CONNECTICUT MARITIME COMMISSION REPORT OF MEETING (Mtg. #5) For July 21, 2005

Location of Meeting:

CT Department of Transportation 2800 Berlin Turnpike Rm. G328 Newington, Connecticut

Attendance:

Commissioners

David Shuda
Tom Dubno
George Wisker
Joseph P. Maco
Joseph Riccio
John Wronowski
Judy Gott
Chet Camarata
Kaye Williams
G.L. "Doc" Gunther

Commissioners Absent

Robert Genuario, Secretary OPM John Johnson

I. Call to Order:

Chairman Toyen called the meeting to order 9:36

II. Review of Meeting Minutes:

- Minutes of June 16, 2005 unanimously approved.
- Senator Doc Gunther requested that a correction be made, to indicate that he was present at the meeting.
- Motion made by Senator Gunther, seconded by Tom Dubno
- III. Public Comments requested: no public present or speaking at this time.

IV Old Business

- Broadwater Energy presented introduced
- Transportation Maritime Manager, Charles Beck introduced by Richard Jaworski
- NOAA Tide Station Richard Jaworski reported that a Memorandum of Agreement is still under development between ConnDOT and NOAA.
- List of Maritime Issues Chairman Toyen asked for a review of the list of 28 items made at the last meeting, and recommended a sub committee approach be adopted to begin the process of assigning priorities. Chet Camarata suggests that many of the items on the list are now affected by post 9/11 USCG oversight, and by Coastal Area Management Act oversight.

- Chairman Toyen requested Joe Riccio report on Sub Committee Activity (Agenda item VI.) A mission statement is in final "draft" form, and the subcommittee has not met again. Mr. Toyen asked that the subcommittee also draft a state maritime policy.
- Chairman Toyen asked for volunteers to serve on a subcommittee, which will prioritize the list of 28 maritime issues. (Judy Gott, Joe Maco, and Kaye Williams volunteered.

V. Presentation by Broadwater Energy

- By Ms. Cameron with Broadwater Energy Project, a joint venture between Shell and TransCanada. Ms. Cameron is a Geologist Engineer, and is currently located in Riverhead. NY on Long Island.
- An overview of the project today, with a follow up visit in September is planned
- LNG Import and regassification facility is planned and the site under consideration is in the middle of Long Island Sound. Natural Gas is predicted to be a growth component of the energy mix in the region.
- Natural Gas reaching this region comes from Canada and the Gulf of Mexico. The network of pipelines which are existing and planned do not always serve the demands of the region. Other regions feed off the network first.
- Energy options and alternatives are presented: Nuclear plants, coal fired plants, increased pipelines, etc.
- Stranded Natural Gas discussed five import facilities in the US: Everett, MA (Boston Harbor), Elba Island, GA, Lake Charles, LA, Cove Point, MD, Offshore Gulf of Mexico
- The facility is compared to a large ship on a mooring. Floating Storage and Regassification Unit (FSRU) makes it possible to have reserve storage locally. The LNG will be dispensed to the IROQUIS pipeline, via a connecting pipeline in LIS.
- LIS site selection is still at the proposal level. A location in LIS has been selected, based on research and experience by the project management team.
- LNG properties are discussed and compared to propane.
- Sandia Lab report on LNG catastrophe worst case scenario establishes a 1.5 -2.5 mile radius for impact.
- FERC must review all the Broadwater proposals, and draft Environmental Impact Statement (EIS). The final EIS results will determine if the proposal can move forward.
- USCG must review the safety and security aspects of the project.
- Benefits of the project include: reliable supply of Natural Gas, Natural Gas is a cleaner burning fuel, which will assist with attaining the regions air quality goals.
- An overview of the project timeline: design and build with earliest anticipated opening of 2010.
- Project office will be open in River Head, NY throughout the process, and input is encouraged.
- Broadwater project will only be built if it can be built safely and in an environmentally sound manner and fits with the current use of the LIS.

Broadwater Energy Presentation Questions and Comments

- "Doc" Gunther expressed that somebody on a higher level should have been here making a presentation.
- Ms. Cameron offered that the presentation in this "prefile" status is all subject to change, so bringing in the technical expertise for the project is difficult, due to the possible changes that could still be made to the project design.

