RHODE ISLAND SENATE TASK FORCE ON LIQUEFIED NATURAL GAS

Summary of Hearings and Recommendations

On January 15, 2010, Rhode Island Senate President M. Teresa Paiva Weed established a special Senate Task Force to review the proposed construction of a liquefied natural gas (LNG) offshore unloading berth in Mount Hope Bay. Announcing the task force, President Paiva Weed stated the following:

"There are serious questions that require research about the proposed project's potential impact on the state's safety, economy and environment. There may also be legislative actions that should be explored for the 2010 General Assembly Session. This Task Force will meet to ask the questions, research the issues surrounding this proposed project, and provide legislative solutions if necessary."

Senators representing coastal districts had been inundated with calls, emails and letters from concerned constituents regarding the LNG facility and "super" tankers traversing Mount Hope Bay. Though a considerable amount of regulatory and legal activity was already underway, there were many questions presented to Senators that had not been adequately addressed. A project of this scope with profound implications for the future of a greatest amenity, our bay, requires the highest scrutiny and most diligent review by all. The Senate Task Force provided a forum and an opportunity to be heard for many Rhode Island residents who are concerned about the LNG facility, and to have their Senators hear and understand those concerns. The issues that were raised were varied and included but were not limited to the following: legal and regulatory review processes, environmental protection and mitigation, recreational use conflicts, employment opportunities and economic issues, local public safety, and security and emergency preparedness.

The members of the Senate LNG Task Force included:

Senator David E. Bates
Senator Michael J. McCaffrey
Senator Frank A. DeVall, Jr.
Senator Louis P. DiPalma
Senator Joshua Miller
Senator Walter S. Felag, Jr.
Senator Rhoda E. Perry
Senator J. Michael Lenihan
Senator V. Susan Sosnowski
Senator Charles J. Levesque, Chair
Senator William A. Walaska

A series of meetings were held during February and March 2010 that allowed both scheduled witnesses with demonstrated knowledge or interest in the issue and the general public an opportunity to present information and concerns regarding the project. This summary report includes an overview of the witnesses that testified as well as the considerable volume of documents that were submitted to the Task Force. Based on the extensive testimony heard and communications received, the Senate Task Force has authored several recommendations.

The recommendations provided in this summary require implementation by federal, state and/or local agencies. Some of the recommendations respectfully request the federal government to take specific actions regarding the project since federal law has significantly limited the authority of state and local governments to act upon the application. The remaining recommendations would require implementation by state and local agencies and authorities, many of whom have been actively engaged in reviewing this project. It is the Task Force's sincere hope that these entities will remain vigilant.

We believe that the next major action likely to take place regarding the Mount Hope Bay project could be the Federal Energy Regulatory Commission (FERC) issuance of a draft Environmental Impact Statement (EIS) for the project. In this event, a number of opportunities for public comment and public hearings regarding the impact will be allowed. We believe that providing this summary at this time is significant, as we anticipate that it will influence the path going forward. We believe it is critical to reiterate to our Congressional leaders the concerns that their constituents share with respect to this matter, and to make recommendations now that could influence the outcome of any draft EIS if it is issued by FERC. The following recommendations are a result of the hearing process.

Recommendations

- Request the FERC to deny the amended application for the Mount Hope Bay offshore LNG unloading berth.
- Support the efforts of U.S. Senator Jack Reed and U.S. Senator Sheldon Whitehouse as well as U.S. Representative Patrick Kennedy and U.S. Representative James Langevin to restore state influence and permitting of energy facilities as is proposed in U.S. Senate bill 3056 and U.S. House bill 4922. These bills would repeal Section 311 of the Energy Policy Act of 2005 which eliminated requirements for state involvement in the siting of energy facilities.
- Prohibit the use of state, local and private resources to provide security forces during the
 transit and offloading of LNG in Narragansett Bay and Mount Hope Bay. The Department of
 Environmental Management (DEM) and many municipalities made it clear that they do not
 have the financial resources or manpower to provide the high level of security that would be
 required by the United States Coast Guard.
- Request the FERC to condition any permit for the proposed Mount Hope Bay project upon receiving documentation of concurrence from the Rhode Island Coastal Resources Management Council. The concurrence required from the Coastal Resources Management Council (CRMC) is to insure the project is consistent with the Rhode Island Coastal Resources Management Program as authorized by the federal Coastal Zone Management Act.
- Participate in public hearings and provide public comment from the Senate Task Force if a
 draft EIS is issued by the FERC. Provide this summary to FERC and include copies of the
 video recording of each Task Force hearing that was held in February and March of 2010.

