard to have an open public forum?

8 They continued this practice of exclusion  
9 in June, when they invited a handful of businesses to  
10 a closed-door meeting, again attempting to have the  
11 attitude of just trust us, we're a neighbor. Because  
12 I am a co-owner of a local business, I was one of the,  
13 quote/unquote, privileged people who got to attend  
14 this intimate meeting, unlike many of my friends.

15 I was hoping I would walk away comforted,  
16 realizing that this is the same thing that's been  
17 going on around here for a long time. But instead I  
18 walked away feeling even more confused about the  
19 facts.

20 In this meeting, Bill Moler, President of  
21 Midstream Energy, was asked about expansion plans  
22 beyond the initial 2.1 million barrels of propane  
23 storage. He stated, "Propane is an outgoing source of  
24 energy. It's old energy. It's not likely that they  
25 would ever expand on the propane storage."



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1 COMMENTS BY JESSICA RODGERS

2 I was naïve enough at the time not to ask  
3 about, "Well, what about your natural gas storage?"  
4 So if propane gas is an outgoing energy, if it's old  
5 energy, why would this vast growing corporation that's  
6 clearly very smart be so determined about this  
7 location and willing to invest so much money into it.

8 Shortly thereafter, it didn't take much to  
9 figure out that Inergy Midstream's main operation, as  
10 far as I can understand, because I can't get the  
11 facts, because I can't have an question-and-answer  
12 forum, was -- that is that their main operation is  
13 natural gas storage, it's not LPG. So the elephant in  
14 the room isn't LPG storage, it's natural gas, and what  
15 exactly are their expansion plans on that?

16 I am not a chemist, I'm not even a  
17 technical person whatsoever, but the only thing I can  
18 assume from the lack of information is that Inergy  
19 wants the LPG storage as a way in and that they really  
20 have plans for the natural gas. Everything that they  
21 say to their investors is about natural gas, the main  
22 point is all about natural gas and, oh, we have this  
23 little LPG storage facility.

24 The last thing is the lie about the  
25 Marcellus shale. I don't know who is telling the



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1 COMMENTS BY JESSICA RODGERS

2 truth. The gas reps say it's not about the Marcellus  
3 shale, but why is Marcellus shale mentioned on  
4 Inergy's website? Why is it mentioned to potential  
5 investors? If LPG is an outgoing source of gas, is it  
6 not clear that the direction that they are going in, a  
7 smart corporation, is in the direction of natural gas?  
8 Isn't that what Midstream Inergy is about?

9 In their own words in their initial public  
10 offering to potential investors just recently they  
11 stated, quote/unquote, "Our near-term strategy is to  
12 continue to develop a platform of interconnected  
13 natural gas assets." "Our near-term strategy is to  
14 continue to develop a platform of interconnected  
15 natural gas assets." Well, I'm sorry, I thought  
16 Marcellus shale was about natural gas. How come  
17 you're telling us it's not about Marcellus shale?  
18 Well, where is that natural gas coming from?

19 ALJ GARLICK: That's about four minutes.

20 JESSICA RODGERS: Okay. And clear enough  
21 on their website, they say the facility is  
22 strategically positioned between their Stagecoach and  
23 Steuben natural gas storage facility, all atop the  
24 Marcellus shale plain.

25 So what's the big picture here? I still



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1 COMMENTS BY CHRISTOPHER TATE

2 don't know for sure. But as local citizens -- as a  
3 local citizen, as a taxpayer and business owner who  
4 counts on tourism for my livelihood, we have the right  
5 to know the full impact of inviting Inergy Corporation  
6 to be our neighbor.

7 Members of the New York State DEC, please  
8 require a QRA. With this many unanswered questions  
9 and with this many citizens and local businesses and  
10 local political bodies beginning to stand up, asking  
11 for an independent analysis of the full impact of this  
12 facility, not just the LPG storage, is only fair that  
13 we get, at the very least, that.

