

Cobscook Bay Fishermen's Association
Notes from March 10, 2005 meeting
Marine Technology Center, Eastport

Cobscook Bay Fishermen's Association members present: Harry Shain, Harry Shain Jr., Tom Pottle. Others present included Scott Emery, Basil Pottle, Aaron Trott, Larkin McGarvey, Will Hopkins from Eastport; Howard Calder, Stephen Calder, David Pottle, Bob Peacock, Gary Guisinger from Perry; Heather Gibson, Fundy North Fishermen's Association, and Lesley Pinder, from St. Andrews; John Brown, Joe Howlett, from Campobello Island; Rick Daniel, Tom Allen, Tony Pierce, Paul Hickey from Harpswell; Brian Smith, Quoddy Bay LLC; Tom McLaughlin WQDY; Diana Graettinger, Bangor Daily News. Heidi Leighton took notes.

Harry Shain opened the meeting and announced that even though this was a regularly scheduled meeting of the Association, the only subject that would be covered was LNG. Harry asked Will Hopkins to moderate the meeting. Will provided a brief description of CBFA involvement with the LNG issue, including question and answers with Bob Peacock last summer, presentations on pros and cons of LNG with Dale Mitchell and Mary Bassett in September, and passing a resolution in November that concluded "Until and unless we receive better answers and more information we must oppose the placement of an LNG terminal at Pleasant Point (Sipayik)." Will then was contacted by Emily Francis, an employee of Savvy, Inc., who had received Will's name from Department of Marine Resources Commissioner George Lapointe as someone to call to arrange a meeting between Quoddy Bay LLC and Cobscook area fishermen. That meeting was held at the Tribal offices on February 17, 2005.

Heidi Leighton read notes from the February 17 meeting between fishermen and representatives of Quoddy Bay LLC and the Passamaquoddy Tribe. Copies of the meeting notes were distributed and are available at www.cobscook.org.

Brian Smith, a partner with Quoddy Bay LLC, presented a letter from his company to the Association. Quoddy Bay is willing to set up a plan for compensating area fishermen for lost gear and lost time due to transit of LNG to the proposed terminal at Pleasant Point.

Brian Smith noted that since the February 17th meeting with fishermen, his company had educated themselves about fishermen concerns.

Security Zones – Security zones are going to be determined by the USCG Captain of the Port. When ships are in transit the “safety zone” around the ship will be 2 miles in front, 1 mile in back, and a few hundred yards on either side. A “safety zone” is different than an “exclusion zone”. A “safety zone” is the area within which the USCG must know every vessel. The Coast Guard would have a list of local fishermen/local recreational boaters. Each person on this list would be background checked before any ships come to the LNG terminal. While ships are in transit to the LNG terminal the USCG would stay in constant communication with any vessels in the safety zone.

An “exclusion zone” will be in effect around the ship when it is at dock. The “exclusion zone” will be 50-150 feet around the ship and no-one will be allowed within that range. The exact size of the “exclusion zone” will be decided after engineering studies are complete. However, they do not anticipate that the “exclusion zone” will stop activities at the Gleason Cove boat ramp.

Brian noted that the LNG facility must fit around the environment, not the environment fit around the facility. Engineering to design the facility will be done in consultation with local experts including fishermen. Where the jetty is placed will require local input.

Lost Traps – Quoddy Bay is willing to discuss compensation for loss of gear. They are still determining the exact shipping channel. They want to try to go with the existing shipping channel which is mostly on the Canadian side.

They are willing to compensate for both loss of gear and lost fishing time.

Clam Habitat in Gleason Cove – Quoddy Bay is obligated to do all that they can to avoid harming the habitat at Gleason Cove. There will be compensation for any clamming ground that is lost. They are willing to work with clambers to create a “legally binding” agreement.

Quoddy Bay is also interested in working towards habitat restoration in Passamaquoddy Bay.

Fishing Families from Harpswell

Paul Hickey from Fishing Families from Harpswell talked about his experiences fighting the proposed LNG facility in Harpswell. In Harpswell, town selectmen proposed using 100+ acres of town owned land for a LNG facility. One year ago the town voted and rejected the proposal in a close vote of 55% against, 45% in favor.

