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        SACRAMENTO, CALIFORNIA, APRIL 28, 2009 - 7:30 P.M.
 2
           ADMINISTRATIVE LAW JUDGE SMITH: We'll be on
 3
 4
     the record.
 5
              Good evening.
 6
              This is the time and place for a public
     participation hearing in Sacramento.
           UNIDENTIFIED SPEAKER: Can't hear you.
 8
           ALJ SMITH: Good evening.
10
              This is the time and place for a public
     participation hearing in Sacramento Natural Gas Storage
11
12
     LLC's request for a Certificate of Public Convenience
     and Necessity to construct and operate a natural gas
13
14
     storage facility. This request is Application
     No. 07-04-013.
15
16
              I'm Richard Smith, the administrative law
17
     judge in this matter.
18
              Joining me this evening is Commissioner
19
     Timothy Alan Simon, the assigned commissioner for this
     proceeding.
20
21
              Welcome, Commissioner Simon. Would you like
22
     to say a few words?
          COMMISSIONER SIMON: Thank you.
23
24
              Good evening,
25
              Can everyone hear me?
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3.6	ATHAT TO NOTE:	Yes.

- 27 COMMISSIONER SIMON: Good. I am the assigned
- 28 commissioner to this proceeding. I'm working this

1 evening with Administrative Law Judge Richard Smith who

- 2 you just heard from.
- 3 I want to thank all the party participants for
- 4 the presentations that they've given so far throughout
- 5 this proceeding.
- 6 This is our public participation hearing and I
- 7 consider this, as a California Public Utilities
- 8 commissioner, due process at its best because we go to
- 9 the community and we listen to the community.
- 10 And what is important to make these operations
- 11 effective is, one, as the Administrative Law Judge will
- 12 state, talk slower than I do so that our court reporter
- 13 is able to capture the very important essence of your
- 14 message. Try to avoid redundancy. We have a lot of
- 15 speakers this evening, and I know you want to make your
- 16 point. But if your point has been made 25 or 30 times,
- 17 you might want to consider that it's a working evening
- 18 and other things, that this the right time and place to
- 19 add the 36th same comment.
- 20 Because this is due process, because this is a
- 21 public proceeding, what is important to me is that every
- 22 speaker, regardless of their position, feels comfortable
- 23 in giving their position in this venue. I understand
- 24 that the issues involved in this proceeding are at times
- 25 emotional, they are at times pecuniary, but that should

- 26 not deny the right of every person here this evening to
- 27 express their views within the time limit that will be
- 28 granted by the administrative law judge.

1

25

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2
     the Avondale and Glen Elder community for this level of
 3
     participation. This reflects a very active and caring
     community, and it's an honor to be here before you.
 4
 5
               (Applause)
 6
           COMMISSIONER SIMON: You can applaud me any time.
               But again, I want to emphasize, let people
 7
     speak their mind. The process works better when that
 8
 9
     occurs. Everyone is entitled to their opinion. And you
10
     do not want your opinion to be treated in a manner that
     could be intimidating. I would expect the same for
11
12
     the contrary opinions as well.
13
               So, I'll turn this back over to Administrative
14
     Law Judge Richard Smith, and I look forward to hearing
     from all of you.
15
16
              Thank you.
17
               (Applause)
18
           ALJ SMITH: Thank you, Commissioner Simon.
19
               Today's public participation hearing is to
20
     provide the public an opportunity to tell the Commission
     their views about the project. If you would like to
21
     make a statement, please sign up with the assistant
22
23
     public advisors near the entrance.
24
               However, before I call on speakers, I'll take
```

a moment to provide some background on this proceeding.

I want to commend the residents of

26	Sa	ecramento	Natural	Gas Storage	filed this	
27	application	in April	2007 for	authority	to construct	an
28	underground	natural o	gas stora	age facility	in portions	of

- 1 the City and County of Sacramento, Sacramento Natural
- 2 Gas Storage proposes to use the Florin Gas Field,
- 3 a nearby depleted gas reservoir to store natural gas
- 4 primarily for use by the Sacramento Metropolitan
- 5 Otilities District or SMOD. During the 1980s, natural
- 6 gas was extracted from this now depleted gas field.
- 7 The project would also include facilities to
- 8 inject, withdraw, and transport natural gas to and from
- 9 the storage reservoir including a wellhead site,
- 10 a control center and compressor station site, and buried
- 11 pipelines connecting the wellhead and compressor sites
- 12 and connecting the compressor site to SMUD Line 700, an
- 13 existing natural gas pipeline that runs nearby along
- 14 Fruitridge Road.
- The picture to my left here is an aerial view
- 16 of the area where the project facilities are proposed to
- 17 be located.
- 18 In October 2008, we held two days of
- 19 evidentiary hearings on whether the Commission should
- 20 grant Sacramento Natural Gas Storage a Certificate of
- 21 Public Convenience and Necessity or CPCN for the
- 22 project. The hearings addressed nonenvironmental issues
- 23 related to the project, including whether the project is
- 24 necessary and whether the project is consistent with the
- 25 historical, aesthetic, and community values of the area.

- 26 Parties participating in the evidentiary hearings
- 27 included Sacramento Natural Gas Storage, the Avondale
- 28 Glen Elder Neighborhood Association, the City

1 of Sacramento, Pacific Gas and Electric Company, and the

- 2 Commission's Division of Ratepayer Advocates.
- 3 A review of the project's potential
- 4 environmental impacts is being conducted pursuant to the
- 5 California Environmental Quality Act, or CEQA, and the
- 6 Public Resources Code. As lead agency for the project,
- 7 the Commission is required to assess the environmental
- 8 effects of the project and to use this assessment in
- 9 considering the request for a CPCN. The Commission's
- 10 Energy Division is coordinating the environmental review
- 11 for the project and has prepared an Environmental Impact
- 12 Report or EIR.
- 13 The public meeting that concluded just prior
- 14 to this hearing is a part of the environmental review
- 15 process.
- 16 The EIR will be submitted into the record for
- 17 certification by the Commission. And the Commission
- 18 will consider the EIR when it decides whether to grant
- 19 the application.
- 20 As the presiding officer, I will write
- 21 a proposed decision based on the evidentiary record in
- 22 the proceeding. The assigned commissioner may or may
- 23 not agree with my proposed decision. And if not, he may
- 24 prepare his own decision called an alternate decision.
- 25 In some cases, other commissioners may also offer

- 26 alternate decisions for Commission consideration. Only
- 27 a decision supported by a majority of the Commission at
- 28 a scheduled Commission meeting becomes the decision of

- 1 the Commission.
- 2 As I stated earlier, today's public
- participation hearing is to give members of the public

- 4 an opportunity to tell the Commission what they think
- 5 about the project. It's being held concurrently with
- 6 the public meeting on the Draft ETR to be convenient to
- 7 the public. However, this public participation hearing
- 8 serves a different purpose than the meeting that just
- 9 concluded on the Draft EIR.
- 10 The earlier CEQA meeting described
- 11 the environmental review of the project and answered
- 12 questions about the Draft EIR and how to file comments
- 13 on it. This public participation hearing will hear what
- 14 the public thinks about the project in general.
- 15 Speakers may comment on either environmental or
- 16 nonenvironmental issues. However, those who wish to
- 17 submit formal comments on the Draft EIR should follow
- 18 the instructions provided earlier by Mr. Rosauer from
- 19 the Commission's Energy Division.
- 20 If you wish to speak this evening, please
- 21 print your name on the sign-in sheets near the entrance.
- 22 In a few minutes, I will begin calling speakers to come
- 23 forward in the order that they signed up. When your
- 24 name is called, please come forward to one of the
- 25 microphones, and state and spell your name, and make

- 26 your statement.
- 27 This public participation hearing is being
- 28 transcribed by a court reporter, so please speak slowly

1 and clearly. Also, only one person should speak at

- 2 a time.
- 3 If you have prepared a written statement,
- 4 please provide a copy of the statement to the court
- 5 reporter and to me. You do not need to read it.
- 6 Parties to the proceeding have already
- 7 formally submitted testimony and other evidence into the
- 8 record, and this public participation hearing is not an
- 9 opportunity for the parties to testify. Tonight, I only
- 10 want to hear from the members of the public who have not
- 11 testified in the evidentiary hearings or otherwise
- 12 participate in the formal hearings. However, I will
- 13 permit Sacramento Natural Gas Storage and the Avondale
- 14 Glen Elder Neighborhood Association to make short
- 15 presentations to share their perspectives with the
- 16 audience.
- 17 Also, the City of Sacramento has asked that
- 18 I inform all of you that the city will also review
- 19 the project for a special permit and franchise
- 20 agreement. The primary contact for city staff is Tom
- 21 Buford, senior planner in the Community Development
- 22 Department. Mr. Buford is here tonight and has brought
- 23 copies of the City's Frequently Asked Questions document
- 24 for this project.
- 25 Mr. Buford, please stand.

26 MR. BUFORD: Over here.

27 Thank you.

28 ALJ SMITH: Thank you, Mr. Buford.

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1
               The City's Frequently Asked Questions document
2
     is posted on the city's website at
     www.cityofsacramento.org.
               Also present tonight, we have Councilman Kevin
 4
    McCarty, and I wanted to welcome him. In the back
 5
 б
     there.
 7
               (Applause)
           ALJ SMITH: At this time, I will now grant
 8
9
     Sacramento Natural Gas Storage five minutes to make its
10
     presentation.
11
               Please introduce yourself.
                      STATEMENT OF MR. JAHNS
12
           MR. JAHNS: Good evening, Commissioner Simon,
13
14
    Administrative Law Judge Smith. My name is Al Jahns,
     spelled J-a-h-n-s. I'm an attorney of record for
15
     Sacramento Natural Gas Storage in this proceeding.
16
     I want to thank you for the opportunity to address you
17
     and members of the public here this evening at this
18
19
     important juncture in the Commission's proceeding on the
20
     SNGS application.
               As the Commission staff has shown in its
21
22
    previous presentation this evening, the Draft
     Environmental Impact Statement is a result of a very
23
     comprehensive and long review. With the further input
24
25
     to be provided by comments on the Draft EIR, Applicant
```

E1-1

- 26 anticipates that the final environmental document
- 27 approved by the Commission will successfully serve the
- 28 function of informing the Commission and the public as

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to the potential environmental effects of the proposed
 2
     project.
 3
              I will now take a couple of minutes to preview
 4
     the comments that SNGS will be making on the Draft EIR,
     and can begin happily by saying that Applicant thinks
     that the Draft EIR got it right with respect to at least
 6
 7
     76 of the 79 issues examined with respect to which the
     conclusion is that the potential impacts will range from
 8
 9
     nonexistent to insignificant.
10
              In the remaining three issue areas with
11
     respect to which the Draft EIR concludes that there may
12
     be residual significant impacts, Applicant anticipates
1.3
     that following due consideration of its written
1.4
     comments, the Final EIR will properly support the
     conclusion that the potential impacts in each of these
15
16
     areas can be reduced to insignificance.
17
              Those three areas as identified earlier
     tonight are the nighttime noise from construction of
18
19
     wells, potential for migration of gas through the
20
     reservoir structure, and the release of gas from
21
     pipeline or wellhead features.
22
               With respect to the nighttime construction
23
    noise concern, the Draft EIR unfortunately incorrectly
24
     states that the Applicant did not propose any mitigation
25
     measures. We believe that after due consideration of
```

- 26 the project design and our proposed mitigation measures
- 27 are accounted for, this issue can be resolved
- 28 satisfactorily.

241

1	With respect to the concern as to potential
2	migration of gas from the reservoir to groundwater or
3	surface, the Draft EIR we think has given insufficient
4	consideration to the multiple expert views to the effect
5	that the likelihood of such migration in the context of
б	the proposed use of the Florin Gas Field is so remote a
7	to be insignificant.
\$	In the extensive studies of natural gas
9	storage operations reported to the Commission, there is
10	no incident of gas migration through cap rock to the
11	surface or laterally around cap rock to the surface in
12	connection with a storage operation utilizing a deplete
13	gas reservoir.
14	We do agree, however, that Applicant should
15	conduct site-specific strength testing to confirm that
16	the cap rock formation parameters in fact exceed
17	the very conservative assumptions used for the
18	geomechanical analysis that has been submitted into thi
19	record.
20	With respect to the concern as to potential
21	pipeline or wellhead releases, Sacramento Natural Gas
22	Storage has demonstrated to the Commission and to
23	the community its overarching commitment to safety.
24	Consistent with that commitment, SNGS employed
25	the services of a world-class risk analyst, Robert K.

- 26 Weatherwax to assist in the development of
- 27 the engineering design of the project to assure that the
- 28 proposed facility could be safely operated in this

