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February 22, 2006

Barbara (Charlie) Murphy, Director  
State of New York  
Department of State  
41 State Street  
Albany, New York 12231-0001

Thomas G. Dvorsky, Director  
Office of Gas and Water  
New York State Department of Public Service  
Three Empire State Plaza  
Albany, NY 12223

**Re: *Broadwater Energy LLC***  
***FERC Docket Nos. CP06-54-000***  
***CP06-55-000***  
***CP06-56-000***

Dear Ms. Murphy and Mr. Dvorsky:

We represent the Town of Huntington, Long Island, New York in connection with the proposed Broadwater Energy LLC liquefied natural gas Floating Storage and Regasification Unit ("FSRU") and subsea pipeline in Long Island Sound (collectively the "Broadwater Project"). We are writing on behalf of Huntington in response to your letter dated February 8, 2006, a copy of which is attached, regarding the Broadwater application filed with the Federal Energy Regulatory Commission ("FERC") for the FSRU. The letter provides Huntington with an opportunity to identify issues regarding local safety to be considered by FERC. It is our understanding that pursuant to the federal Natural Gas Act, Governor Pataki has designated the New York State Department of Public Service as the State agency responsible for coordinating State and local safety matters with FERC.

First and foremost, it must be stated that the thirty (30) day deadline from January 30, 2006 respecting these comments, apparently enforced by FERC, fails to give Huntington proper notice and fair opportunity to be heard on this very serious and important issue. Broadwater filings, from the best we can see on the various dockets on the FERC website, involve hundreds and hundreds of pages of reports. This unrealistic time limitation is compounded by the fact that, notwithstanding the volumes

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of materials filed, significant relevant information is still being withheld about the proposed Broadwater Project specifically related to public health and safety. Therefore, we appreciate the notice provided by your letter and that of the Department of State and welcome the opportunity to participate. However, at best the submittal made to meet the deadline is clearly preliminary; and we must reserve the right to provide supplemental comments as the additional information and details about the Broadwater Project is made available.

Attached please find a copy of an October 6, 2005 letter we submitted on behalf of Huntington in response to a prior Notice regarding the Broadwater Project. Please note the comments and questions presented at paragraph 7 on pages 6 through 8 of the referenced letter specifically on public safety and security. We would respectfully request that the entire October 6, 2005 letter be put into the record in conjunction with the Department of Public Service comments pursuant to the Natural Gas Act. This letter along with our comments at the FERC public hearings demonstrate Huntington's opposition to the Project and why the Broadwater applications must be denied by FERC. As you can see, besides the particularized comments in paragraph 7, a number of other comments and questions set forth in the other paragraphs in the body of the letter are also relevant to local safety matters.

In conclusion, we appreciate the opportunity at this time to provide comments, but find it impossible to fully comply given the unrealistic deadline. Based upon the information withheld to date by Broadwater and FERC, this can only be an initial filing and Huntington expressly reserves the right to supplement these comments.

Very truly yours,



Michael E. White

MEW:kp

cc. Town of Huntington  
Federal Energy Regulatory Commission

D#476339F#45253

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## GAS BRANCH 3, DG2E

October 6, 2005

### VIA FEDERAL EXPRESS

Magalie R. Salas, Secretary  
Federal Energy Regulatory Commission  
888 First Street NE, Room 1A  
Washington, D.C. 20426

***Re: Town of Huntington – Comments  
Notice of Intent to Prepare an Environmental Impact Statement  
For the Broadwater LNG Project Notice of Joint Public Meetings  
Docket No. PF05-4-000***

We represent the Town of Huntington in connection with the application of Broadwater Energy for a LNG facility in Long Island Sound. Huntington is the westernmost Town in Suffolk County, New York on Long Island Sound. Huntington has a particular interest and involvement in the proposed Broadwater Project, as Broadwater proposes to make a connection to the Iroquois Gas Transmission System which runs through the length of the Town, both on land and in Long Island Sound. As the proposed recipient of the gas flow from Broadwater, there are particular risks and impacts to the Town. Huntington is also the home of numerous recreational boaters and commercial and sports fishers who utilize fisheries in Long Island Sound, as well as a community dedicated to the protection of Long Island Sound and its ecosystem.

