PUBLIC MEETING FOR

PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT,

SALT LAKE CITY, UTAH

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HELD BY:

Bureau of Land Management
U.S. Department of Energy
U.S. Forest Service

: **REPORTER'S TRANSCRIPT**
MEETING DATE:
: October 26, 2005
MEETING TIME: 2:00 p.m.
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MODERATOR:
Scott Powers, BLM

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neglected to say a couple of important points, so I'll introduce those now. We're going to have a summary scoping report available to the public in January of all the input received here during the 60-day comment
14:25:56 period. And the website is active right now and it is the best source of information and it will be the best source of information on an ongoing basis. So we'd encourage you to take a look at that. UT02

So, Dell Draper with Williams.

14:26:16 MR. DRAPER: Dell Draper with Williams Companies. I manage the companies' affairs in the western United States. Williams is a natural gas company. We produce, gather and process, and transport natural gas. We own the northwest pipeline,
14:26:40 transportation pipeline, which runs from Northern New Mexico up to the base of the Rockies and takes it up to the markets in the Pacific Northwest. We also have seven thousand miles of gathering lines in the states of Wyoming, Colorado, and New Mexico. None in the Price
14:27:02 area, for the benefit of the former speaker.

Williams is a smaller company to date than it was five years ago. Five years ago we had additional pipelines that totaled 65,000 miles and we also had a 26,000 mile fiberoptic network. The fiberoptic network
14:27:20 was a bad bet and caused us to sell a lot of our assets,

which is why we're smaller today, including selling the Kern River Pipeline, which runs down here through Salt Lake City.

Overall, Williams supports the programmatic approach to the EIS Energy Corridors. I not sure we really know what that means. I notice on this map here that the route of the northwest pipeline is marked as a possible energy corridor. Does that mean that we'll have new neighbors along that corridor or not?

We look forward to working with you on that process to figure out what that means. Here's two aerial photographs of the pipeline up in the Seattle area, again, marked on your map, one taken in 1990, one taken in 2002. And as you can see from that, we have quite a constrained right-of-way there. So again, it would be difficult to make that energy corridor. On the other hand, had you made that energy corridor 13 years ago, maybe we would be in great shape today and it wouldn't be so crowded.

We're currently proposing a project to take natural gas liquids from the warm southern areas in Wyoming down into Kansas. That pipeline, to a great extent, would follow a corridor where there are ten existing facilities, several pipelines and several fiberoptic cables. My project manager on that project

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says, "Gosh, if they've done 11 archeological -- if they've done 10 archeological studies in that area already, do we really need to do 11?" That's kind of a simplistic approach because obviously, we need to do
14:28:59 site-specific impacts, but again, if you stand to streamline the process in any way like that, we would support that.

While we support the process, a couple of observations. If you designate energy corridors, those
14:29:14 should not become exclusive corridors that hinder people from putting linear energy facilities in outside of those corridors. There's always going to be a need to deviate from the designated corridor, either to reach into a market area or to reach to an energy supply.
14:29:30 There may be economic or engineering reasons why it's better for somebody to be outside the corridor. So if someone needs to be outside of the corridor, crossing federal land, they shouldn't be penalized. They shouldn't told "No, you need to build additional
14:29:48 facilities to get up into this energy corridor." It should be an option people have without it having to be an exclusive option.

An electric -- a corridor for electric transmission may not always be the best corridor for a
14:30:03 pipeline. Pipelines and electric transmission can

coexist in a corridor. When Williams built the Kern River Pipeline, we were happy to be the Utah Power & Light corridor as we went through Salt Lake City and West Valley City. A couple of reasons, one it's a nice, 14:30:25 linear corridor, and those seem kind of tough to find in an urban area. Additionally, people don't usually take backhoes out and start digging underneath high transmission lines, so there's a safety aspect in using the same corridor.

14:30:40 Pertaining to energy concerns in using the same corridor, pipelines are protected by cathodic protection, which is an electric current running into the pipeline to prevent corrosion, and there can be induced electrical currents in the transmission lines. 14:30:53 The transmission companies are always very concerned about the pipelines damaging the piers or the integrity of the transmission towers. Where we have a relief valves, we want to get them offset so they are not under the transmission lines, so that if we have to vent 14:31:10 natural gas into the atmosphere, it reduces the chance of any type of spark coming off the electric lines.

If we have a pipeline underneath a transmission line, we're concerned about the heavy equipment that might be driving over our pipeline by the 14:31:31 electric company that's working on their lines. So

there are concerns, but I think all of those can be -- you can engineer around those. If you're in a remote area where a pipeline and transmission line don't need to be on top of each other, that's far preferable. They could be adjacent, without been one right over the. other.

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The different types of facilities have different needs, and that lesson was brought home to me in the state of Washington when a year ago they did a study of a comprehensive transportation energy corridor. The plan was to take a corridor about 50 miles east of the I-5 corridor, and they were going to put railroads, freeways, electric transmission, and gas pipelines all in that same corridor. They wanted to get the truck traffic off of I-5 over to that corridor. They wanted to get the petroleum project lines, which they perceived a having some danger, away from the population centers.

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A couple of lessons that came out of that. A northwest pipeline has multiple pipelines in its right-of-way, and we have a lot of operational flexibility because of that. If we need to take a line down to inspect it, we can just divert the gas into the adjacent line and continue to flow. We lose that if we're suddenly putting lines a hundred miles away. That doesn't work for us anymore. The pipeline has no

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problem going up and down over trough terrain, whereas the railroads in this example, they'll wander around for hundreds of miles so they don't have to go up more than a three or four percent grade. So, again, different types of facilities. I know you're not talking transportation, but the point is that different facilities have different needs.

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Pipelines are very expensive to build. In Washington, for example, we're building a pipeline right now 90 miles long. We cross 247 water bodies. It's about three million dollars a mile to build. Pipelines, because of that cost, are built incrementally when there is a demand for them. None of the -- none of our customers in this Washington study would want to come up with the money to put a pipeline in 50 miles away in an energy corridor. They would want -- what they want to do is add the facilities when they're needed to be added, so they're not digging into their pockets before the thing needs to be built.

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And again, the whole point is to get the energy into populated areas. So while there was perceived advantages to having this corridor 50 miles to the east of the I-5 corridor, at the end of the day, the energy needs to get into populated areas. So that didn't work that well.

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So in sum, Williams supports the concept. We look forward to working with you as we go through this to learn more about what it means. But keep in mind these corridors should not be exclusive corridors and people need to be able to build outside of them as well. Thank you.

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MR. POWERS: Thank you. I just wanted to add two quick points. The we didn't talk about some specific requirements of the act itself, but we are required to consider and identify the width of the corridor and the compatible uses that would be allowed within that corridor. So that's some of the kind of information we're looking to getting through scoping.

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Next person is Kris Hohenshelt with Kern River Gas.

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UT03

MR. HOHENSHELT: Good afternoon. My name is Kris Hohenshelt. I am the Manager of Land & Environment for Kern River Gas Transmission Company. Kern River Gas Transmission Company owns and operates 1,679 miles of interstate natural gas pipelines through the states of Wyoming, Utah, Nevada, and California. Approximately 850 miles are located on federally managed lands. Kern River transports a design capacity of 1.7 billion cubic feet of natural gas per day.

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Kern River appreciates the opportunity to

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