```
2
              As an example of Bob Weatherwax's considerable
     prior work in this field, I will note that he was
 3
     the lead author in the reliability assessment of
 4
     the shuttle which accurately forecasted the Challenger
 5
 6
     Space Shuttle failure mode and the probability of
 7
     catastrophic failure some three years before
8
     the occurrence of that terrible incident.
 9
               NASA should have listened to Bob Weatherwax.
     Sacramento Natural Gas Storage has listened to him.
10
11
     The engineering design of the proposed facility includes
12
     safety enhancements identified through the rigorous
13
     design review process in which Bob Weatherwax
14
     participated.
               The results of these enhancements are captured
15
     in his probabilistic risk assessment submitted to the
     Commission in July of last year.
17
18
               That assessment supports the conclusion that
19
     the individual and societal risks from potential
20
     pipeline and wellhead releases of natural gas are
21
     insignificant under all the recognized risk criteria.
22
               Unfortunately the risk assessment in the Draft
23
     EIR does not address the SNGS project as it's been
24
     proposed.
25
              That assessment includes a pipeline segment
```

1

proposed environmental setting.

- 26 located in Yolo County that is no longer part of the
- 27 proposal. It substantially overstates the proposed
- 28 pipeline operating pressures, it substantially

3 enhance public safety. Forthermore, the Draft EIR assessment overlooks the consideration of seismic risk which 5 Weatherwax carefully took into account in his 6 ~7 quantitative assessment. Seismic risk is a particularly important 8 9 distinguishing factor in the consideration of alternative reservoirs because the seismic-risk factor in this 10 11 area increases as one moves to the west of the proposed project location. 12 13 In short, the Applicant believes that important corrections are needed to the Draft EIR so 14 that the Commission and the public will be 1.5 16 comprehensively and accurately informed as to the potential environmental impacts from the proposed 17 18 facility. 19 Applicant will submit written comments in 20 support of the needed corrections and believes that at 21 the end of the day the substantial evidence in the record in this proceeding will support the Commission's 22 23 approval of a final environmental document in which, after consideration of mitigation measures, no residual 24 significant environmental impacts will be identified.

overstates the wellhead casing size, and it overlooks

important features included in the project design to

1 2

26		Aga	ún,	thank	you	fo	r the	opportuni	Lty	to 1	orief
27	you those	сол	ment	s.							
28		We	look	forw	ard	to	movino	g forward	ìn	the	final

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review process.
2
          COMMISSIONER SIMON: Thank you.
3
          ALJ SMITH: Thank you.
               I will now grant the Avondale Glen-Elder
5
    Neighborhood Association five minutes to make its
    presentation.
6
7
                    STATEMENT OF MS. SLIDER
          MS. SLIDER: Good evening, Commissioner Simon
8
9
    nice to finally meet you -- and AL Judge Smith.
10
               So I come here today not to repeat any of the
* 1
    testimony that I have given on previous occasions but to
12
    highlight some of the issues and particularly some of
    the myths and -- that have been spread that need to be
13
14
    put on the record, particularly some of the propaganda
                                                                         E1-2
    that has been sent around by SNGS stating that 76 of the
15
16
     79 impacts are stated to have no impacts at all or less-
17
    than-significant impacts.
               So let's do some do simple math. If 79 minus
18
19
     76 --- what does is that leave?
          VOICES: Three.
20
          MS. SLIDER: Three. Right.
21
              And the three that are left are the three that
22
    seem to be very important.
23
24
              It says that there is a risk of fire,
25
    explosion, and water contamination. Those are the ones
```

- 26 that concern us the most. Those are the ones that we
- 27 come here today, advocate for our community and the
- 28 larger Sacramento community about.

```
3
     one that says that there is a risk of fire, explosion,
     and leaking into our water; but our experts also say
     that there has been a gross understatement in these
     risks as well, and they will be prepared to provide
 7
     testimony to the Judge and to the Commission as well on
     those facts.
9
              There's some -- someone asked earlier about
10
     whether or not this facility or a facility like this has
     ever been built, and the answer is no; in fact, unmiti-
11
12
     gatedly no.
13
               Someone from the PUC said that there are
     facilities like this in southern California.
14
15
              Well, I visited a facility like this in
16
     southern California; however, there's a difference.
     That facility in southern California was built prior to
17
     any housing being built.
18
19
              And when that housing was proposed, the city
20
     as well as the PUC came forth and said: We won't allow
21
     you to build this housing unless you build impermeable
     membranes underneath all the housing so that there won't
22
     be leakage, unless you put in mitigation systems so that
23
24
     if the gas leaks, that the systems will go off and let
25
     you know.
```

We have some of the best experts in the world

as well, experts that have reviewed the Draft EIR, the

2

26 And I will let you know, as you already do
27 know, Playa Vista and Playa Del Rey have a myriad of
28 issues and problems, and we don't want those problems.

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

_E1-2 (Cont.)

1	We don't have the benefit of putting down
2	membranes; we don't have the benefit of putting down
3	putting in mitigation systems. In fact, we haven't ever
4	been offered those types of types of.
5	What we have asked is if you want this
6	facility, do it somewhere where it is rural, where it
7	won't impact the community.
8	This is a redevelopment area, and what we want
9	to build in our community is parks, what we want to
10	build is good schools, what we want to have in our
11	community is safe streets and sidewalks.
12	We don't want a gas storage facility.
13	If there is some place else for this to go,
14	that is exactly where it should go.
15	So we ask that you look at these issues before
16	you today and that you take the community's large
17	concerns into account as you take this back to the
18	Commission.
19	And we thank you for coming here today.
20	ALJ SMITH: Thank you.
21	(Applause)
22	ALJ SMITH: I will now begin calling on speakers
23	from the audience.
24	As I mentioned earlier, a number of members of
25	the community served as witnesses and have filed

- 26 testimony in the evidentiary hearings at the Commission.
- 27 I see that several of them have signed up to be speak-
- 28 ers, and I will not call on them tonight. I have their

247

- E1-3

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testimony in the record.
 2
              And I want to hear from the community in
     general at this point.
 3
               So what I will do, I'll call three or four
 4
     names at a time.
 5
 6
               When you hear your name called, please line up
 7
     in the order that you are called, and as the speakers
     finish their statements, I will call several more names
     so that we can keep things moving.
10
               So we do have a large number of requests to
11
     speak tonight, so I will impose a time limit on each
12
     speaker of two minutes, and that way everyone will get a
13
     chance to speak.
14
               Please be brief and to the point.
15
               And the Assistant Public Advisor will keep
     track of the time and indicate when your time is up.
17
               First we will hear from $. Gaines?
               Is there an S. Gaines?
18
19
               And also please get queued up to speak, Josh
20
     P., and Verlyn, Stam.
21
               Ms. Gaines?
22
                     STATEMENT OF MS. GAINES
23
          MS. GAINES: Hello.
               My name is Sheila Jasper, but I'm using Gaines
24
```

because my property is a -- down line from my deceased

- 26 mother, and she was a Gaines, and she was in that
- 27 neighborhood for many years, and she was a military wife
- 28 for many years.

```
Okay. My statement is -- well, I don't know.
     This is what I've written down.
 2
 3
              One thing concerns me is 30-year lease with
     30- year option. I think that's like six generations.
 4
              Then I would want to know who's financing this
 5
     project.
 6
 7
              Then I would like to know, are stocks going to
     be sold eventually on this project?
9
              Then will any jobs for our very oppressed
10
     community be offered in the commercial?
              We have roofers, we have cement workers.
11
12
              And are there going to be any general labor
13
     jobs for our communities out of this?
1.4
              I am personally very sincere.
15
              I'm a widow, a new one, second time, from a
     Vietnam fellow that died of serious, agonizing Agent
16
17
     Orange death, prostate from the -- then into the bones,
18
     so I'm a very sincere person, too. And I'm aware of our
     energy needs. However, big business could certainly
19
20
     share more than cash stipets -- is that the right word?
21
     Stipets? Stipends?
22
          COMMISSIONER SIMON: Stipends.
23
          MS. GAINES: Whatever.
              You know, I only did 10th grade, but that's
24
     when they were teaching people things.
25
```

26 (Laughter)
27 MS. GAINES: What about our neighborhood on 75th

28 Street?

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

1	No jokes.
2	What about our neighbors on 75th Street?
3	If it's rolling down Bellini, do you think
4	it's going to stop at the end of the Bellini Way?
5	SNG says they have 2/3 of the 700 residents.
6	How many of those residents that are on their
7	side have absent owners?
8	How many of those properties are bank owned?
9	I don't know who's in it, but I've spoken with
10	Mr. Possum with that organization, and he's the young
1.1	Mr. Fossum. I'm holding my breath for the big one. I
12	got to get ready in a nice outfit for him.
13	(Laughter)
14	MS. GAINES: But, you know, I'm not against it,
15	I'm just I'm just sick of usury.
16	And I even see that in the Bible: usury.
17	You know, and then somebody said eminent
18	domain is coming anyway.
19	Eminest to who?
20	The two minutes is up?
21	COMMISSIONER SIMON: Yeah. Yeah.
22	ALJ SMITH: Oh, I am talking to you?
23	A VOICE: No. You're stopped.
24	MS. GAINES: Oh. Stopped?
25	ALJ SMITH: He indicated that your time is up.

E1-3 (Cont.) MS. GAINES: Well, I'm legally -- I have issues,

27 so just say like that; I don't do signs.

28 But --

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

E1-3 (Cont.)

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COMMISSIONER SIMON: Thank you, Ms. Gaines.
 2
           ALJ SMITH: Thank you, Ms. Gaines.
 .3
           MS. GAINES: Thank you for your time.
              And I'm not against the project all the way, I
                                                                        (Cont.)
     just want to see what's up with it.
 6
           COMMISSIONER SIMON: Thank you.
           MS. GAINES: And share the money.
 8
               (Laughter)
          ALJ SMITH: Thank you.
              Josh P.
10
              Please state your name.
11
12
                      STATEMENT OF MR. PANE
          MR. PANE: I'm Josh Pane, P-a-n-e, for the
13
14
    Affinito Family, A-f-f-i-n-i-t-o.
              The Affinito Family own 27 acres in this
15
    neighborhood.
16
                                                                       - E1-4
17
               They have attempted to create a town center
18
     and a retail village which the neighbors have been
19
    wanting for some time, and unfortunately this came
20
     along.
              There -- Mr. Commissioner, Mr. Administrative
21
     Law Judge, there -- there seems to be those three
22
23
     problems that still exist in the environmental document.
24
     Those are big problems, as the speaker from the Avondale
25
     neighborhood stated.
```

26 If we are ever to develop in this into a town

27 center, the idea that this plume or this well below is

28 there has grave impacts on the development of that

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

E1-4 (Cont.)