We have been directed by the Huntington Town Board to present comments on behalf of the Town in response to the above-referenced Notice of Intent and Notice of Joint Public Meetings. We have already presented brief verbal comments for Huntington at the Public Scoping Meetings held in Stony Brook, New York and Shoreham, New York. This letter presents more details on the issues and questions Huntington demands be included in the Scope of the Draft Environmental Impact Statement (“DEIS”).

As a preliminary matter, the Supervisor of the Town, Frank P. Petrone, sent a letter on behalf of the Town to the Federal Energy Regulatory Commission protesting the fact there was no public Scoping meeting scheduled in Huntington or any location on Long Island west of Stony Brook. A copy of the letter is attached as Exhibit “A”. Supervisor Petrone offered Huntington Town Hall as a venue for such an additional Scoping meeting to accommodate the public in Huntington and other nearby Long Island Sound communities, who have specific concerns regarding the use and operation

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of the Iroquois Pipeline and the proposed Broadwater Project. The letter received no response and, therefore, an important segment of the affected public has not been heard in regard to the Scoping of the DEIS. We unfortunately note that FERC was similarly unresponsive to the Town respecting the Town's request to have a public meeting in Huntington when the Iroquois Pipeline application was being processed.

This lack of responsiveness is notably compounded when one recognizes the substantial ownership interest that Trans Canada Pipeline, part of the Broadwater joint venture, has in the Iroquois Gas Transmission System. Furthermore, the Town has also been received Notice that FERC is proceeding with a Pre-Filing Review of a new pipeline proposed by Iroquois from Huntington to the proposed Caithness Project, near Yaphank, New York. If existing natural gas pipelines are moving close to capacity volumes of gas to Long Island as Broadwater suggests, then regrettably it seems FERC is already proceeding with review of the Iroquois addition as if Broadwater's existence has been predetermined. We trust this is not the case and that the pre-filing review of the Broadwater application is proceeding according to the law. A corollary question is whether existing pipeline capacity exists on Long Island to move natural gas from Iroquois in Huntington to the proposed Caithness project in Yaphank, in which case an additional pipeline would simply be duplicative. This is of course an issue the Town will raise in connection with the new Iroquois Notice, but a potential cumulative impact related to the Broadwater Scoping.

Also, for the record, the Town Board of the Town of Huntington unanimously adopted Resolution 2005-431 on June 7, 2005 opposing the siting of the Broadwater Project and its related infrastructure in Long Island Sound. In the Resolution the Town specifically noted the Project would have a negative effect on the environmental stability and economic viability of Long Island Sound, thereby impacting all who avail themselves of the Sound's resources for recreational and commercial use. The Resolution cites particular concern for the protection of coastal resources of high environmental and recreational value in the Town, such as Crab Meadow and Soundview Beaches and the Jerome Ambro Preserve. Attached as Exhibit "B" hereto is a certified copy of Resolution 2005-431.

The following presents a list of specific issues and questions to be part of the Scope of the DEIS:

**Is There a Need for Broadwater?**

1. Before launching into a Project that will dictate energy use in this region for the next 20 years, an independent and objective analysis of the need for the Project must be completed. The scope of this analysis must include:
  - The need for more natural gas versus other viable alternatives such as energy conservation and renewable energy resources to meet current and future energy needs.
  - The consistency of the Broadwater Project with any Long Island, Regional or even Federal Energy Plan.

- Addressing whether the Broadwater Project may actually cause the use of more fossil fuels such as natural gas, specifically from foreign sources, rather than alternative energy sources.
- Identifying the nature of the supply of LNG; is it reliable given the fact that it comes from potentially unstable foreign sources.
- An objective view of the alternatives to Broadwater to supply more natural gas to Long Island if more natural gas is actually needed, specifically an additional pipeline such as Islander East.
- The impact of natural gas from Broadwater on natural gas prices to Long Islanders.
- An assessment of Broadwater's claims that existing natural gas pipelines supplying Long Island are at or near capacity, against their plan to have the natural gas from the Broadwater facility flow through the existing Iroquois Gas Transmission System.
- An assessment of the energy lost generally in the process of turning natural gas into liquid then regasifying it to turn back to natural gas.

#### **What is the Regulatory Framework for the Broadwater Project?**

2. The DEIS must include a complete detailed description and explanation of the regulatory process of the Broadwater application, including the impact of the "pre-filing" review and preparation of a DEIS, including the following:
  - The Federal, State and Local Laws which apply to the review and approval process.
  - The various permits and approvals required, including the specific Federal and State and Local agencies and/or offices involved and their actual jurisdiction over the Project.
  - The standards and criteria that these agencies and/or offices are required by law to utilize in their review and determination.
  - The approximate schedule for the process, along with setting forth the opportunities for the public and local governments to be heard and participate.

