

Long Island Sound Assembly Report 2006(Draft Rev 2/16/07)

*Broadwater Natural Gas LNG
Floating Storage Re-gasification Unit Project
FERC Docket #CP06-54-000
#CP06-55-000*

REQUESTED ACTION

The Long Island Sound Assembly requests:

- That the State of Connecticut continue to articulate to the Federal Energy Regulatory Commission (FERC) rejection of the Broadwater proposal for construction of a Liquefied Natural Gas Floating Storage Re-gasification Unit (FSRU) and to explore alternate locations for the storage of LNG to serve the Long Island Market. We strongly recommend the creation of a Regional Energy Policy to identify the number and siting of LNG storage facilities as a comprehensive approach to mitigate the lack of capacity.

This recommendation is based on three over-riding concerns:

1. US Coast Guard and local public safety resources do not have the funding in place to address the safety and security risks of this project.
2. There are significant adverse environmental impacts on marine life, soils/sediments, and water quality.
3. The lack of a Regional Energy Policy to comprehensively address the energy needs of the Connecticut, Long Island and New York markets, collectively.

BACKGROUND

- The draft Environmental Impact Statement (EIS) issued Nov 2006, aroused considerable public outcry at hearings as well as write-in comments regarding many issues. FERC will revise the draft EIS and issue a final EIS at which time FERC rejects or approves the project. If FERC approves this project, Broadwater will move to obtain the necessary permits including, Clean Water, Clean Air, and Coastal Zone Management permitting. Construction may then begin. There will not be another opportunity for the public to comment, so we ask that thoughtful attention be given to the expressed public concerns. Public comments have shown considerable concern regarding inadequate data in the draft EIS as to safety, security risks, and environmental impacts.
- The LIS Assembly dedicated its November 2006 meeting to listen to comments from Capt. Boynton from the US Coast Guard and Joel Reinbold, John Hritcko and Richard Sheirer representing the interest of the Broadwater project. The US Coast Guard plays a major role in the safe operation of the FSRU and it simply does not currently have the resources to fulfill its obligations. Further, there is no indication on the part of the US Coast Guard to increase funding and resources for this Sector; to construct this storage facility without a detailed plan of how the Coast Guard will perform its daily responsibilities places the general public's safety and welfare in jeopardy. FERC should not approve this project

unless there is a plan in place to increase the US Coast Guard resources in this region as identified in the USCG Water Suitability Report.¹

- The LIS Assembly is concerned that the construction and operation of the terminal may pose a threat to an environmentally sensitive area. LNG project should be denied because the draft FERC EIS failed to provide adequate scientific evidence to substantiate its conclusion that the project would have minimal impact on Long Island Sound. The Long Island Sound LNG Task Force comments that the study on hazards of oil spills was inadequate and cites concerns about 5 million gallons per day of ballast and cooling water killing fish eggs and larvae and impacts on two endangered birds.² LIS Assembly requests CT legislators to engage FERC to thoroughly and adequately address these concerns with rigorous, appropriate data.

- This project is located in New York and as such the State of Connecticut has had some difficulty being recognized as a “party” to this project. As such, there have been efforts by the Attorney General’s office and the Governor’s office to insure that Connecticut’s interests are recognized and addressed. We strongly encourage the CT legislative delegation to take action going forward to protect the interests of residents in this State. The Long Island Sound LNG Task Force continues to engage FERC, and the LIS Assembly fully supports the Task Force’s efforts and will work closely with this group to mitigate any risks should this project receive approval.

¹ See US Coast Guard Captain of the Port Long Island Sound Waterways Suitability Report for the Proposed Broadwater Liquefied Natural Gas Facility, released September 21, 2006.

² See Long Island Sound LNG Task Force Response to FERC’S Draft Environmental Impact Statement, dated January 23, 2007.