251

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2
     closely at that.
3
              We would like the Commission to take into
     consideration that they're proposing that only one small
4
     chunk of the underground storage would be under the
     Affinito property.
6
7
              But the fact is that property -- which is 27
     acres now; the family had developed the 80 acres
3
9
     there -- had gas wells pumping all over the property.
     So the idea that it only goes, as the last speaker said,
10
     to a certain point is ridiculous.
11
12
              That we would urge you -- as you can see on
     your map, the Affinito property is just in the northern
13
14
     portion, that 27 brown spot there, that big spot where
15
     the pipeline goes through -- the proposed pipeline -- we
     would urge you to look at that and to say it covers the
16
17
     whole thing. And then and only then I think we'll have
18
     a shot at developing something that the community, the
19
     neighborhood would really like to have there.
              So -- and that could be housing as well as a
20
21
     community center, parkways, a variety of things.
22
              So thank you very much, Commission, and I
23
     appreciate you taking these things back to the entire
24
     Commission.
25
          COMMISSIONER SIMON: Thank you.
```

property. So we would like the Commission to look

E1-4 (Cont.)

26 ALJ SMITH: Thank you.
27 MR. PANE: Thank you.
28 ALJ SMITH: Verlyn Baker?

E1-4 (Cont.)

```
Please spell and state you name and address
 1
 2
     for the record.
                      STATEMENT OF MS. BAKER
 3
           MS. BAKER: Verlyn, V-e-r-l-y-n, Baker, B-a-k-e-r.
               Thank you, Commissioner Simon and Judge Smith.
 5
 6
               I purchased a home on 53rd Avenue in 1967,
 7
     quite a long time ago, approximately one half block from
 8
     the site that we have been speaking about this
     afternoon.
10
              And I am personally against this project.
               And I know that SNGS has accused opponents of
12
     the project of using scare tactics.
13
               The EIR shows that AGENA's claims were not
     scare tactics but are based in reality.
14
15
               The EIR also shows that SNGS understated the
     risk to the community when it consistently said there is
     absolutely no risk of leaking or explosion.
17
18
               Whatever the opposite of scare tactics is,
     that's what SNGS did. They tried to make it seem safe
19
20
     without any evidence of that.
              I spent 22 years in the Air Force fighting for
21
22
     my country -- fighting for my country during the Vietnam
23
     conflict. I did not know that I would be coming back
     home fighting for a safe place for my family and I to
24
25
    live.
```

E1-5

26	Thank, you, sir.	↑ F1-5
27	(Applause)	E1-5 (Cont.)
28 ALJ	SMITH: Thank you.	

```
Larry Stam.
 1
               Is Larry Stam ---
           MR. STAM: Stam (pronounced Staum).
           ALJ SMITH: Stam.
               And then please queue up to follow him:
 5
 6
     Armentha Corden, Effren Guttierez, Sam Butler.
 7
           A VOICE: Last one.
 8
           ALJ SMITH: Is Mr. Stam here?
 9
           A VOICE: I believe he's gone home.
          COMMISSIONER SIMON: I thought I saw him get up
10
11
     and go.
12
               Off the record.
13
           ALJ SMITH: Okay. We'll be off the record.
               (Off the record)
14
          ALJ SMITH: Back on the record.
15
16
               I'm calling now Armentha Carden.
                      STATEMENT OF MS. CARDEN
17
18
          MS. CARDEN: I'm Armentha Carden, A-r-m-e-n-t-h-a.
19
     Last name is C-a-r-d-e-n. And I'm actually the daughter
20
     of an elderly individual who is living here in
21
     Sacramento and whose house is a part of this project.
22
               And I just have to say by sitting here,
23
     listening to this for my mother on the telephone long
     distance because I live up in Quincy, California, and I
24
25
     represent seniors and the disabled and I'm in that
```

E1-6

26 profession where I became concerned and thought I'd

27 better come down here.

First of all, I'm really concerned that all of

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

E1-6 (Cont.)

2 information is unclear to the public. It's just so unclear. If information would have been more clear and accurate, I don't think you would have such a problem. But second of all, I really was concerned and my brothers are concerned that there's been an б 7 individual coming to my mother's house offering to take her to lunch and things like that to talk about this. 8 9 And the problem I have is in my profession, that's undue 1.0 influence, and it's got to stop. I have one minute, 11 12 But I'm telling you also there needs to be some kind of kind of information put out to these 1.3 14 individuals that their property value is going to lower after this is completed, because it seems like it's 15 already on the one-way track from what I've heard 16 17 tonight. And if the property values are lowered, 18 the state of California is going to lose money. Because 19 if there's low-income individuals here and people, 20 anybody on public assistance, everybody knows that the state Department of Health Services will not regain 21 22 the California state recovery money from their property 23 should they die. 24 That's all I have to say. 25 COMMISSIONER SIMON: Thank you.

this has been going on for this time and, still, the

1

E1-6 (Cont.)

26	ALJ	SMITH:	Than	ik you.				
27	(Applause)							
28	ALJ	SMITH:	ЙО№	we'll	hear	from	Efren	Guttierrez.

E1-7

```
1 Please state and spell your name and address for the $2$ \, record.
```

- 3 STATEMENT OF MR. GUTTIERREZ
- 4 MR. GUTTIERREZ: Buenas noches. Good evening. My
- 5 name is Efren Guttierrez, spelled E-f-r-e-n, Guttierrez,
- 6 G-u-t-t-i-e-r-r-e-z.
- 7 Two minutes is quick. So, quickly.
- 8 I represent a variety of organizations here in
- 9 town basically dealing with social justice advocacy.
- 10 And our main concern of course is the environment and
- 11 people's security. And what we're finding here is that
- 12 people are being put at risk unneedly.
- I don't think the studies are clear. I think
- 14 there's a lot of -- while we think it might be, that's
- 15 not good, folks. I heard the man here earlier say
- 16 "insignificant" about ten times. People's lives are not
- 17 insignificant.
- 18 We are -- right now in the news, as you know,
- 19 we're dealing with a pandemic of flu that seems to be
- 20 worldwide. Okay. We don't need to put our people in
- 21 harm's way and endanger them unneedly.
- 22 You have three other sites. Please review
- 23 those sites.
- I was told when I made my comment, well, we
- 25 don't really have the time and the money.

No. You do have the time and you do have
the money.
And don't wait till somebody's lives are lost

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

_E1-7 (Cont.)

```
or children are sick or, as mentioned earlier, property
     values go down.
3
              One of my other hats is I'm a real estate
     broker and I know the hurt. I see them coming in every
     week to my office, losing their homes. And these --
    majority of these people are people of color, people who
                                                                       E1-7
     have struggled to be homeowners, and now that American
                                                                       (Cont.)
     dream is gone.
              Do not take the American dream away from these
     folks who have worked so hard and they do not deserve
10
     this. We should be able to find a better site and
     a better way. This is not good for anybody.
12
13
              Thank you.
14
               (Applause)
          ALJ SMITH: Thank you.
15
          COMMISSIONER SIMON: Thank you.
          ALJ SMITH: Sam Butler.
17
              And please line up to speak: Samus Roller,
18
1,9
     M. Gaines, Detria Thompson.
20
              Mr. Butler, please state and spell your name
21
     and address for the record.
                     STATEMENT OF MR. BUTLER
22
                                                                      E1-8
23
          MR. BUTLER: Okay. Judge and Commissioner: My
     name is Samuel Butler, S-a-m-u-e-1 B-u-t-1-e-r.
24
25
              I moved out here into Glen Elder in 1956 after
```

- 26 I got out of the service, which I couldn't find a place
- 27 at that particular time. When we moved out here, we
- 28 bought. After we got the house, gas started to smell

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

E1-8 (Cont.)

```
around the gas meter. I had the gas company, PG&E, come
    out at least three different times to come out and
    change the meter because that's what I thought was
 3
    leaking. Later on, I found out that this was the place
    where gas was stationed under the ground. And after
5
 6
    they some time later barred all of that gas, then I quit
                                                                        E1-8
7
     smelling it.
8
              But one of the things that I did notice where
    we do have a park called Danny Nunn, there was an
10
    explosion there some time later. They capped it, but
11
    nobody has never said anything about what they did.
12
    They did burn, but they did capped -- it hasn't been
13
    mentioned, but I'm so glad. That I do know that it will
    explode.
14
15
              And that is all I will say. Thank you.
          COMMISSIONER SIMON: Thank you very much.
17
               (Applause)
          ALJ SMITH: Shamus Roller. Please state and spell
18
19
    your name and address for the record.
                    STATEMENT OF MR. ROLLER
20
21
          MR. ROLLER: My name is Shamus Roller.
                                                                        E1-9
    S-h-a-m-u-s R-o-l-l-e-r. I live at 412 23rd Street in
22
    Sacramento.
23
              I am the executive director of the Sacramento
24
```

Housing Alliance. I'm here today opposing the issuance

25

(Cont.)

- 26 of a Certificate of Public Convenience and Necessity
- 27 that's been requested by SNGS.
- We work on a number of different issues

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

_E1-9 (Cont.)

```
related to social equity and related to the health of
     communities in Sacramento. We have real concerns over,
 3
     one, in particular about whether this is really safe for
     the community; two, the equity issues about putting this
     in the community that is low income, that is
     a predominantly a community of color.
7
               I certainly know that if it was in the
     community that I live in, I don't think that they'd even
8
     be considering this project.
10
               (Laughter)
11
               (Applause)
12
           MR. ROLLER: And it certainly hurts me to see all
     these folks who worked -- worked for longer than I've
13
     been alive to keep their homes and to make their lives
15
     decent, that they're seeing that stripped away.
               And we look a lot at house affordability and
16
17
     what it takes to get people into homes and seeing
18
     the equity stripped out of the their houses recently
19
     because of the economic recession and to see more of
20
    that stripped away because they want to put this project
21
     in.
22
              And lastly, looking at this from a political
     point of view, I see SNGS buying up every political
23
24
     consultant, putting money in the pocket of every expert
```

that they can so that they can't be available to testify

25

E1-9 (Cont.)

26 on this. Makes me wonder what they are working so hard

27 at that they have put out that much money to make this

28 thing go through. Maybe they've got something to hide.

E1-9 (Cont.)

```
(Applause)
           ALJ SMITH: M. Gaines.
               (No response)
          ALJ SMITH: Is there an M. Gaines?
               (No response)
           ALJ SMITH: Okay, I'll move on to Detria Thompson.
 6
     Please state and spell your name and address for the
     record.
                    STATEMENT OF MS. THOMPSON
9
10
          MS. THOMPSON: My name is Detria Thompson.
     D-e-t-r-i-a. Last name is T-h-o-m-p-s-o-n. I live at
     6331 Jansen Drive in Sacramento.
12
13
               I have a written statement. Can I read that?
          ALJ SMITH: How long is it? If it's more than two
14
     minutes, why don't you give a copy to me or the
15
16
     reporter. Otherwise, you have two minutes.
          MS. THOMPSON: Okay, thank you.
17
18
              My name is Detria Thompson. I live in
19
     Fruitridge Manor. And I've lived in the Fruitridge area
     since December of 2003. I'm a member of the Fruitridge
20
     Manor Neighborhood Association, also the Stockton
21
22
     Boulevard Redevelopment Advisory Committee. I'm here
     voice advice my opposition to the SNGS proposal.
              It just seems to me that constructing and
24
    maintaining a large underground natural gas facility in
```

E1-10

- 26 a densely populated residential area isn't a good idea.
- 27 Any risk of groundwater contamination, gas leaks, gas
- 28 explosions, or other health or other potential health

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

E1-10 (Cont.)