#### **What Are the Alternatives to the Broadwater Project?**

3. An analysis of alternatives to the Broadwater Project, inclusive of a "no-action" alternative, to include other methods of supplying natural gas to Long Island and the region must be reviewed, including:
  - An assessment of the existing sources of LNG and the viability of obtaining additional natural gas from them through existing and/or newly constructed pipelines.
  - A regional land based LNG facility versus the Broadwater LNG Floating Storage and Regasification Unit ("FSRU").

- A review of alternative water sites to Broadwater's proposal to locate the LNG FSRU in Long Island Sound, an estuary of National significance.
- The criteria utilized by Broadwater to determine that Long Island Sound is the preferred location for a LNG FSRU of this magnitude.

**What are the Cumulative Impacts of the Broadwater Project?**

4. There is no doubt that placing the Broadwater LNG FSRU in the middle of Long Island Sound along with its attendant refueling tankers will create conflicts with other uses and users of this natural resource. The DEIS must provide an analysis of:
  - The other uses and users that will be impacted, to include recreational boaters and commercial and sports fishers, as well as land based stakeholders who currently have the benefits and amenities of Long Island Sound being held in the public trust and not granted to any individual or corporate entity.
  - The Broadwater Project as to its consistency with New York State and Federal coastal zone management criteria and policies.
  - The Broadwater Project as to its consistency with relevant Local Waterfront Revitalization Plans.
  - Whether the Broadwater Project actually advances any objective of coastal zone management, as it is not a water dependent use.
  - The degree to which the mere physical presence of the Broadwater LNG FSRU and its attendant refueling tankers will preclude other lawful existing and potential uses of Long Island Sound.
  - The existing and projected congestion of vessel traffic in Long Island Sound and the added burden of Broadwater and its attendant refueling tankers along with their inherent exclusionary zones.
  - The visual and aesthetic impacts of the Broadwater LNG FSRU and its attendant refueling tanks, including their elimination of public and scenic vistas.
  - The addition of lighting sources and adding industrial operation sounds to the middle of Long Island Sound where none presently exist, which will impact the natural and human environment.

**Initial Baseline Resource Studies are Necessary**

5. The Broadwater Project and the attendant refueling tankers will have short and long term impacts on various natural and cultural resources in and around Long Island Sound, including but not limited to the surface water, coastal beaches, shoreline, wetlands, water quality, aquatic habitats, air quality and coastal communities. The DEIS must provide an analysis of these impacts, but first various resource studies must be undertaken to provide a baseline of these resources, including:
  - A complete description of existing uses and users, commercial and recreational, of Long Island Sound and their reliance upon Long Island Sound.

- A review of coastal communities that rely on Long Island Sound for commercial and recreational purposes and the related economic and social benefits presently accruing to these communities.
- Monitoring of the present physical, chemical and biological water quality in the Race and Long Island Sound.
- An assessment of currents, flow patterns, weather patterns and circulation of the waters of the Race and Long Island Sound, particularly as they relate to the migration of an LNG spill.
- An assessment of fishery resources in the Race and Long Island Sound and related essential fish habitat, including stock assessments and evaluation of the economic value of these recreational and commercial fisheries.
- An assessment of benthic habitat, particularly in the area where the Broadwater LNG FSRU its mooring system and the new pipeline are proposed to be located.
- An assessment of the existence of invasive species and their current impact to natural resources in Long Island Sound.
- Undertaking such resource studies for a minimum of two years of data collection in the field respecting these issues, with such studies undertaken, or at least reviewed by, the various responsible resource agencies.

**What are the Impacts of the Broadwater Project to Maritime Resources?**

6. As an estuary of National significance the Long Island Sound is both fragile, easy to harm, and inherently slow to recover from adverse environmental conditions. The DEIS must include an analysis of the following potential impacts to Long Island Sound from Broadwater:
  - Natural resource damages in the event of a release of LNG to the surface waters, water column, benthic habitat and air quality, to include changes in natural characteristics of these environmental media and impacts to living organisms therein.
  - The release of ballast water from the refueling tankers and the Broadwater LSU FSRU to maintain their stability, with at least in the case of the tankers, coming from distant foreign waters, focusing on introduction of invasive species.
  - The impingement and entrainment of marine organisms in connection with the operation of the Broadwater LNG FSRU as well as its attendant refueling tankers.
  - As Long Island Sound is the home of some threatened and endangered species during certain times of the year, a description of the steps to be taken to monitor same during construction and operation of Broadwater must be provided, including a discussion of the “appropriate steps” that would be taken to provide protection to these species and an analysis of the anticipated effectiveness of any such steps.