If the project receives the requisite federal permits then the Senate will reconvene the Task Force to consider means to:

- Minimize conflicts between commercial and recreational vessels and LNG tankers.
- Mitigate any impacts to habitat as a result of potential dredging and construction.
- Address security and safety concerns for coastal populations.

We thank the individuals, organizations and businesses that participated in the Senate LNG Task Force process. Without the level of testimony and attention to detail that was offered, the Task Force would not have been able to formulate the recommendations offered in this report. While we have recommended opposition to this project, it is still being reviewed at the federal level for permitting. In the event that the requisite permits are granted the Task Force will insure all public safety, environmental and economic concerns raised during the hearing process are addressed and mitigated whenever possible.

Charles J. Levesque, Chair

Charles J. Levesque, Chair

Senator Michael J. McCaffrey

Senator David E. Bates

Senator Harold M. Metts

Senator Frank A. DeVall, Jr.

Senator Joshua Miller

Senator Louis P. DiPalma

Senator Rhoda E. Perry

Watter S. Felag, Jr.

Senator V. Susan Sosnowski

Senator J. Michael Lenihan

Senator William A. Walaska

Overview of Senate Task Force Hearings

The following information provides an overview of the hearings held and witnesses that presented information to the Senate Task Force. This summary is not intended to be a full record of the hearings but an overview of the categories of information covered and the numerous individuals and organizations that participated in the process. The full video record of the hearings is available from Capital Television, located at the Rhode Island State House.

February 2, 2010 at the Rise of the Senate State House, Room 313

- Chairman Charles Levesque welcomed Senate President M. Teresa Paiva Weed. The Senate President provided opening remarks and detailed the purposes of the Task Force.
- An overview of legal activity relating to Weaver's Cove LNG project was provided by:
 - Attorney General Patrick Lynch
 - Department of Environmental Management representatives:
 W. Michael Sullivan, Director
 Marisa Desautel, Esq., Legal Services
 Russell Chateauneuf, Chief, Ground and Wetland Program.

February 11, 2010 at the Rise of the Senate State House, Room 313

- An overview of environmental and recreational concerns was provided by:
 - Grover Fugate, Executive Director, CRMC
 - Brian Goldman, Legal Counsel, CRMC
 - Jonathan Stone, Executive Director, Save The Bay
 - George Allen, Rhode Island Saltwater Anglers Association
 - Michael Keyworth, Legislative Liaison, Rhode Island Marine Trades Association
 - Dr. Robin Wallace, Chairman, Rhode Island State Yachting Committee

February 23, 2010, 2:00 p.m. State House, Senate Lounge

- An overview of employment opportunities and economic issues was provided by:
 - Timothy Byrne, representing the Rhode Island Building Trades
 - Greg Mancini, Build RI
 - Captain Gary Oliveira, McAllister Towing Company
 - Donald Church, Seaboats

March 2, 2010, 2:00 p.m. State House, Senate Lounge

- An overview of local public safety concerns and issues was provided by:
 - Jeffrey P. Lynch, Town of Portsmouth
 - Alexander Galinelli, Town of Warren
 - Richard M. Brown, City Manager, City of East Providence
 - Diane Mederos, Town Administrator, Town of Bristol

March 9, 2010, 2:00 p.m. State House, Senate Lounge

• A comprehensive presentation about the Weaver's Cove Energy LNG project was provided by Gordon Shearer, CEO of Weaver's Cove Energy

March 16, 2010, 2:00 p.m. State House, Room 313

- An overview of local environmental and recreational concerns were provided by:
 - Linda Brunini-Formica, Kickemuit River Council
 - John Rodman, Preservation Society of Newport County
 - Gordon Carrolton and Ellen Winsor, Jamestown LNG Work Group
 - Joseph Arruda, Save Bristol Harbor
- Public testimony was welcome at this meeting and eleven (11) members of the public provided comments on why they opposed or supported the proposed project.

