

**Meeting between Downeast LNG and area fishermen
Robbinston Fire Station
July 28, 2005
4:00PM-5:30PM**

Notes taken by Heidi Leighton, Cobscook Bay Resource Center

Representatives of Downeast LNG: Sarah Hill, Dean Girdis, and Rob Wyatt

Fishermen: Gary Nixon, Harry Shain, Martin Brooks, Tim Griffin, Adam Griffin, Bob Humphries, Lee Harris, Scott Emery, Stanley Morrell, Jason Leighton, Shawn Harris, Justin Matthews, Randy Newcomb, David Turner, Jeff Stanhope, Peter McPhail, Paul Cox

Robbinston Residents: Richard Berry

Media: Marie Jones Holmes, The Quoddy Tides; Calais advertiser reporter, Diana Graettinger, Bangor Daily News; Downeast Times reporter

Will Hopkins, Cobscook Bay Resource Center, moderated the meeting, explaining that he had been contacted by Dean Girdis to talk about fisheries concerns and LNG. Will then contacted Harry Shain, chair of the Cobscook Bay Fisherman's Association, to reach as many fishermen as possible who might be directly affected by the Robbinston facility.

Dean Girdis provided the following general information about the proposed Mill Cove LNG project:

- A 3500' pier will be constructed off the southern point of Mill Cove.
- The site will be permitted for two tanks.
- One ship per week is estimated to deliver LNG to the site.
- The ship will transit from Head Harbor to Mill Cove either at low or high water, taking about 20-30 minutes to make the trip.
- The ship will be guided by 3-4 tractor tugs (which will be built in Maine).
- Each ship will be moored for 12-14 hours offloading LNG.

Downeast LNG expected to spend over two years doing environmental studies on the site, holding public informational meetings, developing details of this plan and deciding on mitigation plans. Permitting and construction will take an additional three years. Even if the project is permitted, it might not be built. It all depends on markets.

Rob Wyatt stated that Downeast LNG has a policy of zero interference with fishing. He provided information on how fishermen were impacted by two other Downeast LNG projects in Puerto Rico and Oregon. At the EcoElectrica site in Puerto Rico the exclusion zone around the ship while it is in transit is 1000' in front of and behind the ship. Exclusion zones are site specific and are worked out with the Coast Guard. He believes that neither of their projects have had negative impact on fishermen.

Because of security issues, there will be no public access to the Mill Cove pier at any time. However, they expect that boats will be able to fish around the pier as long as a ship is not at the terminal.

Currently, there is no established shipping lane coming up the Western Passage. It is expected that LNG ships will always travel in the deepest part of the channel. It is possible that the ships may come in at night in order to minimize impact to fishermen. There will be three days notice on ship arrivals.

Concern: Ship traffic will cause loss of gear in Passamaquoddy Bay, specifically lobster gear.

- Currently, ships heading to Bayside travel on the Canadian side of Western Passage.
- Some fishermen estimate their current gear loss is 20-30%.
- Local lobster fishermen fish all depths right up to the International Boundary.
- The current Bayside shipping schedule is 60-70 ships per year.
- There is also loss of gear from aquaculture barges.
- The local lobster fishery runs from May through December.
- Urchin and scallop fishing occur on the US side of Passamaquoddy Bay from fall through spring.

Concern: How much fishing ground will be lost due to exclusion zones?

When there is no ship offloading, there will be no exclusion zone at the pier. You will not be able to actually go on the pier though.

Concern: Downeast LNG will request and receive a designated shipping channel.

Downeast LNG does not plan to ask for a designated shipping channel. LNG ships will be escorted by tractor tugs which will be 5000 tons or bigger. There will be 3-4 tugs per ship. A USCG escort is not a given. The LNG ship will not tear up bottom; the only potential damage would be to gear.

Concern: Are you willing to compensate for loss of gear?