14 Thank you.

15 ALJ GARLICK: Christopher Tate will be  
16 followed by Lawrence Reverby.

17 CHRISTOPHER TATE: Okay. Thanks for  
18 everyone who came back after the first hearing and  
19 thanks for having this supplemental hearing --  
20 continuing the hearing.

21 As a poet, musician, and I guess most  
22 importantly for this proceeding, a biomedical  
23 engineer, I must protest the inadequacy of the SGIS  
24 with respect to this project. The document is fully  
25 inadequate and sloppy. I would say at best it's a



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1 COMMENTS BY CHRISTOPHER TATE

2 good start. I would implore the DEC to please  
3 withdraw the document and start again. Please  
4 increase the scope of the document.

5 Specifically, I endorse the testimony  
6 given by Dr. Sandra Steingraber, her son Elijah,  
7 Dr. Adam Law, Thomas Shelley, and Ms. Karen Edelstein  
8 on the previous hearing date.

9 For my own part, I would like the DEC to  
10 investigate the long-term, intermediate-term and  
11 short-term consequences of a worst-case catastrophic  
12 detonation of LPG at this proposed LPG storage site  
13 with respect to the health, safety and welfare of the  
14 citizens of Hector, New York, which is my hometown,  
15 Watkins Glen, and all the surrounding communities.

16 I'm also very concerned about all of my  
17 friends and neighbors that live throughout the Finger  
18 Lakes. What sort of effect would a catastrophic  
19 detonation have on them? And what about the race  
20 track? If there's a hundred thousand people up at the  
21 raceway and this thing goes up, where does the toxic  
22 cloud go, how big is the blast radius, how many people  
23 would be affected then, directly affected.

24 I would like the DEC to investigate the  
25 probable radius of the toxic cloud that would be



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## 1 COMMENTS BY CHRISTOPHER TATE

2 emitted by a blast, a catastrophic blast that we know  
3 happens. We know this happened at Mont Belvieu,  
4 Texas, very recently and -- actually, these places  
5 detonate with surprising regularity. So it does -- I  
6 mean, it happens; you can see them on the Internet,  
7 you can look it up.

8 I would also like to see a similar  
9 investigation -- okay, my first request is for an  
10 investigation of how a detonation would affect the  
11 health, safety and welfare of the citizens of the  
12 Finger Lakes.

13 My second request is I would like to see a  
14 similar investigation of the economic impacts of such  
15 a detonation on our local sustainable industry with  
16 respect to tourism, recreation, wine, beer and spirit  
17 production, and agriculture.

18 I have heard that the blast radius of such  
19 detonation can be up to three miles. Can you please  
20 confirm this? I would like the DEC to investigate  
21 this. And also, as I said, provide data on a possible  
22 drift radius of toxic clouds.

23 Many of my friends and neighbors count on  
24 the above-mentioned local economies, I'm talking about  
25 the sustainable economies of the Finger Lakes,



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1 COMMENTS BY CHRISTOPHER TATE

2 agriculture, tourism, recreation. What will happen to  
3 the fisheries?

4 Similarly I would like the DEC to evaluate  
5 the consequences of a catastrophic leakage from the  
6 storage facility itself. What happens if this -- if  
7 under high pressure this thing starts seeping into the  
8 lake, into Seneca Lake? I would like to know what the  
9 long, intermediate and short-term consequences of such  
10 a catastrophe would be.

11 Similarly if the brine lake were to fail  
12 above the lake and wash down the hillside to the  
13 border of Hector, actually -- which my hometown for  
14 some strange reason borders on the shoreline right  
15 below where this facility is proposed, I would like to  
16 know what the liability for the Town of Hector would  
17 be for cleanup, you know, for my own hometown.

18 Most importantly, I would like to know how  
19 such a catastrophic event detonation, perhaps leakage  
20 from the facility itself under the lake, or failure of  
21 the brine lake -- brine pond, as you call it, what  
22 would the total cost of the loss of a double A  
23 drinking water supply for a hundred thousand residents  
24 that count on that water for the drinking water, what  
25 would the total cost be? And what I would like the



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1 COMMENTS BY CHRISTOPHER TATE

2 It seems to me very obvious that the  
3 reason we have this energy around this discussion is  
4 because this place is too small for this proposal.  
5 This place is the way it is because of the lakes,  
6 because of the narrowness of the land between the  
7 lakes, because of the size of the lakes, et cetera.  
8 It is too small for this.