LNG DOCUMENTS AVAILABLE TO DATE

The Rhode Island Senate Policy Office has the following documents available for review and will expand this catalogue as materials are submitted. Contact Kelly Mahoney, Deputy Policy Director, (401) 276-5551 or kmahoney@rilin.state.ri.us for copies.

• Complete listing of project applications and supplemental material prepared by Weaver's Cove Energy

http://weaverscove.hesslngsites.com/latest-news/project-filings-applications

- Raymond J. Perry, Captain, U.S. Coast Guard March 22, 2010 Letter to: Senator Charles J. Levesque, Chairman, Rhode Island Senate Task Force on LNG
- City of Fall River, Massachusetts, Office of the Mayor, William A. Flanagan, March 16, 2010 Document Index:
 - A. Copies of the Direct Testimony of Dr. Jerry Havens
 - B. Letter addressed to the United States Coast Guard from Attorney Diane Phillips
 - C. Letter addressed to Secretary Ian Bowles of the Executive Office of Energy and Environmental Affairs from Attorney Diane Phillips
 - D. Letter addressed to Kimberly D. Bose, Secretary of Federal Energy Regulatory Commission from Attorney Diane Phillips
- J.L Nimmich, Rear Admiral, U.S. Coast Guard Letter to: Ms. Marisa Desautel, Esq., DEM Appeal denial

March 15, 2010

• J.L Nimmich, Rear Admiral, U.S. Coast Guard Letter to: Mr. Terrence Tierney, Special Assistant Attorney General Appeal denial March 15, 2010

- Shawn J. Brown, Middletown Town Administrator February 24, 2010 Letter to: Senator Charles J. Levesque opposing Hess Weaver's Cove Energy's LNG offshore unloading berth
- Raymond J. Perry, Captain U.S. Coast Guard Letter to: Senate President M. Teresa Paiva Weed

January 30, 2010

Bruce F. Kiely, Baker Botts L.L.P.

January 29, 2010

Letter to: Jeffrey D. Wiese; Associate Administrator for Pipeline Safety

• Associated Press January 28, 2010

News Article: BP chief: Unconventional gas "game changer" in U.S.

 Boston Globe News Article: Yemen gas shipments to Boston stir worry 	December 31, 2009
 Raymond J. Perry, Captain, U.S. Coast Guard Letter to: Ms. Kimberly D. Bose, Secretary, Federal Energy Regulatory Community Letter of Recommendation for Weaver's Cove Energy, LLC Offshore Proposal Massachusetts 	
• Paul J. Diodati, Director M.A. Division of Marine Fisheries Letter to: Ian Bowless, Secretary, Energy and Environmental Affairs	May 22, 2009
• W. Michael Sullivan, PhD, Director; DEM Letter to: Captain Raymond J. Perry, United States Coast Guard	May 21, 2009
• J. David Smith, Executive Director Military Staff EMA Letter to: Captain Raymond J. Perry, United States Coast Guard	May 15, 2009
Lists of participants in the Coast Guard sponsored ad hoc work groups	April 2009
 Navigation and Vessel Inspection Circular No. 05-08 United States Coast Guard 	December 22, 2008
• Ron Gorsline, Secure Ocean Service Report: LNG Facility in an Urban Area	July 6, 2006
 Rhode Island Turnpike and Bridge Authority Report: LNG Transit through East Passage: Potential Impact on Aquidneck Island Development 	June, 2006
 Associated Press News Article: Navy Wants Government to Rethink Fall River LNG Proposal 	August 15, 2005
• Federal Energy Regulatory Commission Affidavit for Brendan P. Doherty, Director of Public Safety at Roger Williams	August 15, 2005 University
• Federal Energy Regulatory Commission Affidavit for Peter M. Janaros, Director of Engineering for the R.I. Turnpike at (RITBA)	August 11, 2005 nd Bridge Authority
• Federal Energy Regulatory Commission Affidavit for Bruce R. Oliver, President of Revilo Hill Associates, Inc., which	August 10, 2005 specializes in energy