- The impact of additional stationary lighting to pelagic fish and migrating birds in an area of Long Island Sound that is normally remote from such light sources.
- The details of impacts on natural resources of a catastrophic event such as the full release of 8 billion cubic feet of LNG from the Broadwater FSRU and/or its refueling tankers and/or the release of natural gas from the proposed pipeline. The assessment of such a release of LNG should be provided with and without ignition/combustion.
- An analysis of the possible and probable response to restore the natural resources impacted by such a catastrophic release of LNG and the time to implement such restoration, as well as the likelihood of success.
- The impact to Long Island Sound, particularly to the water column and benthic organisms, during construction and maintenance of the pipeline and mooring platform, including steps to mitigate such impacts and to restore benthic habitat after installation of the pipeline and mooring platform.
- The impact of the vaporization process to the waters of Long Island Sound and overlying air quality.
- The impact of fluids, such as fuel oil, hydraulic fluid, battery acid/fluids, sanitary wastewater, from the LNG FSRU and attendant refueling tankers on water quality and organisms in Long Island Sound.
- The impact of bottom paints and antifouling substances, including biocides, that will be used on the Broadwater FSRU and its attendant refueling tankers to the ecosystem of the Long Island Sound.
- The impact of any dredging activities that may be required to maintain sufficient water depth in Long Island Sound and the Race for the Broadwater LNG FSRU and attendant refueling tankers.

#### **The Broadwater Project Will Threaten Public Safety and Security**

7. In addition to creating a threat to the environment, natural resources and the Long Island Sound ecosystem, the Broadwater Project will create a threat to public safety and security. As the National Environmental Policy Act requires a review of the impacts of a proposed Project on the natural and human environment, the following issues must be addressed in the DEIS, as well as by the Coast Guard's review of the risks of the Project:
  - While the Coast Guard must review the threat of the Project, the vulnerability of the public and the consequences to public safety of the existence and operation of the Project, in the event of accidental and intentional failure of the Project, the DEIS must also include an assessment of the lack of vital information on such issues and obtain and include such missing information in any analysis of such impacts. As an example, it has been reported that Broadwater relies on the Sandia Report respecting consequences of failure of an LNG facility and release of LNG.

- The DEIS must assess the applicability of that report to the Broadwater Project and to the extent it is inapplicable, provide such additional engineering, environmental and safety analysis as necessary.
- The size and impact of the exclusionary zones, both for the Broadwater LNG FSRU and the attendant refueling tankers, as well as the construction of the pipeline, on existing uses and users of Long Island Sound.
  - A determination of the area that would be impacted in the event of a worst case catastrophic release of LNG from the Broadwater FSRU and/or its refueling tanking and/or the natural gas in the pipeline.
  - A description of the type of warning system that would be in operation in connection with the exclusionary zones and for any emergency situation that arises from Broadwater.
  - A determination of whether there needs to be an evacuation plan prepared and available in the event of an emergency or failure of the Broadwater LNG FSRU, the attendant refueling tankers or the pipeline and should the area to be covered involve the surface water of Long Island Sound as well as any coastal communities.
  - A determination as to whether the Broadwater FSRU and its mooring system will withstand the winds, waves and storm surge of a hurricane and up to what class of hurricane.
  - In the event there is a breakaway of the Broadwater LNG FSRU from the mooring system, the DEIS needs to identify the possible fate of the FSRU and its contents and present a detailed plan on steps to mitigate impacts resulting from the stranding of the FSRU.
  - As the Coast Guard has identified a lack of first responders, particularly fire fighting capability, on the waters of Long Island Sound, what emergency response services will be required to respond in the event of an accidental or intentional catastrophe; what entity will provide the services; where will they be stationed, who will pay for such services and will special equipment and training be necessary.
  - In the event of a catastrophic failure of the Broadwater LNG FSRU, what precautions will be in place to prevent impact to the pipeline and the Iroquois Transmission Gas System itself.
  - Will there be a restricted air space zone in addition or in conjunction with the surface water exclusionary zone.
  - Is there sufficient water depth and channel width in the Race and Long Island Sound to handle the Broadwater LNG FSRU and its attendant refueling tankers under all water and weather conditions and will routine dredging be necessary to maintain sufficient water depth and channel width.
  - In addition to the possibility of an intentional attack on the Broadwater LNG FSRU or accidental damage from a severe weather event, how will the facility be protected from a collision with a drifting or underway vessel.