9 You talk about the past they had a  
10 facility here. It's a tiny facility. That's -- maybe  
11 you could argue that you don't like it, but the reason  
12 it's been innocuous is because it's small and it  
13 hasn't affected us. You talk about those great mounds  
14 in Seneca, up at Waterloo, I mean, you can't go past  
15 that without getting sick. That's too much for us.  
16 And I think that's kind of obvious.

17 I think it's also obvious that these  
18 reports are prepared by people whose salaries are  
19 being paid to say what they have said. And their --  
20 and their interests are obviously parochial and  
21 narrow. You guys are in charge of transportation. He  
22 is not in charge of the whole the picture; we, the  
23 residents, are in charge of the whole picture because  
24 we live here.

25 I mean, I read the papers. It's been



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1 COMMENTS BY CHRISTOPHER TATE

2 mentioned 20 times already, what's going on. We've  
3 got floods, earthquakes, tsunamis, God knows what, are  
4 you going to put this brine pool and this flare tower  
5 over there and watch it -- and expect it to be  
6 secured. It seems a little bit too big.

7 Now, when I came here in the '70s I was  
8 thrown right into hearings about NYSEG desiring to  
9 be -- to convert their plant on Cayuga Lake into an  
10 atomic energy facility. Well, it was too big. Okay?  
11 And it got stopped. They had their hearings, they had  
12 their reports, all the same kind of stuff, but it got  
13 stopped because it was too much.

14 Then you had -- Cornell decided to have a  
15 heating plant to heat their facilities through the  
16 lake. I have heard that they got that and we have  
17 algae plumes in the lake at Cayuga. I might be wrong,  
18 I only heard that secondhand, but they had all the  
19 experts in the world and it was just them and tiny  
20 little Cayuga Lake, and it hasn't worked. It's a  
21 small, little thing.

22 In the late 1990s, they wanted to put  
23 pipelines and wells in Hector national forest. You'll  
24 pardon me if that isn't a stupid idea, and thankfully  
25 somebody was convinced. It was a federal issue and



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1                   COMMENTS BY CHRISTOPHER TATE

2           somebody in the Congress -- what was then a Congress  
3           compared to what we have now, we're speaking of --  
4           well, we don't have to go there, I suppose.

5                   The gentleman from New Hampshire that was  
6           here speaking in favor of this, who runs the gas lines  
7           and the trains -- I mean, I can understand his  
8           problem, but this is not the way to solve it. Put  
9           this thing somewhere else. And I would like to say  
10          also that if I have to pay a dollar more a gallon to  
11          save this area, then so be it.

12                   The gentleman said nothing about the  
13          environment when he talked about how he would like to  
14          get the trucks better situated, run through here. He  
15          said nothing about the environment. This is an  
16          environmental hearing. We're here because of the  
17          environment.

18                   In conclusion, just to point out how  
19          incompetent these things can get, I would recommend  
20          that folks read "The New Yorker" of October 17th this  
21          year, because in here there's a fairly short, nice  
22          little article about the disaster that came from the  
23          same kind of illusions, the same kind of failure to  
24          predict, the same kind of sycophantic thinking and the  
25          same kind of dreams that we have here on this scale.



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1 COMMENTS BY PETER MANTIUS

2 These people decided that there could not  
3 be an earthquake, there could not be a tsunami, they  
4 had the things in place, they didn't safely instruct,  
5 they didn't plan, they didn't do what they needed to  
6 do, and we're all facing a disaster from that because  
7 it's still leaking. So I urge this not to happen.

