

IG FACILITY AND CO2 PIPELINE

EIS PUBLIC SCOPING MEETING

July 10, 2012

United States Department of Energy (DOE)

Haywood County Justice Complex

100 South Dupree

Brownsville, Tennessee 38012

Open House: 6:30 p.m. - 7:00 p.m.

Public Hearing: 7:00 p.m. - 9:00 p.m.

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1                   A Public Scoping Meeting was conducted on the  
2 10th day of July, A.D. 2012, moderated by Dr. Alistair  
3 Leslie as follows:

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1 DR. LESLIE: Okay. Well, I hope  
2 everybody managed to find a seat. Welcome. My name is  
3 Alistair Leslie, and I work for the loan guarantee  
4 program at the Department of Energy in the loans  
5 program, and I welcome you all here to this scoping  
6 meeting.

7 In case you have a cell phone, just make sure  
8 it's muted, which actually reminds me. I've got a cell  
9 phone, so I'd better do that. My daughter has a habit  
10 of calling me about this time, so I'll do that.

11 Anyway, I'm going to give an introduction  
12 about the program and an overview of the NEPA process,  
13 the environmental review process, and that will be  
14 followed, as you see in the agenda here, by a  
15 presentation on behalf of Indiana Gasification, and  
16 then resources on the proposed addition of a proposed  
17 carbon dioxide pipeline to a gasification facility that  
18 was originally proposed back in 2009. That facility is  
19 in Rockport, Indiana.

20 And then we will get into the comments period  
21 where we will welcome any comments from the public  
22 attendees.

23 (Presentations were made by Dr. Alistair  
24 Leslie and Mark Evans.)

25 (Following the presentations made by

1 Dr. Leslie and Mark Evans, the floor was  
2 opened up for discussion as follows:)

3 DR. ALISTAIR LESLIE: Okay. Thank you  
4 very much, Mark.

5 Let me get this in. My name is, again,  
6 Alistair Leslie, and I would like to open up the  
7 commentary period. Okay.

8 UNIDENTIFIED MALE: What width  
9 right-of-way are y'all going to try to secure?

10 DR. ALISTAIR LESLIE: Sir?

11 UNIDENTIFIED MALE: What width  
12 right-of-way are y'all going to try to secure?

13 DR. ALISTAIR LESLIE: Well, if you'll  
14 just bear with me a second, I'll -- are you -- do you  
15 want to present? I'm going to call out the speaker as  
16 the --

17 UNIDENTIFIED MALE: Oh, I'm sorry.

18 DR. ALISTAIR LESLIE: No. Certainly,  
19 you're very, very welcome to present a comment after  
20 the persons that have been signed up, very welcome to  
21 comment. So just sign --

22 Thank you. So I'll call out the speaker,  
23 just the one that starts at the moment, and then you're  
24 certainly welcome to speak after these two, and that  
25 will be Nick Crafton.

1           Would you like to come up here --

2           MR. NICK CRAFTON: Yes.

3           DR. ALISTAIR LESLIE: -- and get a  
4 microphone and present a comment? Thank you.

5           MR. NICK CRAFTON: Hello and welcome to  
6 Haywood County. My name is Nick Crafton. I sleep at  
7 5890 Brierfield Avenue in Memphis, Tennessee 38120, but  
8 I'm awfully bad to hang out up here in Haywood County,  
9 so welcome to everybody.

10           I am a registered professional engineer in  
11 the States of Kentucky, Tennessee, and Mississippi,  
12 which this project affects, and also Texas. So I  
13 learned about this public hearing off the -- either the  
14 TV publication or off the Internet.

15           I'm maybe an oddball. I am a scientist,  
16 among the thirty thousand that have questioned the  
17 scientific description of CO2 as a pollutant since we  
18 all exude it in every breath we take.

19           But set that aside. On the NEPA process  
20 here, I should mention by way of being a stakeholder,  
21 this project is going to cross the south fork of the  
22 Forked Deer River. I own about 400 acres there of nice  
23 timber that sequesters carbon every day.

24           It also crosses the Hatchie River in Haywood  
25 County, and I own 668 acres in the Hatchie River

1 Bottom. And it also proposes to cross in Marshall  
2 County, Mississippi, and I own thirty-eight hundred  
3 acres in Marshall County, Mississippi, so I'm a  
4 stakeholder.

5 The project itself, the actual pipeline, does  
6 not cross any of my property, but I am concerned about  
7 the impact, and I became really concerned last night.  
8 I read the notice in the Federal Register, and I  
9 understand from the proposed agreement with Denbury  
10 that you have done your route survey, identified  
11 wetland water bodies, and your next step is landowner  
12 easements.

13 But what concerns me is in the national  
14 register of June 22nd, and again in the publication  
15 today, I'll refer you to the sentence, "It would cross  
16 several waterways, including the Ohio River, the  
17 Tennessee River, and Cumberland River, as well as the  
18 Hatchie River, and Cypress Creek, both of which are  
19 classified as Kentucky special use waters."