```
facility.
 5
               I'm angry that SNGS' proposal has been
     proposed and it's gotten this far, it still has life,
 7
     and that there are interested parties still pushing
     forward and then considered to be a viable project.
 9
               This proposal would never have been
10
     recommended for placement in Land Park or Curtis Park,
11
     East Sacramento or midtown. And I know that the SNGS
12
     group wouldn't attempt to bribe Land Park or East Sac
13
     residents with paltry signing bonuses or annual
14
     payments.
15
               SMUD has a reputation for being a progressive
16
     and eco-friendly utility department, big on solar, wind
17
     and renewable energy. But apparently, they are willing
     to quietly cosponsor a project that may pose health and
13
     environmental risks to some of the poor and less
19
20
     educated customers that it has for the greater good.
21
               SMUD, throughout the life of this project has
22
     opted to wait on the sidelines, mute and supposedly
23
     neutral in the hopes that this project will be approved
24
    rather than take an ethical stand maybe two or three
25
     years ago against a proposal that put some of us in
```

hazards is unacceptable when renters and homeowners, individuals and families reside in the area immediately above the proposed facility, in and around the proposed

E1-10 (Cont.) 26 harm's way.

27 Finally, I wanted to say that I accessed the

28 Environmental Impact Report on the Internet a couple of

E1-10 (Cont.)

```
weeks ago and I tried to read the Executive Summary.
     The Executive Summary is 72 pages long, and the report's
     conclusions are buried deep in the document. Some
     portion of the Executive Summary should have been
     provided -- should have provided a clear, comprehensible
     and concise overview of the EIR findings for the benefit
     of the lay public, and more particularly for the people
     who live in this community.
 9
               As a SMUD customer and a PUC ratepayer and
10
     a local homeowner, I'd like to say to the PUC and the
1,1
     Sacramento City Council, reject this bid to construct be
     an underground gas storage facility in my community.
12
13
               Thank you.
14
               (Applause)
           COMMISSIONER SIMON: Thank you.
15
16
           ALJ SMITH: Thank you.
               Vicki Rhodes.
17
18
              And please line up: Jermaine Pierce, Kim
    Ho-Van, and Tamie Dramer.
19
20
               And we'll hear from Vicki Rhodes.
21
                    STATEMENT OF MS. RHODES
22
           MS. RHODES: My name Vicki Rhodes. V-i-c-k-i,
                                                                     - E1-11
     R-h-o-d-e-s. And my address is 7323 Lindale Drive in
23
24
     Sacramento, California.
25
              I am opposed to the SNGS underground storage.
```

E1-10

- 26 I live -- the only -- I live off of Florin Road. So
- 27 Florin Road is actually the street that separates me
- 28 from some of the homes that have been identified in this

E1-11 (Cont.)

E1-11

(Cont.)

```
area. My mother lives on 53rd Avenue.
 2
               Now, one of the things that I was interested
     in is that earlier when one of the gentlemen was stating
     that there were some urban areas that are in -- have
 4
     this project already, it was interesting that he was
 ซึ่
     able to remember a lot of the important information in
 7
     the EIR report, but he just couldn't remember exactly
 3
     where those urban areas were. So I found that kind of
 C
     interesting.
10
               My other comment is who's going to be
     responsible for providing the homeowners with homeowner
1.1
12
     insurance once the insurance companies find out that
1.3
     this gas will be stored under their homes. I'm sure
     that they will be dropped, because you will be dropped
1.4
15
     from your homeowners insurance if you own a pit bull.
16
               (Laughter)
           MS. RHODES: My next comment is if I were
18
     a homeowner -- my mother is a homeowner, she wants to
19
     sell her home, she has to divulge that there's gas under
     her home. So, people who own homes and may want to sell
20
21
     them in the future, they will probably have a very
22
     difficult time with that.
23
              And so those are my only comments. And
24
     I thank you very much for hearing them.
```

COMMISSIONER SIMON: Thank you. Thank you very

25

26 much.

27 ALJ SMITH: Thank you.

28 (Applause)

```
ALJ SMITH: Jermaine Pierce, I believe.
                     STATEMENT OF MR. PIERRE
 3
           MR. PIERRE: I'm Jermaine Pierre.
     J-e-r-m-a-i-n-e, P-i-e-r-r-e. Wilkinson Street, off of
     Fruitridge.
 6
               I'd just like to say that I'm stating this on
     behalf of my unborn daughter Marlo Pierre because I want
     her to know that her dad stood up for this injustice.
               One of the main issues I have with this
     project is the misrepresentation from SNGS to
10
11
     the community. An example of that is in February of
12
     this year, they had handed out a flier that stated that
13
     SMUD sponsored this project. And we know that SMUD is
14
     not sponsoring this project but many in the community
15
     may not know that.
16
               Secondly, this past month in the April 14th
17
     Sacramento Bee, Don Russell was quoted as saying that
     there's really no risk to the community from gas
18
19
     migration because natural gas only explodes in enclosed
20
     areas. That is not a concern because no buildings are
21
     above the pipe's wellheads.
22
              We know that this is not the case.
23
              For example, in Hutchinson, Kansas, natural
     gas migrated over 9 miles from a natural gas storage
24
25
    facility through the groundwater and exploded in
```

- E1-12

26 a downtown area.

27 So I just wanted to make sure that that is in

28 the records, that we in the community cannot be swayed

E1-12 (Cont.)

```
by this misrepresentation, and that we can stand up for
 2
     our rights.
 3
               Thanks.
           ALJ SMITH: Thank you.
 Á
 5
           COMMISSIONER SIMON: Thank you.
          ALJ SMITH: Kim Ho-Van. Please state and spell
 6
 7
     your name and address for the record, please.
 8
                     STATEMENT OF MS. HO-VAN
 9
           MS. HO-VAN: Good evening. My name is Kin, that's
10
     K-i-n as in Nancy, last name Ho, H-o, hyphen, Van. I'm
     here to say that I completely oppose the project that
11
1.2
     they're planning to put within our community.
              I have lived in this community for 28 years.
13
     Came to the United States in 1980. And my family
14
15
     actually fled from the Vietnam War to come here to the
                                                                     - E1-13
16
    land of opportunity, and we've lived in that home for
     probably 20 years now. And I'm guessing my children
17
18
     will probably grow up there and stay within the same
19
     community.
20
              Most of my concerns have actually been
21
     addressed, but I wanted to pose just a couple of
22
    questions. And those are, where I grew up, we were
23
    taught to lead by example. If SNGS is saying that this
    is safe and there's not a lot of impact on the
    environment and the community and our lives, why aren't
```

26 they putting it in their communities first?

27 Lead by example. Put in their communities to

28 show us it's safe. I would be the first one to sign up.

E1-13 (Cont.)

```
And why are they putting a price tag on it,
1
     $500. Is our lives just worth only $500 a year?
 2
3
    A thousand dollars? $10,000. Is that what our life is
    worth?
5
              This is a community. I grew up here. Why are
    we putting the stuff down there, in our homes when we
    know that there could be potentially an impact. Like
    a tick bomb, a time bomb waiting to explode. Why would
    we want to put that in our community, to possibly harm
10
    our children?
11
              We have enough already going on. Wars are
12
    taking a lot of the lives. Why add more to that?
13
              Thank you.
          COMMISSIONER SIMON: Thank you.
14
          ALJ SMITH: Thank you.
16
              (Applause)
17
          ALJ SMITH: Tamie Dramer. And I'll call next
18
    Connie Samla, Dominic Accettola, Ran Narayan. Please
19
    come up and get ready to speak.
20
              We'll now hear from Tamie Dramer. Please
21
    state and spell your name and address for the record,
22
    please.
23
                    STATEMENT OF MS. DRAMER
24
         MS. DRAMER: My name is Tamie Dramer and I live
    at -- I'm sorry. T-a-m-i-e, D-r-a-m-e-r. I live at 20
```

E1-13 (Cont.)

E1-14

- 26 Elton Court in Sacramento. That's in the the College
- 27 Greens neighborhood. It is actually less than four
- 28 miles from the proposed natural gas storage facility.

E1-14 (Cont.)

And as a resident of that neighborhood, I am concerned because of what the other gentleman stated earlier, the accident that happened in Hutchinson, Kansas, where the gas travelled nine miles before it exploded. And so that makes me a concerned resident that's directly tied to this reservoir. And so I attended a meeting yesterday at a school in the Glen Elder neighborhood and listened to the people speak there, and listened to some of their 10 concerns, and I too am concerned. And I actually have 11 decided I am opposed to this project. But I'm also 12 aware of and shocked by the tactics used by SNGS to try 13 to bribe the lease rights from these poor and elderly people. 15 I read yesterday -- an elderly woman handed me this green notice that she received in the mail and 17 asked me what does it mean that we have to have this 18 letter with us to get into this meeting today? 19 It actually stated in there, to get past 20 the security guard at the gate, that they had to produce 21 a letter to get in. 22 And to me that sounded like they were trying 23 to disenfranchise people by telling them that there was 24 some sort of requirement to get into this public meeting

today. And it is a public meeting and everybody's

25

E1-14 (Cont.) 26 welcome here.

27 So anyway, I formally oppose this project.

28 And if I need to, I will bring the other residents of

E1-14 (Cont.)

```
College Greens with me to the city council.
           COMMISSIONER SIMON: Excuse me. Do you have
 2
     a copy of that flyer?
          MS. DRAMER: I don't, but I'm sure somebody else
     does.
          COMMISSIONER SIMON: If somebody has a copy of
 6
 7
     that, I'd like to see it. Thank you.
          ALJ SMITH: Thank you.
 8
 9
               (Applause)
          ALJ SMITH: Connie Samla. Please state and spell
10
    your name and address for the record, please.
                     STATEMENT OF MS. SAMLA
12
          MS. SAMLA: My name is Connie Samla. C-o-n-n-i-e,
     S-a-m-l-a. And my family lives on Tierra Glen Way,
14
    right in the heart of this project. And this projects
15
     scares me. And we are totally against this project.
16
              And one thing I want to say is that Sacramento
17
                                                                      -E1-15
18
     Natural Gas is giving partial truths on the flyers that
19
     we have. I actually have the green flyer that you may
    have. But one letter this they sent on April 14 says:
20
     The city study confirms SNGS lease rates are generous.
21
22
              While that study basically is for the City
23
     of Sacramento and the intended use is for the assessing
    of fair market rent for municipality -- municipally
24
    owned property, this market rental study is not intended
25
```

26 for any other use or user.

27 And in my little letter here, it says: For

28 those of you who have already signed leases, this

E1-15 (Cont.)

financial decision. And for those who are waiting patiently, then you can go ahead and sign. 4 This has nothing do with residential property, so that is not the truth, 5 The second thing I would like to say is, partial truth again, on this green flyer that I have, it 8 says -- Constance actually said 76 of the 79 points have no impact. Well, three have significant and unavoidable 10 impact. 11 I am scared for fire, explosions, and contamination of ground water. It's like this gas is 12 13 not going to be odor -- it is not going to have an odor, 14 so how are we going to even know if in this gas is building up underneath our homes? 15 16 We are not going to know this, so I am very 17 concerned about that. 18 And then also on the Sacramento Bee on 19 Tuesday, April 14, the very first sentence says: 20 Advocates say the chance of an accident is slim. It 21 doesn't say it's nonexistent. 22 Slim are these lives. It's my life. And I'm 23 not willing to give up any one of these lives in this

room. Slim means lives, Nonexistent does not mean

24

25

lives.

independent study affirms that you have made a great

E1-15 (Cont.)

26	Thank you.	↑
27	(Applause)	E1-15 (Cont.)
28	COMMISSIONER SIMON: Thank you.	☐ (Cont.)