8 ALJ GARLICK: Peter Mantius.

9 Did I get that right?

10 PETER MANTIUS: Yes.

11 ALJ GARLICK: Followed by Paul --

12 PAUL MARCELLUS: It's not a joke.

13 ALJ GARLICK: -- Marcellus.

14 PETER MANTIUS: I want to thank the DEC  
15 for opening this up to hear from a really wide variety  
16 of people from both sides and a lot of great issues  
17 brought up. I think both sides have even had valid  
18 points tonight, but I'm just going to focus on one  
19 thing, I don't think, that has really been talked  
20 about.

21 My name is Peter Mantius. I live in  
22 Burdett, in a home that overlooks Seneca Lake. I'm  
23 just about across from the plant; slightly to the  
24 north, though.

25 I'm a journalist. I've written several



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## COMMENTS BY PETER MANTIUS

1 articles about Inergy's LPG storage plan for the  
2 "Odessa File" and the "Watkins Review" and  
3 dcbureau.org. In my reporting, I have not been able  
4 to find a written opinion from state geologists on the  
5 suitability of the caverns at US Salt for LPG storage.

6  
7 In the rules for granting these permits,  
8 there is a lot of emphasis on the importance of the  
9 integrity of the caverns. And according to the DEC's  
10 website, this written opinion from the state geologist  
11 is a requirement before the agency can issue an  
12 underground storage permit.

13 Last summer, when this issue was hardly  
14 being talked about by anybody, I filed a Freedom of  
15 Information request with the DEC for Inergy's  
16 reservoir suitability report. The DEC denied my  
17 request for most of that document, citing the  
18 exemption to the open records law for trade secrets.  
19 The company asserted that exemption and the DEC  
20 granted it.

21 Among the material that I was barred from  
22 reviewing were sections entitled "Suitability of  
23 Cavern to Store LPG," and another one entitled "False  
24 Analysis." Others have criticized the shortcomings of  
25 Inergy's analysis of geological faults, including one



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## COMMENTS BY PETER MANTIUS

1  
2 major fault that apparently runs within a mile of the  
3 cavern.

4 After I was blocked from the key parts of  
5 the cavern suitability report, I filed another Freedom  
6 of Information request with the DEC in October of last  
7 year to see if the state geologist required written  
8 approval, or at least some documents that show any  
9 issues that he was trying to raise. I asked for all  
10 the letters, notes, and e-mails written by state  
11 geologist William Kelly relevant to Inergy's LPG  
12 storage proposal.

13 It turns out that Kelly had announced his  
14 retirement a month earlier. Even so, the DEC  
15 completely denied my request for Kelly's papers, this  
16 time citing its authority to deny exemption for  
17 interagency or intra-agency communications. I  
18 appealed to the DEC General Counsel's office in early  
19 November but didn't receive a reply.

20 Kelly's replacement as a state geologist  
21 is Dr. Langhorne B. Smith Jr., also known as "Taury"  
22 Smith. According to the "Albany Times Union"  
23 newspaper, the State Education Department, which is  
24 Dr. Smith's direct employer, restricted him from  
25 speaking to the media last March in the wake of



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1 COMMENTS BY PETER MANTIUS

2 certain comments he made that angered some  
3 environmental groups. The Times Union said that Dr.  
4 Smith had been muzzled.

5 Now, I don't know whether that's right or  
6 not, but in any event, Inergy's DEIS does not cite the  
7 required written approval from the state geologist,  
8 Dr. Smith. I would like to know when this required  
9 written approval will be provided to the public, and I  
10 also urge the DEC to fully disclose all the issues  
11 that were raised by Dr. Smith's predecessor,  
12 Dr. William Kelly, before he retired last fall.

13 Thank you.

14 ALJ GARLICK: Paul Marcellus, followed by  
15 Robert Seeley.

16 PAUL MARCELLUS: I thought I was going to  
17 have to gently chastise you for saving me for dead  
18 last, but -- many of you may -- you may know me or you  
19 may not. I live in the downtown of Watkins Glen,  
20 right on the state highway, struggle with truck  
21 traffic 24/7.