Fishing Families for Harpswell was formed not as an anti-LNG group but as a group to advocate for fishing rights.

Paul reported that things that happened in Harpswell are very similar to what’s happening here. They tried to get answers to their questions but could get no information. They kept hearing wait for the engineering reports, we’ll take care of you.

Conoco-Phillips offered a gear loss mitigation package of up to 1 million dollars per year. Harpswell fishermen figured out this wouldn’t cover the amount of loss the fishermen would experience.

He cautioned that you need all promises in writing and then you need to hire your own lawyer to review the language. The fishermen in Harpswell really resented that the company and the town were trying to push the proposal through quickly, with answers coming after the lease was signed.

The path a tanker would have traveled coming into Harpswell would have coincided with the areas involved in the seasonal movement of lobsters, so the lobster fishery would have been affected all year long, with their deep holes being lost.

Additionally, the information the company was giving about proposed shipping lanes was meaningless. Shipping lanes are decided by the USCG, they are the only ones with a say. The USCG said that they could make the shipping lane a gear free zone. This was a possibility that could have come true after the LNG shipments had already started.

He pointed out that security in Boston costs \$80,000 per trip. The Tobin Bridge is closed and no flights are allowed into or out of Logan airport.

The town of Harpswell was promised \$8 million a year in lease payments. However, Paul said, it's about more than the money, it's about losing quality of life. It's about putting your family in danger.

Some good things have come out of the LNG fight. Fishermen now have a voice. New relationships have been made between fishermen and non-fishing residents. Paul cautioned us to remember that it's not just about Perry, it's about the whole bay, both US and Canada.

In closing he said, "Don't gamble what you can't afford to lose."

Campobello Fishermen's Association

Joe Howlette from Campobello spoke on behalf of fishermen from the island.

The Canadian government has already approved an LNG terminal for St. John. That terminal will affect spring lobster fishing. If a LNG terminal is built here it will affect the fall lobster fishery. Campobello fishermen will lose traps and fishing ground.

Quoddy Bay LLC has not addressed right whale issues. About half of the northern right whale herd summers in this area.

Fundy North Fishermen's Association

Heather Gibson spoke on behalf of Fundy North Fishermen's Association.

Dale Mitchell from Deer Island is the contact for Fundy North's LNG committee.

On February 26th, the FNFA voted to oppose the siting of an LNG terminal at Pleasant Point. The St. John terminal has already been approved. Irving will not compensate fishermen for lost gear and will not talk with fishermen about this site.

Questions & Answers

After the presentations were concluded a question and answer period occurred. Most questions were addressed to Brian Smith, representing Quoddy Bay LLC.

Q. Is Quoddy Bay LLC willing to compensate Canadian fishermen for loss of gear and time?

A. Yes. Smith stated that they would try to be fair to everyone. They don't want the terminal to have a negative effect on anyone's livelihood. Quoddy Bay is a small company. We aren't like the company that tried to site a terminal in Harpswell. We are willing to meet with Canadian fishermen.

Paul Hickey then made a point of clarification about the Harpswell experience. When fishermen there tried to work out the terminology of a gear loss compensation plan by getting legal advice, the company (Conoco-Phillips) wouldn't work with them anymore.

Q. You say Quoddy Bay is a small company, but aren't you just brokers...set it up, sell it off to a large petroleum company?

A. Smith stated that Quoddy Bay is a development company..."Greenfield developers". There are several options as to who will operate the facilities. It's likely that Quoddy Bay will have to approach a larger company for financing. They'll either have to go to the World Bank or get a

partner. Every pledge or contract that Quoddy Bay makes will have to be honored by the operating company. It's possible that Quoddy Bay will operate the facility itself.

Q. Quoddy Bay has not tried to reach out to Canadian communities on Deer Isle, Campobello, or Grand Manan. The company doesn't seem to care about the right whale or tourism issues. Residents on Deer Island will have to look at the tanks all the time. Most Deer Islanders are against this project. When are you coming to Canada to talk to us?