```
ALJ SMITH: Thank you. Dominic Accettola.
 2
                    STATEMENT OF MR. ACCETTOLA
 3
           MR. ACCETTOLA: D-o-m-i-n-i-c, A-c-c-e-t-t-o-l-a.
     I live at 6970 Chris Avenue. I'm the president of
 5
     the Tokay Park Water Company which represents
     approximately 300 people. We have met with Sacramento
 7
     Natural Gas, and for the most part they answered our
     questions.
 8
 9
              The one that concerns me the most is who takes
10
     responsibility in the event we do get groundwater
     contamination. They had no good answer. This is
11
     something is that I think affects our board a lot.
12
13
              Yeah, they have relatively good plans and they
     have people to try to reassure us. But when we asked
14
15
     the question, the bottom line is when something happens,
     who's going to take care of it. That was not addressed
16
     and I'd like to see that addressed.
1,7
18
              Thank you.
19
          ALJ SMITH: Thank you.
20
               (Applause)
2.1
          ALJ SMITH: Raj Narayan.
22
              And let me call up the next speakers: Rony
     Kunlan, Vincent Le, Connie Samla -- I think I have
23
24
     called Connie Samla already -- and Matt Kelly. Please
     come up to the front and get ready to speak.
```

E1-16

26	You may proceed.	٦
27	STATEMENT OF MR. RAJ NARAYAN	E1-17
28	MR. NARAYAN: Okay. Commissioner: My name is Raj	\

Marayan, and I've been an area businessman for last 30 2 years, and I'm a neighborhood -- I've been in 3 the neighborhood for the last 30 years too, the same time. 4 And I hate that you guys put on the spot to 5 decide if it's wrong or right. 6 7 And Kevin McCarty back there has been our man 8 for the neighborhood associations. 9 And I hope to not to create any enemies by opposing this project. 10 And this meeting has been going on maybe for 11 12 the last two-plus years. So a lot of people have given 13 up, thinking that they have no say in this issue because 14 they've been spending lot of years and lot of time 15 opposing it or denying it. So this has been going for 16 a long time. And I hope this is not our last effort to stop this from going on. 17 18 And environmentally speaking, this is just not 19 right to put -- to re-put the gas in the earth without 20 any knowledge of what we're doing, because it's just 21 like polluting our motherland back to before the World War I or II before we put in gas, and we're just 22

polluting our own good old grounds.

And I know you guys don't live in our

neighborhood. And if you can move this to a rural area

1

23

24

25

E1-17 (Cont.) 26 which is further away from our city boundaries and

27 further east, no problem with us.

28 And this issue has not been proven that

E1-17 (Cont.)

```
putting natural gas into natural good old Mother Earth
     is proven.
              And personally, I feel that you guys are put
     on the spot to make up your mind.
              And this is not a -- this is not a poor part
     of the city like Greenhaven or Pocket. This is a poor
     part of the city. And without taking any further time,
     without taking any further time, gas traveling
     underneath, you guys better look into that.
10
          COMMISSIONER SIMON: Thank you.
          ALJ SMITH: All right, thank you.
11
12
               (Applause)
          MR. LE: Good evening, sir. Good evening,
13
14
     everybody.
15
          ALJ SMITH: Please.
16
                      STATEMENT OF MR. LE
17
          MR. LE: My name is Vincent Le. V-i-n-c-e-n-t,
     L-e. One E. That's a Vietnamese Le. I hope you
18
19
     understand my English.
20
               (Laughter)
21
          MR. LE: Thank you.
22
               I have performed extensive Vietnamese and
23
    Chinese translation service for SNGS. The people at
24
     SNGS have always been willing to meet with property
25
    owners, answering all their questions. And they have
```

E1-17 (Cont.)

E1-18

- 26 been open on Saturdays now for the homeowners or
- 27 residents threatened with condemnation.
- 28 SNGS has been involved in the community:

E1-18 (Cont.)

```
hosted event, picnic and party. This company has added
 1
 2
     a lot of community value, created and funded the
 3
     community foundation. We provide new landscaping and
 4
     sidewalk. We create new job and provide property for
     the compensation.
 6
               Don and Jim have asserted a lot of integrity
 7
     and they trust most of that. Thank you.
          COMMISSIONER SIMON: Thank you.
 8
 9
          ALJ SMITH: Is there a Rony Kunlan?
10
          MR. KELLY: Matt Kelly.
          ALJ SMITH: Is there a Mr. Kunlan here?
11
12
               (No response)
          ALJ SMITH: Okay. Then Mr. Kelly. Please state
13
14
     and spell your name.
                      STATEMENT OF MR. KELLY
15
16
          MR. KELLY: My name is Matthew Kelly.
     M-a-t-t-h-e-w, middle initial L, last name is K-e-l-l-y.
17
18
     I'm the executive director of the Sacramento Sierra
19
     Building and Construction Trades Council. We're a labor
20
     organization representing over 25,000 union construction
     workers in the Sacramento and surrounding region.
22
              We look at this project in terms of jobs.
23
     I do not live in this area, so I can't say that
24
     I understand what you're going through or what your
25
     concerns are, but we do know about jobs.
```

E1-18 (Cont.)

E1-19

6	This project will provide both construction	
17	jobs, which are in short supply in these trying economi	C
8	times, not to mention jobs for the continuous operation)

E1-19 (Cont.)

```
of this project.
               These jobs are in a time of need.
               As I said, we are in deep economic struggles
     in this community and communities all over the
 4
 5
     Sacramento area, the state, and the country.
 6
               This project will be an economic engine that
 7
     will provide benefit to the area. And the importance of
     the project cannot be understated: a steady and
 8
     reliable supply of natural gas for the Municipal Utility
10
     District, SMUD.
11
               We ask for your consideration of these aspects
12
     of the project when you make your decision.
13
               We look forward to seeing the complete -- the
     completed Environmental Impact Report once the concerns
14
15
    of the citizens have been met and the inaccuracies that
16
    may exist in the Draft EIR have been corrected.
17
               And as far as why does it have to be in this
     neighborhood? It is where the geology exists that this
19
    project is located. They didn't target the neighborhood
    of Glen-Elder and Avondale to specifically put the peo-
20
21
    ple that live in that area in an inconvenient position.
     It's where the geology exists.
22
23
               Thank you.
          ALJ SMITH: Thank you.
24
25
               (Applause)
```

E1-19 (Cont.)

26	COMMISSIONER	SIMON:	Thank	you.

27 ALJ SMITH: Pedro Botello.

28 (Applause)

```
1
          ALJ SMITH: Is Pedro Botello here?
 2
               (No response)
           ALJ SMITH: I'll also call to come up Chad Adair,
 3
     Elaine Konkin, and Burnie Lenan.
 4
 5
               Is Pedro Botello here?
           A VOICE: I don't know. I'll go and look for him.
 6
           ALJ SMITH: Okay. We'll move on to Chad Adair.
                     STATEMENT OF MR. ADAIR
 9
          MR. ADAIR: Administrative Law Judge Smith,
     Commissioner Simon, thank you for this opportunity.
10
11
               My name is Chad Adair, C-h-a-d A-d-a-i-r.
12
               I work for SMOD in the gas area, and I am
13
     directly involved in the storage contract between the
     Sacramento Natural Gas Storage Project and SMUD.
              Given that SMUD is a customer of this project,
15
     I'm here to briefly explain the rationale behind our
16
17
     involvement in this project.
18
               At SMUD one of our core values is providing
19
     reliable electric service to our customer owners; and
     approximately 1/3 of our electricity comes from natural
20
     gas power plants.
21
22
               Essentially all of the gas that's used in
23
     those power plants comes from well over 1,000 miles
     away.
25
              The Sacramento Natural Gas Project provides
```

- E1-20

- 26 increased reliability to the District. That increased
- 27 reliability comes from the fact that this project is
- 28 directly connected to our local pipeline, and this

E1-20 (Cont.)

```
direct connection allows -- or provides an increased
     prevention against supply disruptions -- natural gas
 3
     supply disruptions to SMUD and our customer owners.
               Thank you.
           ALJ SMITH: Thank you.
 K,
               (Applause)
           ALJ SMITH: Elaine Konkin?
                     STATEMENT OF MS. KONKIN
 9
           MS. KONKIN: Hi.
10
               My name is Elaine Konkin. That's E-l-a-i-n-e
     K-o-n-k-i-n.
11
               Thank you for the opportunity to speak.
12
13
               My mother, my sister, and my brother live in
                                                                      - E1-21
14
     the neighborhood, and I find that even considering a
15
     project like this is abhorrent.
16
               There is no amount of convenience or financial
17
     reward that could possibly justify the kind of risk that
18
     you're putting an enormous amount of people under.
19
               And that's all I have to say.
               Thank you.
           ALJ SMITH: Thank you.
21
22
               (Applause)
23
           ALJ SMITH: Burnie Lenan?
24
               And please come up and be prepared to speak --
     I'll call some more names -- Ellen Nitshke, Brian Laws,
```

- 26 Luis Wu.
- 27 Mr. Lenan, please state and spell your name
- 28 and address for record.

1	STATEMENT OF MR. LENAU
2	MR. LENAU: Good evening.
3	My name is Burnie Lenau. B-u-r-n-i-e, Lenau,
4	L-e-n-a-u.
5	I am a local businessman here, President and
6	owner of Lawnman, Inc., a full-service landscape compan
7	at 4300 82nd Street.
8	I wish to express my personal support for the
9	proposed Sacramento Natural Gas Storage Project to be
10	located in Depot Park at the juncture of Junipero and
11	Power Inn Road.
12	The Planning and Zoning Advisory Committee of
13	the Power Inn Alliance has extensively reviewed and
14	monitored the project over the past year-and-a-half.
15	As Chairman of the Planning and Zoning
16	Advisory Committee I have had the opportunity to become
17	very familiar with this project.
18	The project is good for business, the
19	construction and operation will create jobs in the
20	community, and the foundation will bring other moneys
21	into the area.
22	Sacramento Natural Gas Storage is a good
23	corporate citizen and has already invested into this
24	community.
25	They have worked in earnest to provide

- E1-22

26 regional opportunity for reliable energy resources.

27 The business owners in the area have

28 endeavored to upgrade the Power Inn Corridor.

E1-22 (Cont.)

```
1
               Accordingly, this project will provide curbs,
 2
     gutters, sidewalks, and landscaping at the corner of
 3
     Power Inn and Junipero.
 4
               This is in keeping with the long-range goals
 5
     of the local business community and will be a demonstra-
     tion to other property owners of how the area can be
 7
     beautified.
8
               In addition, this is a green project that has
     been registered with the United States Green Building
9
     Council and is aiming to receive Gold Leadership in
10
     Energy Environmental Design, a LEED certification.
11
12
               The City Council has unanimously designated
     this Enterprise Zone within which the project will be
13
     constructed as an area for development of environmen-
14
15
     tally sensitive and green business.
16
              This project meets or exceeds these standards
     and will be a sense of pride for both the area and the
17
18
    City.
19
               For these and other reasons I support this
     worthwhile project.
20
21
              Thank you very much.
22
           COMMISSIONER SIMON: Thank you.
          ALJ SMITH: Thank you.
23
24
               (Applause)
25
           ALJ SMITH: Ellen Nitshke?
```

E1-22 (Cont.)

26	STATEMENT OF MS. NITSHKE	٦
27	MS. NITSHKE: E-1-1-e-n N-i-t-s-h-k-e.	E1-23
28	7506 Florin Road.	E1-23
		₩

```
1.
               In 1946 my husband built the first home on
     Florin Road after the War.
               We had propane. Propane was very expensive.
 3
     All the homes that were there were on propane.
               It took a month's salary to practically pay
 6
     for a month's, or -- so, anyway, in the '50s my husband
     built his sister's home on Betty Lou, which is a block
 8
     north of Florin Road: Seventy-eight thirty --
 9
     forty-one.
10
              In 1959 we purchased the home next-door to it
11
     for a rental.
               In 2003 my sister-in-law -- put her in a care
13
     home. Her son did not pay the electric bill, the gas
14
     bill, he didn't pay for anything.
15
               He moved a propane tank into the garage.
16
               The neighbors complained; it went outside.
17
     Neighbors complained.
18
              My husband built homes on gas lines in Tokay
19
     Park.
20
               He has built homes in Elk Grove, Florin,
     Wilton, all over, on electric.
21
               And electric is a lot more expensive.
22
23
               Propane is very expensive.
               We need natural gas lines, wherever it comes
25
    from, and I am in support of this.
```

E1-23 (Cont.)

26 (Applause)

27 ALJ SMITH: Thank you.

28 Brian Laws?