Rob Wyatt stated that they “will compensate for any lost or damaged equipment”. Fishermen will need to verify loss. Downeast LNG still needs to work out how the compensation program will work. He wants a proposal from fishermen for a compensation program. He will work with the state to get pre-approved lobster tags for replacement.

Concern: The real cost of lost gear will be the lost time fishing.

In the summer there will only be one ship every ten days coming to the site. In Boston, there are only 58-60 ships per year and that facility is double the capacity of the one proposed here.

Concern: Where will the tugs be located?

There are two choices, one is to have them at Eastport, and the other is to keep them at Mill Cove.

Concern: The lobsters are only on these grounds at certain times. The loss of gear has the potential to make fishermen miss out on fishing when the lobsters are around.

Downeast LNG “could create an inventory of traps” that would allow fishermen to replace lost traps quickly.

Concern: What will be the exclusion zone around the ship and pier?

Concern: What will the noise and lights of the site do to the lobsters when they are breeding? Will the lobsters still come to that area to breed? The area off Mill Cove is a lobster breeding area. Also the eggs are very sensitive to any pollutants on the surface of the water. This area is a lobster nursery ground.

Concern: Lobstermen have had to change their gear in order to reduce impacts on endangered whales. It is known that ship strikes are a major hazard to these whales. Why shouldn't the shipping industry have to bear some of the burden of protecting the whales?

Downeast LNG is just getting started on their environmental studies. Fishermen should expect that their scientists will want to talk to them. In other areas, such as Puerto Rico, Downeast LNG has made an effort to minimize impacts to endangered species. They could put whale spotters on the bow of the ship.

Concern: How will the LNG be re-gasified?

Downeast LNG will use a submerged bath combustion system. This system will run in a building on the ground. They will use their own gas for conversion. They will not use seawater from the river. Their process will create fresh water that they are still figuring out what to do with.

They have no plans for any other industry to come in with this project.

The proposed re-gasification project will create “cold energy”. They need to figure out what to do with it. One idea is a freezer for blueberries.

Concern: Do you have any plans for a co-generation facility?

Downeast LNG feels that it would be uneconomical to bring in co-generation. It seems unlikely that petrochemical or plastics industries would come to this area. It would not be cost competitive. Most of these industries are around the Gulf of Mexico and are moving overseas.

Concern: Will people in the local communities have access to the gas?

Possibly. It depends on the number of people who would use it, cost to convert those households, and cost of delivery.

Concern: Why should we believe promises made by Downeast LNG?

Downeast LNG wants to put their promises into permits whenever possible. Otherwise they plan to enter into legally binding agreements.

Concern: What about noise?

There isn't a lot of noise associated with this project. There is a fan that is used in the re-gasification process but it can be baffled so as to reduce the noise it makes. They also plan to leave 300' of trees on the shore frontage and the area behind the facility is forested so there will be a noise buffer.

Concern: What about visibility impacts?

Our goal is to use property-only lights, lights that will light up only the facility. We will use yellow, not white, low-light fixtures. This will be in the permit and will be legally binding.

The tanks will be about 140' tall. Only 40-60 feet of the top of the tank will be visible above the treeline from St. Andrews. However, the contour of Robbinston Ridge is 300' so the tank tops will blend in with the forested ridgeline from the water. The worst spot will be where Route One crosses Mill Cove when you are heading south.

Concern: What financial support will be provided to the town of Robbinston?

The facility will be worth \$400 million. It will pay most of the property taxes the town needs for its current budget. Any local services that need to be increased such as fire will be paid for by the company. They will pay \$800,000/year in county tax. They will provide \$.5 million per year for a Washington County economic development fund. This fund could be accessed by fishermen.

They would like to hire local residents first and favor Washington County businesses first.

To contact Downeast LNG:

Cell phone: (207) 214-5924 or 5926

www.downeastlng.com

They plan to open an office in the area (probably Calais) soon. They will be in the area every other week for the next two years.