- What precautions will be undertaken to assure that the hull of the Broadwater LNG FSRU and the refueling tankers are precluded from damage during hurricane conditions and maximum wave trough depths, such as contingency plans to stop refueling tanks from entering the Race and Long Island Sound and even removal of the Broadwater FSRU from its mooring to another more protected location.
- In the event the attendant refueling tankers are lined up waiting for safe connection to the Broadwater FSRU, will they be anchored and where and what measures will be taken to avoid collision with another drifting or underway vessel.
- What safety measures will be used in the event of an LNG spill and pool fire; who will be responsible for implementing same and how far from the Broadwater FSRU or refueling tankers will such impact occur.

In summary, there is no information or data on the actual use and operation of a facility such as the proposed Broadwater LNG FSRU in an area like Long Island Sound. While the number one concern is public safety, concerns about the environmental impacts of such an experiment cannot be overstated. Given the lack of information on the catastrophic failure, accidental or intention, of such a facility, combined with the omnipresent notion that what can go wrong will go wrong, one can only speculate on the possible catastrophe that could result in a worst case scenario – the release of all the LNG from the FSRU with or without combustion, or perhaps weather conditions allowing a huge “cloud” of vaporized LNG natural gas to drift to shore engulfing a coastal community and asphyxiating part of the population. It is questions like these and many more which have not been answered, as well as its own conclusions that has prompted the Town to oppose the Broadwater Project.

We request you to keep the Town apprised of any response to the comments from the public Scoping meetings and process, particularly any further opportunity to comment. We also request you provide a copy to the Town of any report or document produced in the environment review process led by FERC and the safety and security review process being undertaken by the Coast Guard.

Very truly yours,

Michael E. White

cc: U.S.Coast Guard  
Town of Huntington

D#451600

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February 23, 2006

Magalie R. Salas, Secretary  
Federal Energy Regulatory Commission  
888 First Street NE, Room 1A  
Washington, D.C. 20426

**Re: *Town of Huntington***  
***Broadwater LNG Project***  
***FERC Docket Nos. CP06-54-000***  
***CP06-55-000***  
***CP06-56-000***

Dear Ms. Salas:

As you know we represent the Town of Huntington, Long Island, New York ("Huntington"). We have previously provided comments on behalf of Huntington to the Federal Energy Regulatory Commission ("FERC") in connection with the above.

We, along with Huntington, are presently reviewing the applications filed by Broadwater Energy LLC and Broadwater Pipeline LLC relating to their proposed liquefied natural gas (LNG) Floating Storage and Regasification Unit ("FSRU"), as well as the proposed 22 mile subsea lateral gas pipeline in Long Island Sound to connect to the Iroquois Pipeline (collectively referred to herein as the proposed "Project"). We, of course, will timely respond to same.

This letter is to request that Huntington receive direct notice and copies of filings made by Broadwater. The basis for this request is several fold. First, Huntington is a municipality that will be particularly impacted by the proposed Project, being on the shore of Long Island Sound and the location where the gas from the proposed Project will make landfall through the Iroquois Pipeline.

As shown in our October 6, 2005, letter, Huntington has grave concerns about the proposed Project's potential impact to the environment, public health and safety. Furthermore we, along with the Town, have found it extremely burdensome to navigate and obtain documents from the FERC website on this matter. This system is difficult to follow, use and access. Even if the entirety of the

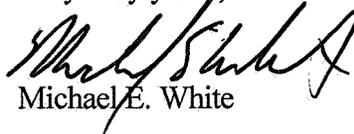
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documents were not immediately provided, Huntington should at least be provided with notice of what is filed when it is filed and notice of any deadline for comments or response.

We look forward to your cooperation in advance to this request on behalf of Huntington.

Very truly yours,



Michael E. White

MEW:kp

cc. Town of Huntington

D#476254F#45253

Submission Contents

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