```
1
                      STATEMENT OF MR. LAWS
          MR. LAWS: My name is Brian Laws, B-r-i-a-n
 3
     L-a-w-s.
              I live at 7820 Verna Mae Avenue.
 4
 5
               I just want to say --
 6
           COMMISSIONER SIMON: Speak into the mike a little
     bit.
 8
          MR. LAWS: I just want to say I do support this
 9
     project. I think it's doing a lot for the community.
10
              And we sat in a meeting with SNGS, and they
1.1
     told us about the safety specifications that they were
12
     required; they went above and beyond every safety
13
     specification, and that really gave me peace of mind.
14
               We have gas lines all up and down around this
15
     whole neighborhood anyway. And the gas -- there's still
     gas there now.
17
              And I know that, um -- and pollutants in
     the -- the EIR summary here, its fluid constants --
18
19
     concentrations are less than significant.
20
              I understand that to mean that the project
21
     will not produce -- create any substance that pollutes
22
     the area.
              And regardless of what the decision that the
    CPUC comes up with, I hope that everyone will respect
24
25
    that decision. I know I will regardless of what the
```

- E1-24

26 decision is. We're entrusting it to you.

27 And I'm -- I'm glad that you guys are taking

28 the time to do this for us, and -- and this is everyone.

E1-24 (Cont.)

```
1
              And I hope that you do make the right
 2
     decision. I know you will.
              And again I hope everybody will respect that
 3
     decision whatever it is.
 5
           COMMISSIONER SIMON: Thank you very much.
           ALJ SMITH: Thank you.
               (Applause)
           COMMISSIONER SIMON: Thank you.
          MR. LAWS: Thank you.
 3
10
          ALJ SMITH: I'll call next Luis Wu.
11
               And please line up to speak next, Jerome
     Kahle, Aaron Trac, Patrick Kennedy.
12
13
               Mr. Wu, Please state and spell your name and
     address for the record.
3.4
15
                      STATEMENT OF MR. WU
16
          MR. WU: Good evening, everyone.
17
               My name is Luis Wu, L-u-i-s, last name W-u.
1.8
              I live in 7890 Tierra Glen Way.
                                                                     - E1-25
19
              I am a property owner, and I live over the
     hill above the Sacramento Natural Gas Storage Project.
21
              This is a low-/middle-income community.
22
               Furnace is important to me.
23
               The EIR says that the project will generate
24
    less than significant and betterment, just this impact
25
    to our neighborhood and community.
```

26	I am pleased to note this company has been
27	involving all our residents and property owners in
28	process, in communication, in development of this

E1-25 (Cont.)

```
project in such a respectful manner.
               I hope these hire locally.
               I support this project.
               What I like best about Sacramento Natural Gas
     Storage Project is I will improve -- it -- it will
     improve the neighborhood by bringing business and
     better -- to -- and better the community.
               Thank you.
               (Applause)
          ALJ SMITH: Thank you.
10
11
               Jerome Kahle?
12
                      STATEMENT OF MR. KAHLE
          MR. KAHLE: Thank you.
14
               My name is Jerome Kahle, J-e-r-o-m-e
     K-a-h-l-e.
15
               I understand and I recognize that we need a
16
17
     place to store natural gas, and I also understand that
                                                                      - E1-26
     not just anyplace will do, so unfortunately or fortu-
     nately, as the case may be, we live on top of that field
19
     where natural gas can be stored.
               I also understand that this project will bring
21
22
     additional security to our neighborhood as well as jobs
23
     and other issues, so I believe that once all the
    questions have been answered that this will be a very
24
    good project to support.
25
```

26		Thank	you.	
27		(Appla	iuse)	
28	ALJ	SMITH:	Thank	you.

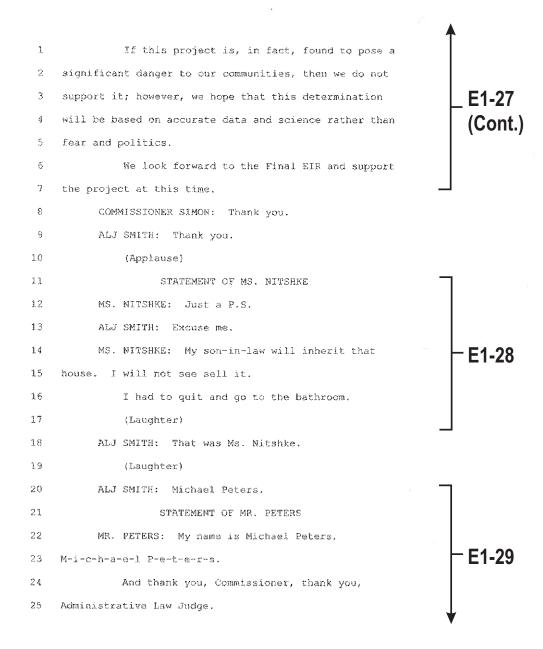
```
ALJ SMITH: Thank you.
               Aaron Trac?
              Is Aaron Trac here?
          A VOICE: No. He's gone.
          ALJ SMITH: Okay. I'm moving on to Patrick
     Kennedy.
              And let me call Michael Peters, Russell T.
     Williams, and Brian Settnert to get ready to speak after
10
     Mr. Kennedy.
                     STATEMENT OF MR. KENNEDY
11
12
          MR. KENNEDY: Commissioner Simon, Judge Smith, my
     name is Patrick Kennedy. P-a-t-r-i-c-k K-e-n-n-e-d-y.
13
14
              I'm here tonight representing the National
15
     Electrical Contractors Association as well as the
     International Brotherhood of Electrical Workers and
16
     Plumbers and Pipefitters in support of this project due
17
     to the creation of local jobs and economic-development
1.8
19
     opportunities during this time of economic depression
20
     which is gripping all of our communities and the
     long-term impacts it will have on energy reliability for
21
22
     this region.
23
              We qualify this support, however, at this time
     with one caveat: it is my understanding in reading the
24
25
     DEIR, that the meeting -- that -- and meeting with the
```

COMMISSIONER SIMON: Thank you.

- E1**-2**7

- 26 project Applicants and opponents that there are
- 27 significant discrepancies in the data evaluated and the
- 28 methodology of the analysis.

E1-27 (Cont.)



26	r	o reitera	ate, I'm	in suppor	rt of the	e project.
27	I	am Pres	ident of	the Neigh	boodrod	Partnership
28	Foundation.	We're	all in su	apport of	this, an	nd hope

E1-29 (Cont.)

```
hopefully that this will develop jobs for our community.
 2
               And hopefully you will rule in our favor.
 3
               And thank you so much for coming.
           COMMISSIONER SIMON: Thank you.
 Ą
 ŝ
           ALJ SMITH: Thank you.
 6
               (Applause)
           ALJ SMITH: I'll next call Brian Settnert.
 8
               And I'll also ask Virgil Hooper, Elizabeth
     Laws, and Norma Clark to come up and get ready to speak.
10
               Mr. Settnert?
                     STATEMENT OF MR. SEHNERT
11
12
           MR. SEHNERT: It's Brian Schnert, B-r-i-a-n
13
     S-e-h-n-e-r-t.
14
               I live at 2611 V Street, Sacramento, midtown.
15
               I am an architect and a green building
     consultant.
17
               The firm I work with, Green Building Services,
                                                                      - E1-30
     is excited to be working with SNGS to design facilities
    that are being proposed to reduce and conserve
19
20
    resources.
21
               For instance, besides improving the energy
22
    performance of the buildings, we've got strategies
    including collection of rainwater for landscaping,
    reduction of water usage throughout the project; we're
24
25
    researching the collection and treatment of storm water
```

- 26 prior to releasing from the site to the community water
- 27 treatment plant; and the Applicant is considering the
- 28 inclusion of renewable energy to utilize solar energy to

E1-30 (Cont.)

```
offset energy uses on the site.
 2
               So a thorough initial analysis of the project
 3
    has been completed (indicating) within -- with the
     building designers and constructors.
 5
              This project will be certified, as mentioned
     earlier, with the U.S. Green Building Council, and we're
 б
     going to be involved in confirming compliance with
 7
8
     what's called the LEED Rating System, Leadership in
 9
     Energy and Environmental Design.
10
              Industrial buildings generally do not consider
11
     these environmental issues during construction, but this
12
    project gives us an opportunity to affect this industry.
13
               I previously served with SMUD for 16 years as
    a Senior Architect, and I was very involved in the
14
15
    integration of electric vehicles and renewable energy
16
     into building projects in our community, so I'm very
17
    concerned about this issue.
18
              On a personal note, I want to emphasize the
    importance of moving forward with alternative reliable
19
20
    energy sources. They can be a continued prosperity for
21
    our community, and particularly as we transfer into the
22
    future and our need for renewable and alternative energy
23
    sources.
24
              So I appreciate the Commission taking into
    account the -- this discussion today and -- and the
25
```

E1-30 (Cont.) 26 intent of the -- I hope you will take into consideration

27 the intent of the development that I just discussed.

28 Thank you.

E1-30 (Cont.)

```
COMMISSIONER SIMON: Thank you.
          ALJ SMITH: Thank you.
               (Applause)
          ALJ SMITH: Virgil Hooper?
                    STATEMENT OF MR. HOOPER
6
          MR. HOOPER: My name is Virgil Hooper. That's
7
     V-i-r-g-i-l H-o-o-p-e-r.
              And I live at 7642 53rd Avenue, right above
     the proposed site for the natural gas storage.
9
              I think the fact that I'm right above that
10
    site, my word should count for something; and my word is
11
12
    that -- well, actually, it's not -- it's -- it's a word,
    but it's my answer. My answer is no.
14
              I don't want that natural gas there.
15
              I do want everyone in this room to know a
    little bit of something about me.
16
17
              I'm 33 years old, getting ready to be 34, and
     I took a huge step at 21 to actually invest in my future
18
19
    by buying a home.
20
              If at that time that I bought that home this
21
    natural gas would have been stored there, I wouldn't
    have put the money down for it; I would have looked
22
23
    somewhere else.
24
              Okay. I'm there now.
              The tank underneath our homes is empty, has
```

26 been empty since the '80s, since Reagan was President.

27 A lot of things in the land has shifted, has

28 moved around.