- Judy Gott asked about the 2.5 mile threshold for disaster impacts. The Sandia report details the predictions for impact at various distances from the site.
- Kaye Williams would like to see US vessels used for this activity, both for the processing vessel, and the deliver vessels. There will be a "call for tender" with a bidding and evaluation process on a global level.
- Joe Riccio asked how many facilities Broadwater operates now. Broadwater is not an operating company now. A discussion on existing and proposed facilities leads to speculation that less than 10 will be built around the country.
- Dave Shuda asked about the vessel traffic the facility will develop, and the impact that will have on existing commercial vessel traffic, particularly with a requirement to set up a "safety zone" around the LNG traffic. Broadwater is working with the USCG and currently a report and assessment on waterway safety (PAWSA) is due to be released. The LNG ships are able to accommodate other vessels by varying the arrivals and departures.
- Mr. Toyen asked LT. Andrea Logman to comment on the Ports and Waterways Safety Assessment (PAWSA) mentioned in the earlier discussion. Ms. Logman described the meeting format and process, some of the elements covered in the meeting, and plans for future meetings. The PAWSA report is complete, and will be available on the USCG website tomorrow.
- Mr. Williams asked whether the USCG has determined what it will "cost" for the addition of this facility to LIS. Mr. commented that USCG will have a hand on role in safety and security, but it will be bundled in with the USCG role for safety and security of LIS, rather than specifically for the LNG facility
- Captain Joe Maco asked what will be the role of the USCG for security at the proposed terminal. At other marine terminals on land, private security firms handle the security rather than USCG personnel. The USCG will examine the security plan, and sign off on the provisions for personnel and equipment, but it will be left to the facility operator to provide the personnel.
- Senator "Doc" Gunther asked about the location of other LNG terminals in marine estuaries such as LIS. The Cove Point LNG terminal is located in a marine estuary of significance. Senator Gunther went on to state that there are three embayments of National Significance: Long Island Sound, and the Chesapeake Bay. Senator Gunther asked whether the project team is aware of all the various studies and research conducted in LIS regarding existing environmental conditions and habitat for marine creatures. The proposal and the site selected is based on two years of research and contact with marine science authorities and commercial fishing interests in LIS. The proposal also considers the commercial activity in LIS as well.
- Mr. Camarata asked if the economic benefits have been quantified for the Connecticut side of LIS. One study has been done which shows that NY would benefit significantly from a reduction in natural gas cost, and CT could expect to realize a reduction in natural gas cost as well. Currently, the economic benefit analysis has been from a NY perspective, but the comment will be taken back for review. Another benefit that CT may realize is an environmental benefit which is a reduction in the air pollutants when generating facilities in the region switch from coal and oil fuel to natural gas fuel.
- Mr. Dubno inquired whether current generation plants are prepared and willing to make the switch "re power" over to natural gas, from the fuel being used currently. There have been discussions, but currently the high cost of natural gas make it impractical to consider. The Broadwater proposal would lower the wholesale cost of the natural gas to a level that would make the "re power" option more attractive.
- Mr. Beck asked about the mooring system planned for 90 feet of water with the possibility of ice present. The mooring system has been tested in cold areas such as the North Sea.

Senator Doc Gunther asked about the methods used for installing the connecting pipeline, and expressed some concerns regarding existing installations in the Sound,

-page 4- July 21, 2005 CMC minutes

and understanding of the delicate eco system Long Island represents. The proposal will be subject to the environmental impact statement, and any and all environmental concerns will have to be mitigated or the project will be unable to move forward.

VI. Planning Session

Covered above during old business

VII. Sub-Committee Report

Covered above during old business

VII. New Business

- REQUEST FROM O & G Construction:
- Mr. Toyen read a letter from O & G
- Assistance is sought for support of a barge project between Stamford and Bridgeport
- Mr. Toyen advocated for the project, and some questions and discussions follows.
- Mr.Toyen proposed that O & G representatives make a presentation at the next meeting.
- Captain Maco believed that the Maritime Commission should indicate support for the project activity as a separate matter from being an advocate for financial support for the project.
- George Wisker believed that the representatives should provide written detail of the project to the maritime Commission at the presentation.
- Kaye Williams stated that he is a Bridgeport resident and characterizes the project as ridiculous.
- Dave Shuda believed that the representatives should be able to demonstrate "that
 they have been through the exercise that they can afford the project." It shouldn't be
 done just to reduce their cost.

PENDING LEGISLATION FOR HARBOR MAINTENANCE TAX (HMT)

- Joe Riccio e-mail on impact to foreign or domestic cargo
- Marty Toyen gave an overview of the HMT
- Joe Riccio reported it is a House Bill, and gives on overview of the current practices for collecting HMT.
- Marty Toyen offered to draft a letter and send it to all the congressional representatives in the State, if a motion is made and approved from the floor.
- A motion is made (Tom Dubno), seconded (Joe Riccio) and unanimously approved without discussion.
- Mr. Williams asked about current practice for "boxes" coming into ports of Connecticut. Mr. Williams wants to know if there is a manifest showing the contents of the "boxes" required. Mr. Riccio and representatives of the USCG relate the current practice.

SCHEDULE DATE AND LOCATION OF ANNUAL PUBLIC HEARING

- Discussion on format and location
- The November 17th meeting is suggested, no action taken

DESIGNATION OF SITES IN LIS FOR THE DISPOSAL OF DREDGED MATERIAL

- George Wisker, DEP, discussed recent resolution
- A dredged material management plan will be required in the future to keep existing sites open.

page 5- July 21, 2005 CMC minutes

User input into this plan will be essential, due to continuing opposition to site use.

FREIGHT RAIL SYSTEM IN NEW HAVEN

- Mr. Williams asked if the Maritime Commission can comment on the rail connection to the waterfront in New Haven.
- Mr. Dubno commented on the current situation, and characterizes the project to complete a rail connection as complicated, due to factors involving the terminals and Q-Bridge project requirements.
- Rich Jaworski offered to have ConnDOT representatives make a presentation to the Commission on the status and progress of the constructions projects in this area.

IX. Date of Next Meeting

No discussion

X. Adjournment

A motion is made and seconded. None opposed.

Revised/reviewed - by J Gott 8/5/05

typed and prepared by:
Ann Calafiore, Administrative Assistant
Department of Transportation
Bureau of Aviation and Ports
Newington, CT