20 Gentlemen, I think you have a lot of work to  
21 do. Hatchie is the Chickasaw name for flowing water or  
22 a river, and we are in the heart of Chickasaw Indian  
23 country. I am not aware of a Hatchie River in  
24 Kentucky, and Cypress Cree is in Haywood County. So  
25 for Kentucky to classify our Hatchie River as special

1 use doesn't seem appropriate.

2           The Hatchie River is a federally recognized  
3 scenic wild river. It is a State of Tennessee  
4 recognized scenic wild river. It is a State of  
5 Tennessee recognized outstanding natural resource  
6 waters. It is an internationally recognized ecosystem  
7 of significant importance. It is not in Kentucky. It  
8 is in Tennessee. It is in Haywood County.

9           Now, if we are talking about the next step is  
10 landowner easements, I think we need to identify our  
11 water better -- water bodies a little bit better.  
12 Every crossing of the south fork of the Forked Deer  
13 River, Hatchie federal, state scenic river, outstanding  
14 natural resource water, and all these crossings, I  
15 understand they are 97 percent congruent with existing  
16 pipeline crossings.

17           But after those crossings were made, some of  
18 them decades ago, that land started to heal, and those  
19 places started to heal, and this is reopening. And  
20 there was mention of directional boring. It sounds to  
21 me like it's vertical boring.

22           But to talk about an open-cut stream crossing  
23 is to reopen these wetlands and these floodplains as  
24 they were opened, and they have started to heal, and  
25 they are healing.

1           So my comment during the scoping process is  
2 please do an accurate inventory of the resources that  
3 you're crossing. This is not to mention the prime  
4 farmland that will be impacted by the project, but  
5 please get your water bodies, your wetlands, your  
6 associated bottom land hardwoods, please get your  
7 inventory on the proposed impact to those areas.

8           And it escapes me how the economics of this  
9 project could possibly come together. And I look  
10 forward to making additional written comments at the  
11 different phases, and I appreciate it.

12           DR. ALISTAIR LESLIE: Thank you very  
13 much, and thank you for your comments. Would anybody  
14 else like to make a comment? Sir?

15           UNIDENTIFIED MALE: No. I was just  
16 trying to find out some information.

17           DR. ALISTAIR LESLIE: Okay. Would you  
18 like to make a comment, sir?

19           DAVID LEVY: Yes.

20           DR. ALISTAIR LESLIE: Would you come up  
21 here and identify yourself?

22           DAVID LEVY: I am David Levy with Willow  
23 Oaks Farm, 2351 Highway 54 North, Brownsville,  
24 Tennessee, and I didn't hear anything taking into  
25 consideration that you're going -- I think it's Section



1 7 -- you're going to -- you're going to do Section 7 of  
2 the New Madrid fault.

3 And whether or not that was because I -- Nick  
4 Crafton and I would hate for this thing to blow up  
5 during an earthquake that for the last 30 years it  
6 seems they've been saying it's going to happen.

7 The New Madrid fault is -- is -- the pressure  
8 is going to happen in the next 50 years, and I think  
9 that only gives us 20 more years, and I was just  
10 wondering if that had been taken into consideration.

11 DR. ALISTAIR LESLIE: Thank you very  
12 much for your comment. Do we have anybody else who  
13 would like to present a comment? Okay. State your  
14 name.

15 MR. JOHN BLAIR: My name is John Blair.  
16 I reside at 800 Adams Avenue, Evansville, Indiana  
17 47713. I really thank the people who made comments  
18 tonight. Last night was different. We didn't have any  
19 commentaries at all.

20 Something that occurs to me, this proposal is  
21 being made in Rockport, Indiana. Rockport, Indiana, is  
22 a town of 2,068 people in the 2000 census, but it has  
23 two industries that put out more toxic pollution by  
24 50 percent, almost 30 million pounds of toxic pollution  
25 according to US EPA toxic release inventory, more toxic

1 pollution than all the industries in Atlanta, New York,  
2 Philadelphia, Pittsburgh, Chicago, Indianapolis,  
3 Seattle, Los Angeles, and San Diego combined.

4 I noticed up here that environmental justice  
5 is one of the criteria. It seems to me that it's a  
6 terrible waste of federal resources when you have  
7 education going down the tubes, when we have almost  
8 everything else happening that you can't afford to do  
9 anything.

10 That's just a bizarre and horrible waste of  
11 federal resources to take this project any further than  
12 it already has gone on the basis of environmental  
13 justice alone.

14 In 1994, I believe it was, President Clinton  
15 signed an executive order -- I can't remember what the  
16 number is; I'll do it in my written comments -- but he  
17 signed an executive order requiring that environmental  
18 justice be considered in every federal action.