```
1
               I heard earlier that there is no guarantee
     that the caprock would not seep gas.
 3
               If there is no guarantee, I don't want it
     there.
               I don't want it there.
               I had the opportunity to sit on a trial for
     three months as a juror, and during that trial -- it was
     against an aerospace company -- I had an opportunity to
     learn a lot about groundwater movement.
10
               I asked a question earlier of the gentlemen
11
     who was part of the research: Can you contain the
12
     groundwater that's contaminated?
              He said a lot of things but all I heard was
     "No." It didn't add up to "Yes."
14
15
              He said that it will take a period of time to
16
     clean that up.
17
               How long is that period of time?
               And in the meantime where will that water come
18
19
     out?
20
               Will it be my faucet?
21
               Will it be the elementary school down the
22
     street from my house?
              And who will be harmed?
24
              I don't think it's worth it, and the answer's
25
   no.
```

E1-31 (Cont.)

26	(Applause)
27	ALJ SMITH: Thank you.
28	COMMISSIONER SIMON: Thank you.

```
ALJ SMITH: Elizabeth Laws.
                      STATEMENT OF MS. LAWS
           MS. LAWS: Hello.
 3
               My name is Elizabeth Laws, E-1-i-z-a-b-e-t-h,
     last name is L-a-w-s, and I live on Verna Mae Avenue.
 6
               I also work for Tokay Park Water Company.
 7
               And there was just a couple of things that --
     I understand everyone's concerns because they were also
 8
 9
     my concerns.
10
              And one of the things that we did is instead
     of going to the people of SNGS and asking to speak to
11
12
     their professionals, because there was people here
13
     speaking earlier that you can't get a hold of their
     professionals, they paid them and all this stuff, and
14
15
     they probably paid those who support this project, and I
16
     take offense to that because I live in this community, I
17
     work in this community, and I work for Tokay Park Water
18
     Company whose water is a natural resource. Okay.
19
              So just to let you guys know, we did our
     homework. We went to SNGS and asked them: We want to
20
21
     have a meeting with you guys, and we did.
22
              And they brought in their professionals and we
     said: No. We don't want that.
23
              We want to speak to someone who works for the
24
25
    State of California that oversees this project and
```

oversees that if something happened, they are going to

27 hold who you guys accountable.

The name of the organization that we contacted

E1-32 (Cont.)

26 project.

27 Thank you.

28 (Applause)

E1-32 (Cont.)

```
is DOGGR. It is called the Department of Oil, Gas, and
     Geothermal Resources.
               They are not paid by SNGS; they are paid by
     taxpayers who work for the State of California. All of
     you guys. Okay?
               So we went to them and asked them: What's
     going on here?
 8
               What are the precautions that they have to
 9
     take?
10
              What do they have to do to ensure that this
11
     project is safe?
12
              And they showed us pictures and they drew
     stuff, and we asked a lot of questions. Some we under-
     stood and some we had to make sure that we reiterated it
14
15
     until we got it in our brains because we're laymen.
16
               In short, we were satisfied with what DOGGR
17
     had to present to us.
18
              Again, I think that it's great that both
     sides -- and that's the awesome country that we live in,
19
     that regardless of what side you are going to be on, you
20
     vote on, and that's what happens.
21
22
              So I'm hoping that the Commission of course is
23
     going to take into account everybody's comments and
    stuff that they have to say, but I appreciate it, and I
24
    just want to let you know that I am in support of this
```

E1-32 (Cont.)

```
COMMISSIONER SIMON: Thank you.
          ALJ SMITH: Thank you.
              The next speaker is Norma Clark.
              And I will ask Emil Nitshke, Joy Raj
     Narayan -- I think either the same person we had earlier
     or his spouse, perhaps.
          COMMISSIONER SIMON: Her spouse.
          ALJ SMITH: Or someone related.
          COMMISSIONER SIMON: Yes.
10
          ALJ SMITH: And Sandra -- I am sorry -- Hom- --
11
     Hammonoeh? please get prepared to speak.
12
              And right now we'll hear from Norma Clark.
13
                     STATEMENT OF MS. CLARK
14
          MS. CLARK: Yes.
15
              Norma Clark, N-o-r-m-a C-l-a-r-k.
              I live at 7920 Lorin Avenue.
17
              Gee. The crowd certainly has diminished.
18
               (Laughter)
          MS. CLARK: Who is here in support of this natural
19
20
     gas storage?
21
               (Indicating)
           MS. CLARK: Not too many.
22
23
               (Clapping)
24
          MS. CLARK: Aah. Good.
25
              Is Kevin McCarty here -- still here?
```

26		T	here he	e is.			
27		1	wrote	him a	letter back	in August of	2008
28	saying	that	I had	lived	in my house	for 47 years	and

1	have experienced no ill effects from living above the
2	natural gas fields.
3	To my knowledge none of my neighbors experi-
Ą	enced any ill effects from living above the natural gas
5	field.
6	The Sacramento region needs the storage
7	facility for natural gas so the region has backup
8	supply.
9	I really like the idea that Sacramento
1.0	National Gas Storage is giving back to the neighborhood
L1	with a foundation that will have board members from the
12	neighborhood.
L3	Please approve this project.
L4	With respect to the foundation that I
15	mentioned in my letter, we are to be known as Our
16	Neighborhood Partnership. And we have elected a board
7	of directors consisting of nine property owners.
8	Officers of the board have also been elected.
.9	We have opened a bank account for the
0	foundation and will be ready for action as soon as the
21	project is approved.
2	Please approve the project.
3	Safety of natural gas lines has improved
4	considerably since 1970, and the SNGS pipelines will be
15	made of extremely heavy gauge steel, the thickest and

E1-33 (Cont.)

- 26 strongest type recognized by the federal government.
- 27 And all joints will be welded, making it stronger than
- 28 the thousands of miles of major natural gas pipelines

E1-33 (Cont.)

```
2
               The SNGS pipelines will be 6 feet underground,
     since -- which is deeper than typical residential
 3
     distribution lines of 1 to 2 feet below the ground.
 4
               The SNGS storage area is 3800 feet below
     ground, unlike PG&E's surface-level distribution system
 6
     to private residents and businesses.
7
8
              I support the SNGS project.
ģ
               The subject of drinking water: safe drinking
10
    water is essential, and as a past board member of the
    Tokay Park Water Company -- I was with them eight
11
12
     years -- the impact to groundwater is very important to
13
    me and our water company.
              The EIR says there is less-than-significant
14
15
    concern of potential construction impacts to ground-
    water.
16
17
              I am satisfied with this finding and support
18
    the project.
19
              The wellhead and compressor site offer less-
20
    than-significant impacts to surface water and water
21
    quality.
              Please approve this project.
22
23
              With respect to foundation damage, and that is
24
    foundation of home --
25
              Stop? Well --
```

that crisscross our country today.

1

E1-33 (Cont.)

26 COMMISSIONER SIMON: You can finish your

27 statement.

28 MS. CLARK: I'm almost through.

E1-33 (Cont.)

```
COMMISSIONER SIMON: Finish your statement.
           MS. CLARK: Foundation damage to your homes: I
     take pride in my 50-year-old home.
               I am glad to know there is a less-than-
     significant risk of the foundation being damaged.
               I hope the project can be approved.
                                                                       E1-33
 7
               And I support the Sacramento National Gas
                                                                       (Cont.)
 8
     Company for this project.
               Please don't let this project any- -- put this
     project anywhere else.
10
11
               We need it here, we need the jobs, we need the
     community foundation, and we need the economic benefits
12
     and taxes for the City and County.
14
               Please approve this project.
15
              And thank you for your time.
          ALJ SMITH: Thank you.
16
17
          COMMISSIONER SIMON: Thank you.
               (Applause)
          ALJ SMITH: Is Emil Nitshke here?
19
               Okay. We'll go on to the next speaker.
               Jay Raj Nara- -- Narayan?
21
22
          MR. NARAYAN: Narayan.
                                                                       E1-34
23
          ALJ SMITH: Narayan.
          COMMISSIONER SIMON: Was that your dad here?
24
25
          MR. NARAYAN: That was my father.
```

26	COMMISSIONER SIMON: Your father.	↑ E1 24
27	STATEMENT OF MR. JAY NARAYAN	E1-34 (Cont.)
28	MR. NARAYAN: Good evening, gentlemen.	(Cont.)

```
ALJ SMITH: Please state and spell your name.
          MR. NARAYAN: My name is Jay Raj Narayan, spelled
     J-a-y, middle name is Raj, R-a-j, last name is Narayan,
     N-a-r-a-y-a-n.
 5
               Okay. I firmly oppose this project. One
     being that there's too many variances, too many dangers
     that are out there lurking. There's people's lives --
     there's lives that are at stake, and it's underneath
     people's homes.
10
               I understand that there are a lot of stake-
11
     holders in the SNGS, but to put one community over an-
12
     other person's well-being is not fair.
13
               It's not fair to put one group of lives in
14
     danger and have another benefit over that.
15
              And another thing is the peace of mind. You
     know, if it is approved, you'll have a lot of people
16
17
     worried about it.
18
              You had backyards sinking from people I had
19
     spoke about.
20
               I was born and raised in this neighborhood.
21
               I also helped establish the Southeast Village
22
     Neighborhood Association which is adjacent to these two
23
     neighborhoods, and even though the boundary line is
24
     separated between these projects, there's no safety or
25
     guarantee that -- it can travel over to any -- any part
```

E1-34 (Cont.)

26 of the City. If there's an earthquake or some kind of

27 fault structure to take place that moves the plates, who

28 says that this gas can't leak up, the -- the permeable

E1-34 (Cont.)

```
rock cannot disintegrate or fall apart?
  1
  2
                I've had the opportunity to have my education
  3
      in the New York and different parts of the nation, but I
      sacrificed my education to help out with my family
      business and be a part of my community which I felt was
      in great need of repair.
                And I feel that, you know, even though we live
      in an impoverished part of the city, it's not fair that
  8
      certain people are treated a certain way. And it's not
  9
 10
      fair that a certain group of people are put at a level
      of income and given a certain amount of money that is
 11
 12
      really not much these days.
 13
                So, I -- once again, I oppose this project.
 14
                And please, to the SNGS, it might not be as
 15
      profitable for you guys to go somewhere else, but it
 16
      will be a lot more safe for you guys to do it where it's
 17
      not going to impact such a large community.
 18
                Thank you.
 19
                (Applause)
 20
            COMMISSIONER SIMON: Thank you very much.
            ALJ SMITH: Is Sandra Hammanoeh here?
 22
                (No response)
 23
            ALJ SMITH: How about Gregg Benkes, B-e-n-k-e-s,
 24
      Department of Parks rep?
25
                Is that you?
```

E1-34 (Cont.)

26 MR. RENKES: Yeah.
27 STATEMENT OF MR. RENKES
28 MR. RENKES: Hello, Commissioner, Judge. I'm

```
Gregg Renkes, and I'm with U.S. National Leasing,
     the operating company for Depot Park.
               And welcome to Depot Park, the former
     Sacramento Army Depot. Welcome to everybody who is
     still here.
 €
               I don't know if I'm last, but I thought
 7
     I signed up to be almost dead last.
 8
           COMMISSIONER SIMON: You're close.
 9
           MR. RENKES: But I did that so I could listen to
10
     what people had to say.
11
               We're a part of this community. Depot Park
     really is a business anchor to this community. It's the
13
     original redevelopment area and we have been part of
14
     that plan.
15
               Depot Park looks forward to some of the SNGS
16
     facilities being located here. The SNGS industrial
17
     development is compatible with the ongoing and, to date,
18
     successful redevelopment of the former Army facility.
19
               You know, today we have about 120 businesses
20
     here and about 2500 people working, coming and going
21
     every day. We've almost achieved actually a replacement
22
     of the employment that was here when the Army ran the
     facility. But that success has resulted from a very
23
     close and productive public-private partnership with the
24
25
    City of Sacramento, and that partnership will continue.
```

E1-35 (Cont.)

26 And we believe that ultimately this project will be part

27 of that partnership.

28

Beyond the economic benefits this project will

E1-35 (Cont.)