and utility regulatory policy.

• Federal Energy Regulatory Commission

Affidavit for Diane C. Mederos, Bristol Town Administrator

August 10, 2005

• Federal Energy Regulatory Commission August 10, 2005 Affidavit for Clement Napolitano, Director for EMS for Jamestown Emergency Medical Services

• Federal Energy Regulatory Commission

August 5, 2005

Affidavit for James R. Bryer, Jr., Town of Jamestown Fire Chief

Federal Energy Regulatory Commission

August 5, 2005

Affidavit for Dennis Canario, member of the Portsmouth Town Council

• Aquidneck Island Planning Commission

August 5, 2005

Report: LNG Tanker Impacts to Marine Navigation

• The Louis Berger Group, Inc.

August 2005

Report: LNG Traffic Impact Assessment

• R.I. Turnpike and Bridge Authority

June 14, 2005

Resolution: LNG Terminal

• Federal Energy Regulatory Commission June 6, 2005 Direct Testimony: Dr. Jerry Havens, Distinguished Professor of Chemical Engineering at the University of Arkansas

• Federal Energy Regulatory Commission June 6, 2005 Declaration of Witness: Richard A. Clarke, Chairman, Good Harbor Consulting, LLC, which provides strategic planning, product and business strategy evaluation, and corporate security risk management services.

• R.I. Emergency Management Advisory Council May 12, 2005 Resolution: Opposing expansion of the Key Span LNG Terminal in Providence, RI and the creation of a terminal in Fall River, M.A.

• Richard A. Clarke
May 9, 2005
Report: LNG Facilities in Urban Areas: A Security Risk Management Analysis for R.I.

• The Associated Press, H. Josef Hebert

News Report: Potential of catastrophic fire worries LNG opponents

January 26, 2005

• James A. Fay, Cambridge, M.A. September 20,2003 Report: Spills and Fires from LNG Tankers in Narragansett Bay (RI)

Rhode Island Senate Task Force on Liquefied Natural Gas

List of people that provided information or testimony

Last Name	First Name	Affiliation	City	State	Type	Date
Arruda	Joseph	Save Bristol Harbor (President)	Bristol	RI	Testimony	3/16/10
		Geological Investigations Earthquake		i		0 1 7 7 0 1
Barosh	Dr. Patrick	Hazard Assessment	Bristol	K	Misc	10/9/10
Berwick	Kenneth		Smithfield	RI	Letter	3/12/10
Brown	Shawn	Middletown Town Administrator	Middletown	RI	Letter	2/24/10
Brunini-		Special Projects Coordinator, Treasurer-				
Formica	Linda	Kickemuit River Council	Warren	RI	Testimony	3/16/10
Carrolton	Gordon	Jamestown LNG Work Group	Jamestown	RI	Testimony	3/16/10
Cordiero	Bill		Somerset, MA		Testimony	3/15/10
Croft	Buddy	Bridge and Turnpike				
Cruciani	Eugene		Portsmouth	\mathbb{R}	Letter	3/17/10
		Senior Legal Counsel- Department of				
Desautel, Esq	Marisa A.	Enviornmental Management	Providence	RI	Letter	1/29/10
Flanagan	William	Mayor	Fall River	MA	Letter	3/6/10
Hallock	Peter	Gripnail Corporation	East Providence	RI	Letter	3/16/10
Hamel	Bobby	Bristol Yacht Club	Bristol	RI	Testimony	3/16/10
Hence	Kyle		Newport	RI	Testimony	3/15/10
						4/6/10,
Hunter	Christopher D.	Advocacy Solutions LLC	Providence/ Boston	RI/MA Misc.	Misc.	3/24/10
Jauss	Charles W.		Newport	RI	Letter	3/4/10
		Member of the Coalition of				
Keppal	John	Responsible Siting of LNG Facilities	Fall River	MA	Testimony	3/16/10
		Vice President and General Manager-				
Keyworth	Michael	Brewer Cove Haven Marina	Barrington	RI	Testimony	2/11/10
		Northeast Gas Association, President &				
Kiley	Thomas	CEO	Needham	MA	Letter	3/26/10
		Vice president Business Development-		***		
Landes	Gregg	Weaver's Cove Energy	Fall River	MA	News articles	