19 This is definitely a significant federal  
20 action. It's going to require over three and a half  
21 billion dollars of federal loan guarantees to a company  
22 that never built one of these before.

23 They have three of them on the -- on the  
24 drawing boards currently, and they've never built one.  
25 There's no proof that they know what they're doing.

1 It's been built by a corporation that, at least  
2 according to testimony that's been filed before the  
3 Indiana Utility Regulatory Commission, by a company  
4 that's never built one.

5 And we have a company, another company in  
6 Indiana, that's built a gasifier just recently called  
7 Duke Energy, and they used a firm to build their  
8 gasifier named Bechtel.

9 Bechtel probably is the biggest construction  
10 company in the world, and they probably have more  
11 experience in building this sort of facility than  
12 anyone else.

13 The costs were originally projected by Duke  
14 Energy at 1.985 billion dollars officially back in 2007  
15 as the project costs at that time and is now up to  
16 3.5 billion. It was originally taken to the public in  
17 Indiana as being a 1.2 billion-dollar facility that  
18 would include carbon capturing sequestration.

19 It's 3.5 billion they've spent on it now, and  
20 it doesn't include anything that has to do with carbon  
21 capturing sequestration. They're not even capturing  
22 it, let alone sequestering it.

23 I think Mr. Crafton was very eloquent when he  
24 said this project economically makes no sense. And I  
25 realize that the federal government really wants to

1 support something that they can prove does carbon  
2 capturing sequestration, but this is the wrong place, a  
3 town that is already one of the most polluted places on  
4 earth, a town, incidentally from an environmental  
5 justice standpoint, that has an average income of only  
6 two thirds the national average average income  
7 according to the US Census Bureau.

8           That definitely qualifies it as an  
9 environmental justice place, although there are very  
10 few people of color or -- I don't know -- there's a few  
11 native Americans that live in the community, but this  
12 is just beyond me.

13           I wasn't planning on speaking tonight, but  
14 environmental justice should mean something. The  
15 Department of Energy just last year signed an agreement  
16 with the US EPA to deal with environmental justice  
17 issues and really consider them in their permitting  
18 processes.

19           In this case, it's squandering probably what  
20 will be close to five billion, six billion dollars  
21 before it's all said and done on a project that for  
22 those of you who are aren't from Indiana, who should  
23 know this.

24           I as a homeowner that heats with gas am  
25 required to buy the output of this plant from the State

1 who became its only customer. The State's forcing me  
2 against my will to pay a premium for gas to heat my  
3 home just for the privilege of saying we're doing it  
4 from coal instead of buying natural gas.

5           It's the most bizarre economic model I've  
6 ever seen. In fact, I compared it to the Communist  
7 Chinese model business, and this is in a state where  
8 the governor whose personal friend is the Leucadia  
9 representative in Indiana, a guy named Mark Lubbers,  
10 who's Mitch Daniels' personal friend is the one that's  
11 going to benefit the most from this project. Probably  
12 already has.

13           It's crony capitalism at its worst, and it's  
14 close to socialism, but yet Mitch Daniels is some kind  
15 of American hero from the far right in this country. I  
16 don't understand any of this.

17           Thank you.

18           DR. ALISTAIR LESLIE: Thank you very  
19 much. Do we have another? Any other commentary? You  
20 would like to make a comment?

21           Well, if not, I'll presently close the  
22 comment period. We are going to be proceeding as  
23 advertised to continue through 9:00 o'clock, so we're  
24 going to be staying here until 9:00. I'll adjourn the  
25 comments now at approximately, I guess, about 7:44, 43.

1           And we will be available for any questions if  
2 anybody has any and have some questions in the back of  
3 the hall, and, as I said, we will remain here until  
4 9:00 o'clock. There might be some other people that  
5 might turn up late that we want to be here for.

6           Thank you very much for coming here and your  
7 interest.

8                           THE MEETING WAS ADJOURNED AT 9:00 P.M.

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## 1 REPORTER'S CERTIFICATE

2 STATE OF TENNESSEE )

3 I, Ken Mansfield, LCR, RPR, CCR, hereby  
4 certify that the foregoing Public Scoping Meeting was  
5 reported by me, and that the foregoing pages of the  
6 transcript are a true and accurate record to the best  
7 of my knowledge, skills, and ability.

8 I further certify that I am neither related  
9 to nor employed by any of the parties to this cause of  
10 action, or their counsel; nor am I in any way  
11 financially interested in the outcome of this case.

12 I further certify that I am duly licensed by  
13 the Tennessee Board of Court reporting as a Licensed  
14 Court Reporter as evidenced by the LCR number and  
15 expiration date following my name below.

16 IN WITNESS WHEREOF, I have hereunto set my  
17 hand and affixed my seal this the 17th day of July,  
18 2012.

19  
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21 

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Ken Mansfield, LCR #002, RPR, CCR  
LCR Expiration Date: 6/30/2012  
Notary Commission Expires: 3/25/2015  
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