22 I feel lucky that not only is the DEC  
23 here, but administrators from Inergy. Should the  
24 project go forward -- and actually beginning tomorrow,  
25 don't wait for the larger project to go forward -- I



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1 COMMENTS BY PETER MANTIUS

2 hope you'll institute a policy of any trucker that  
3 comes up to the pump with an altered exhaust won't be  
4 loaded.

5 I had a first experience with something  
6 similar to that within the last week. A truck with a  
7 van parked in the old Pudgie's parking lot, and the  
8 driver stayed there overnight and was there a good  
9 part of the next day. He was trying to locate a load  
10 because he had been refused a load at the salt company  
11 because of the condition of the inside of his trailer.

12 Now, this speaks well to me of quality  
13 control of the salt plant, in that they make surgical  
14 products from the salt that's mined in our caverns.

15 Running a small lodging establishment as I  
16 do, I've had the benefit of watching the tourism  
17 season extend. I know I'm jumping around wildly, but  
18 bear with me. I did serve a term on your Legislature  
19 locally. In four years, or nearly four years, I can  
20 count on two fingers people that called me with  
21 concerns, and they were both related to truck traffic,  
22 hills and jake brakes.

23 So, again, I assert to the DEC, please  
24 preclude anybody with an alternate exhaust from  
25 loading at the terminal and make better laws that



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1 COMMENTS BY PETER MANTIUS

2 would enable municipalities to prohibit use of jake  
3 brakes through the flats. Unfortunately, we can't  
4 rely totally on the professionalism of truck drivers  
5 anymore.

6 I do, however, have a son who's a truck  
7 driver. On the up side for the project, during the  
8 past winter when truck traffic increased because of  
9 the problem at the other terminal, a couple truckers  
10 stayed at my establishment and they were just, believe  
11 it or not, independent truckers. There's not many of  
12 them left. And he was from Callicoon, and he was  
13 making his winter living hauling propane. There are  
14 jobs to be had because of this industry beyond what  
15 we're talking about creating here.

16 I retired from a state job -- oh, which by  
17 the way, I'm not sure you should have let me follow  
18 Peter Mantius, because he's advocating a state  
19 geologist to examine the data. I don't have much  
20 faith in state geologists, do you?

21 I retired from a state job. I now make  
22 ceramics and I make pottery, and I have a rural  
23 location and my kiln is fired by propane, and I think  
24 that -- I've had a number of people stand up here and  
25 say, "Well, who profits?" "Where's the up side?"



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1 COMMENTS BY ROBERT SEELEY

2 of the depths of the caverns and, quite honestly, I  
3 think there is no better symbiosis for storing a  
4 commodity such as this, but underground, in a  
5 contained cavern, in a contained environment, and  
6 certainly not in thousands of metal cylinders on the  
7 surface.

8 I believe there are some up sides here,  
9 and I believe that it's -- you know, whether we want  
10 to admit it or believe it or not, I believe it's --  
11 even though there are many much better alternatives,  
12 where we are now, and lacking a very cohesive natural  
13 energy policy, I believe that at least this is a step  
14 in the right direction for a Northeastern energy  
15 policy that benefits rural New Yorkers.

16 Thank you.

17 ALJ GARLICK: Thank you.

18 Robert Seeley, followed by William George.

19 ROBERT SEELEY: My name is Robert Seeley.  
20 I'm from Newfield, New York. I would like to speak on  
21 one aspect of heavy industry and the local  
22 enforcement -- or, excuse me, enforcement of  
23 maintenance of facilities and equipment after things  
24 have been built maybe ten years from now, and I would  
25 like to give an example of a failure of enforcement of



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1 COMMENTS BY WILLIAM GEORGE

2 for extending the hearing.

3 And my primary comment is going to be on  
4 the technical level, having worked in an industry that  
5 was chemical-intensive seven years ago in Cortland,  
6 where we were subjected because of the chemicals we  
7 used to Occupational Safety Health Administration  
8 process safety management regulations, and also  
9 parallel regulation of the Environmental Protection  
10 Agency of risk management program.