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Last Name	First Name	Affiliation	City	State	Type	Date
Lawless	Lorne K.	Selectman of Somerset	Somerset	MA	Testimony	3/16/10
Levine	Frank S.		Portsmouth	RI	Letter	3/8/10
Lynn	Dick		Jamestown	RI	Letter	3/16/10
MacDougall	Peter	RDH	Warren	R	Letter	3/16/10
Marshall	Kenneth	Chairman, Bristol Town Council	Bristol	RI	Letter	2/19/10
Miozza	Michael	Member of the Coalition of Responsible Siting of I NG Facilities	Fall River	MA	Testimony	3/16/10
Morabit	George				Letter	3/16/10
Murphy	William	Jamestown Town Council	Jamestown	RI		
Myers	Jim		Warwick	RI	Letter	3/15/10
Oliveira	Bobby				Testimony	3/16/10
						3/22/10, 1/30/10.
Perry	Raymond J.	Captain, U.S. Coast Guard			Letters	7/30/09
•		Rhode Island Marine Trades				
Rich	Tom	Association, President	Warwick	RI	Letter	1/4/10
Riggs, Jr	Benjamin C.		Newport	RI	Testimony	3/12/10
Rodman	John	President Society of Newport County	Newport	RI	Testimony/Letter	
	Shirley and					
Roos	Casper	La Rossian Control of the Control of			Letter	
Rousseau	Normand		Fall River	MA	Letter	3/8/10
Salfia	Michael	USCG Capt.			Letter	3/16/10
Schnack	Michael	Jamestown Town Council, President	Jamestown	RI		
Scoffeld	Cecile		Lady Lake	FL	Letter	3/16/10
Shearer	Gordon	CEO, Weaver's Cove Energy	Fall River	MA	Testimony	3/9/10
		Newport and Bristol County		<u>.</u> .		
Smith	Evan	Convention Center	Newport	R	Misc.	3/15/10
Smith Hill	Lindsey	America's Cup Charters			Letter	3/15/10
Stone	Jonathan	Save The Bay	Providence	RI	Testimony	2/11/10

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Last Name	First Name	Affiliation	City	State	Type	Date
		State Representative, 6th Bristol				
Sullivan	David	District	Boston	MA	Report	3/9/10
Tamulaites	Michael	Kickemuit River Council		RI	Testimony	3/16/10
		Coalition For Responsible Siting of				
Thomas	Ronald	LNG			Testimony	3/16/10
Thompson	Bruce J.	Ph.D, LICSW	Tiverton	R	Letter	3/15/10
					Misc. email	
Tierney	Terence	Special Assistant Attorney General	Providence	RI	information	
	Ray and					
Torns	Nancee		Middletown	R	Letter	3/10/10
Torres	Steven A.	Corporation Counsel	Fall River	MA		•
Welsh	David E.		Jamestown	RI	Letter	3/7/10
White	Michael	Jamestown Town Council	Jamestown	RI		
Winsor	Ellen	Jamestown Town Council	Jamestown	RI	Resolution	3/23/10