A. Smith stated that his company is very willing to meet with concerned Canadians. He pointed out that the water tower at Pleasant Point is very visible from St. Andrews. In contrast, the proposed LNG tanks will only look as high as the hill the water tower is built upon.

Q. The loss of gear is a small part of what will be lost by fishermen. What about lost time, lost grounds? If we have to move lobster gear to the westward we will encroach upon the fishermen already fishing those grounds. Also, what about boat traffic while the LNG tanker is in transit?

A. Smith stated that he would arrange for a USCG representative to come and talk with fishermen. He pointed out that it would take a "couple of hours" for the ship to transit from Head Harbor to the terminal. The safety zone around the ship will be constantly moving. The ship will only be entering the area about once per week.

Q. Will you be able to inform us when a ship is coming?

A. Smith stated that the USCG would have advance notice of the arrival of a tanker. This notice would be available to fishermen and recreational boaters two to three days before a ship arrives.

Q. Will there be two or three tanks built at the Pleasant Point site?

A. Smith stated that they may build three tanks in order to have stable throughput from the site. The tanks are there to provide backup for getting gas into the system in the case of a ship being delayed in delivering product. Strict penalties are incurred by the company if the contracted amount of product isn't delivered on time.

Q. Is the USCG going to notify me personally when a ship is coming in?

A. There will be public notice.

At this point fishermen in the room pointed out that lobster gear is usually hauled at slack water. The proposal is for LNG tankers to transit during slack water. Slack water is only about a 20 minute window of opportunity.

Q. There is a large lobster fishery in Canadian waters in this area, from Head Harbor to the Wolves to Grand Manan. In the existing shipping lane there is only $\frac{3}{4}$ of a mile between Head Harbor and Spruce Island. At slack water there is a lot of gear showing in this area. Will you stay outside in bad weather instead of trying to transit to the terminal?

A. Bob Peacock stated that yes, the tankers will remain outside the passage in bad weather. Existing anchorage areas would also probably be used.

Q. Have you talked to any pilots from St. Andrews or anyone from terminal operations at Bayside?

A. Brian Smith stated that they hadn't but will.

Q. Will there be security zones around ships at anchor during bad weather or while waiting for slack water and what size will they be?

A. There will be security zones and the USCG will have more information on them.

Q. Your construction traffic will be limited to one road down the peninsula. Have you considered bringing in gear by barge?

A. Smith stated that it is not feasible to bring in gear by water in this area. All construction gear will be brought in overland.

Q. Questions are continually asked but have not been answered at all of these proposed LNG sites. Can these studies be completed before the decision has to be made?

A. Smith stated that some studies have been completed. The DEP completed an environmental impact statement which said that the effects of this project would be negligible. If a spill were to occur the LNG would evaporate. An Economic Impact Analysis has been completed by SPO for the Fairwinds project in Harpswell. Quoddy Bay is the process of doing a specific economic impact study for the Pleasant Point site.

Q. First we don't get any information. Then we start getting a little information. First the town of Perry gets nothing. Now the town of Perry is offered \$343,000. This is a slap in the face when the Tribe is getting \$8 million.

A. Smith stated that his company has been listening to concerns from the local communities and then acting on them. There is even more information forthcoming about traffic congestion, tourism revitalization, etc. We heard concerns from the town of Perry about financial burdens to the town and we've tried to answer them. Facts are different in Perry than they were in Harpswell.

Another audience member commented that Quoddy Bay hasn't been direct in answering questions before, so now it's hard to take what they say as truth.

Bob Peacock commented on tourism: Tours do look at fishing vessels and merchant ships especially when the whales aren't around. As for the end of Canadian fisheries...there are a lot of issues affecting the state of fisheries. LNG in and of itself will not end the fisheries.

In terms of ship speed while in transit: The ship will move at whatever speed the pilot deems necessary. In addition there will probably be four tractor tugs, not two, guiding the ship.

Q. When will the pilots start guiding the ship?

A. At Head Harbor.

Q. How far away from the ship do we have to be?

A. Until the USCG decides we won't know.

The meeting ended at 9:00PM