11 And one of the key elements of those was  
12 risk assessment, and so I wanted to speak in support  
13 of a Quantitative Risk Assessment plan done  
14 independently. I've used it and is -- it takes all  
15 parties involved to be involved in it, not closed  
16 doors, but open door, and everybody who has a say and  
17 investment in the process should be included. And  
18 I've seen it work, and that's how you come up with the  
19 worst-case scenarios that have been mentioned here,  
20 and you can look at them and see what the true costs  
21 are and what the probabilities are of them happening.

22 That was my intellectual comment. Walking  
23 up, I came up with what wakes me up in the morning and  
24 what I think of when I wake up. It has nothing to do  
25 with that. From the heart, what I see in my mind is



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1 COMMENTS BY WILLIAM GEORGE

2 scenes from the Lord of the Rings, and if anyone saw  
3 that movie, the scenes of admittedly overdramatic  
4 prophetic scenes of industrialization and uncontrolled  
5 expansion and the spirit within me made me think of --  
6 I recently just heard a song retelling the Old  
7 Testament story of Shadrach, Meshach and Abednego.  
8 King Nebuchadnezzar built a gold idol and ordered  
9 everyone to bow down to it, and three people chose not  
10 to. And it seems to be a strong parallel to that in  
11 this situation.

12 This one facility may be fine, but we're  
13 looking at two caverns now, going from one to two  
14 caverns. As somebody mentioned, there's 160 caverns  
15 total, and given the pension for Inergy to immediately  
16 look into expansion and natural gas, I'd see how  
17 perhaps that other speaker got from the 1.6 multiplier  
18 and going from one to two caverns to the 74 multiplier  
19 if you look at 160 caverns.

20 And those kind of historical views on what  
21 has happened before gives me those two -- and I'll  
22 admit it -- fears of Lord of the Rings and being  
23 thrown into the fire with Shadrach, Meshach and  
24 Abednego.

25 Thank you.



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COMMENTS BY PETER WIDYNSKI

ALJ GARLICK: Okay. The last card I have is from Peter Widynski.

PETER WIDYNSKI: You said that correctly. Hi. My name is Peter Widynski, I'm a resident of Schuyler County, Town of Reading, and I'm totally against this project. I don't consider myself a smart man, but when I got -- heard about the project, I was deeply disturbed. I said, what's going to happen to my property values, because I'm within a mile of the plant.

I get online and I start doing a little bit of research about "Inergy" or "Inergy" or however the hell you say it, and as many of you people have stated, they're interested in natural gas. The LPG facility is just their means of getting their foot in the door so that they can claim, you know, ownership of the plant that they currently own, which is, you know, the solution brine -- or the solution mining.

When I get online and I look at the DEC and I see that it's of Department of Environmental Conservation -- and I think the last page has something to do with environmental justice. If we allow this facility to happen here in our community, all we're saying is that we're not concerned about



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1 COMMENTS BY PETER WIDYNSKI

2 future generations. It's a fossil fuel, and the  
3 carbon footprint of that fossil fuel in the past 200  
4 years has increased exponentially, and rather than  
5 putting the resources of a governmental agency that is  
6 supposed to be looking out for the residents of the  
7 community as a whole, I think they're being sort of  
8 blind-sided by the fact that the governor wants to  
9 open up New York for energy exploration.

10 I really don't have the facts that all the  
11 scientists have, but I do have a gut feeling that by  
12 pursuing the fossil fuels, we are going in the totally  
13 opposite direction, and we should be focusing more on  
14 the green alternative sources that are available.

15 Thank you.

16 ALJ GARLICK: Okay. That's the last card,  
17 and that concludes our hearing. I just want to remind  
18 you that the comment period is open for another ten  
19 days and closes on November 14th. So if you have any  
20 written comments, you should submit them to Mr. Bimber  
21 by that date.

22 Thank you. I thank everybody for their  
23 attendance and their comments. Have a good night.

24 (The hearing concluded at 8:49 p.m.)

25



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