```
bring to Depot Park and the Power Inn area, we
     appreciate the fact that the gas storage project will
     have important energy security and pricing benefits to
     the Northern California region, which I think all of us
     in the SMUD territory can benefit from.
               We've reviewed the environmental and risk
     assessment documents that have been prepared for this
     project, and as a result feel confident that the
8
9
     pipeline and compressor stations to be located within
     the Depot Park do not present an unreasonable risk of
10
11
     harm to other Depot Park tenants.
12
               In short, we look forward to the completion of
13
     the SNGS gas storage project and providing a home for
14
     some of the project's facilities well into the future.
15
               Thank you.
          COMMISSIONER SIMON: Thank you.
16
          ALJ SMITH: Thank you.
13
               (Applause)
19
          COMMISSIONER SIMON: Thank you for hosting us this
20
     evening.
          MR. KELLY: Oh. If I could add one more thing.
21
22
               Earlier there was a mention about having
23
    a flyer to get into the park. And that may have been
24
    a result of instructions that came from us, because this
25
    is a completely fenced in and 24-hour security facility
```

E1-35 (Cont.)

- 26 and so we do require day passes or parking passes to
- 27 enter the facility. So accommodating a public meeting
- 28 isn't something we do often. We wanted to do it here

E1-36 (Cont.)

```
1
     and so it may have been our requirement to have people
 2
     identify themselves to get into the park.
 3
               Thanks.
 4
           COMMISSIONER SIMON: Let me just put on the record
 5
     that that is a concern. Because as a public meeting,
     and we are a public agency, and under our Open Meeting
 7
     Act requirements, meetings are open to the entire
     public. So my staff will be looking into this. And
8
     it's clear that it wasn't intentional or volitional.
 9
10
           MR. KELLY: Yeah, we didn't plan the meeting.
           COMMISSIONER SIMON: But it does have an impact on
11
     the notion of an open meeting, so we will be looking
12
13
     into it. I'll have our legal department look into it.
           MR. KELLY: I believe the security people were
14
15
     instructed that really anybody who came here and
16
     identified themselves that they were attending
17
     the meeting was directed to come here.
           COMMISSIONER SIMON: I understand.
18
19
          MR. KELLY: In fact, I was in our administrative
20
    office at about a quarter to six and we had some people
21
     come to that public entrance, which is on the other side
22
    of the fence, and we actually gave them -- a couple more
23
     speakers earlier -- gave them directions to come around
24
    here.
25
          COMMISSIONER SIMON: Okay.
```

E1-36 (Cont.)

0.6	AT T	SMITH:	Thank	170313
26	E Lie	SMTIM:	1 Hallin	you.

- I have called all the speakers, I believe, on
- 28 my list. Is there anyone else --

```
MR. WILLIAMS: Yes.
 1
          ALJ SMITH: -- that wishes to speak?
               I have one here.
               Anyone else who wishes to speak come up and
     line up for your turn.
 6
               Please state your name spell your name.
                    STATEMENT OF MR. WILLIAMS
 8
          MR. WILLIAMS: Russell T. Williams.
     R-u-s-s-e-1-1, T for Tom, Williams W-i-1-1-i-a-m-s.
     I live at 7680 Tierra Arbor Way, which is right close to
10
     the park in question here.
11
12
               I just wanted to say that with SNGS, we just
     had a neighborhood foundation association, and I happen
13
     to be the secretary. This book that I have in front of
15
     me (indicating) plans all our meetings, and everything
16
     in here that we have up to this date supports our cause.
     And I also want to mention that some of the things that
17
     we've discussed are better lighting in the park, setting
18
     up security cameras within the park so that we can
20
     monitor the, you know, the evening or daytime which will
     cut back the crime, and would also create more jobs in
21
     the area that I believe would be beneficial for
22
23
     the community. And I support the SNGS, what we're here
24
     for.
25
              And I appreciate your time on this Judge,
```

26 Mr. Commissioner. Thank you.

27 COMMISSIONER SIMON: I appreciate your coming as

28 well. Thank you.

E1-37 (Cont.)

```
(Applause)
 1
          ALJ SMITH: Please state and spell your name and
     address for the record.
                     STATEMENT OF MS. HEARD
 5
          MS. HEARD: My name is Evergene Heard. That's
    E-v-e-r-g-e-n-e. Heard, H-e-a-r-d.
          ALJ SMITH: Excuse me. Let me interrupt for just
 8
     a moment.
             I did instruct that witnesses who submitted
10
     testimony in the proceeding were not to speak tonight.
11
          MS. HEARD: I submitted one?
12
         ALJ SMITH: I do have testimony from Evergene
13
    Heard.
         MS. HEARD: Oh, that must have came through the
14
15
    lawyer.
16
         ALJ SMITH: Yes. Is there an AGENA representative
17
    here?
18
          MR. BAILEY: I'm from AGENA.
          COMMISSIONER SIMON: Is the AGENA attorney here?
19
20
          ALJ SMITH: Mr. Bailey.
          COMMISSIONER SIMON: Couldn't resist.
22
          ALJ SMITH: Off the record.
23
              (Off the record)
24
          COMMISSIONER SIMON: We'll go back on the record.
25
          ALJ SMITH: Next speaker. Please state and spell
```

26	your name for the record.	1
27	STATEMENT OF MR. KUSTIC	E1-39
28	MR. KUSTIC: My name is Tim Kustic, K-u-s-t-i-c,	↓ -: ••

```
and I'm here representing the Division of Oil Gas and
 1
     Geothermal Resources. I want to thank you, Judge,
 3
     Commissioner for coming to Sacramento.
               I really didn't come here to speak much today.
 4
     I just wanted to make an offer to the public, although f
     know a lot of folks have left. But the Division of Oil
     Gas and Geothermal Resources will be one of the agencies
 8
     regulating this natural gas project if it goes forward.
               We regulate five others. I'm the district
     deputy for the Sacramento district and we have five
10
     other natural gas projects within our district.
11
12
               I just want to make the offer to the public,
13
     if you want to know more information about natural gas
     storage, I'm a public servant, I work for the taxpayers,
15
     give us a call and ask us.
               I've made this offer before at other public
16
17
     meetings.
18
              And what was alluded to earlier by Mrs. Laws,
19
     I did come out and talk to the water district and gave
20
     them some good information.
21
               Of course I'm not taking any position on what
22
     you folks should do with this project, but I just want
     to make the offer to disseminate information to the
23
     public if they are interested.
25
               So, we are in the phone book, and I have my
```

E1-39 (Cont.) 26 card and I can leave it here, but contact us if you have

27 questions about natural gas storage and our regulatory

28 role.

E1-39 (Cont.)

E1-39 (Cont.)

Τ.	inank you.
2	ALJ SMITH: Thank you.
3	COMMISSIONER SIMON: Thank you. Thank you very
4	much.
5	(Applause)
6	ALJ SMITH: Is there anyone else who wishes to
7	speak tonight?
8	(No response)
9	ALJ SMITH: I don't see any indication.
10	Well, I want to thank all you for attending
11	this hearing today. And I wanted especially thank those
12	of you who made comments. This is clearly an issue
13	that's important to this community and the Commission
14	will find your commentary valuable.
15	Well, hearing that there are no further
16	speakers, this hearing is adjourned.
17	(Whereupon, at the hour of 9:15 p.m., this Public Participation Hearing was concluded.)
1.8	<u> </u>
19.	
20	* * * *
21	
22	
23	
24	
25	

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26

27

28

PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

SACRAMENTO, CALIFORNIA, OCTOBER 27, 2009 - 6:00 PM 1 2 3 ADMINISTRATIVE LAW JUDGE SMITH: We'll be on the record. 4 5 Good evening. This is the time and place for 6 a pubic participation hearing in Application 07-04-013, Sacramento Natural Gas Storage's request for 7 a Certificate of Public Convenience and Necessity to 8 construct and operate a natural gas storage facility. I'm Richard Smith, the administrative law 10 11 judge in this matter. 12 Commissioner Timothy Alan Simon, the assigned commissioner for this proceeding, is not able to be here 13 tonight; however, Paul Phillips, Commissioner Simon's 14 15 very able technical advisor is present. Also here tonight are members of 16 17 the Commission's Public Advisor's Office to facilitate 18 this hearing and to answer questions you may have on how 19 to participate in Commission proceedings. 20 We also have translators for Mandarin, 21 Spanish, Cantonese, Vietnamese, Hmong, and we have sign 22 language interpreters. 23 We also have present tonight California Highway Patrol at the Commission's request. 24 25 Today's public participation hearing, or PPH,

is held to provide members of the public an opportunity

project. If you would like to make a statement, please

to tell the Commission their views about the proposed

26

2728

sign up with the assistant public advisors, and we will hear from you in a few minutes.

1 2

Before we hear from those who wish to speak, I'll take a moment to provide some background on this proceeding.

Sacramento Natural Gas Storage or SNGS filed this application in April 2007 for authority to construct an underground natural gas storage facility in southeastern Sacramento. The proposed project will use the Florin Gas Field, a depleted underground natural gas field, to store natural gas primarily to be used by the Sacramento Municipal Utilities District or SMUD.

SNGS also proposes to construct and operate facilities to inject, withdraw, and transport natural gas to and from the storage reservoir, including a wellhead site, a control center and compressor station site, and buried pipelines connecting the wellhead and compressor sites, and connecting the compressor site to SMUD Line 700, an existing natural gas pipeline that runs along Fruitridge Road.

Two different sets of regulations govern the Commission's responsibility for reviewing this application; as a result, the Commission is conducting two concurrent and parallel processes to fulfill its separate responsibilities while considering the SNGS application.

First, the Public Utilities Code requires that before SNGS can construct this project, the Commission

must grant a Certificate of Public Convenience and Necessity, or CPCN, on the grounds that the present or future public convenience and necessity require or will require construction of the proposed project. This review considers nonenvironmental issues such as project need and compatibility with community values and is administered by the ALJ, and in this case included evidentiary hearings.

1 2

In October 2008, we held two days of evidentiary hearings on nonenvironmental issues related to the project. The Avondale Glen Elder Neighborhood Association or AGENA, the City of Sacramento, Pacific Gas and Electric Company, and the Commission's Division of Ratepayer Advocates and SNGS participated in those hearings.

We also held a PPH on April 28, 2009 at the Depot Park Conference Center to provide members of the public an opportunity to comment on the proposed project. However, an announcement that was distributed in advance of that PPH may have caused confusion about access to the hearing, and some members of the public attending the PPH may have not had an opportunity to speak. Therefore, this second PPH is held to ensure that all members of the public have an opportunity to comment on the proposed project.

A review of the proposed project's impacts on the environment is conducted pursuant to the California Environmental Quality Act, or CEQA, and the Public

Resources Code. As lead agency for the proposed project, the Commission is required to assess the environmental effects of the proposed project and to use this assessment in considering the request for a CPCN.

1 2

The Commission's Energy Division conducts the environmental review and in this case has prepared an Environmental Impact Report or EIR for the proposed project.

The Draft EIR was released on April 8, 2009 for public comment and the Final EIR is pending and will likely be issued within the next few weeks.

The nonenvironmental and the environmental review processes converge at the conclusion of the environmental review when the Commission Energy Division submits the EIR into the record for certification by the Commission.

As the presiding officer, I will write a proposed decision based on the evidentiary record in this proceeding. The assigned commissioner may or may not agree with my proposed decision and, if not, may prepare his own decision called an alternate decision. In some cases, other commissioners may also offer alternate decisions for Commission consideration. Only a decision that is supported by a majority of the commissioners voting at a scheduled Commission meeting becomes the decision of the Commission.

In a few minutes, I will begin taking comments

from the audience. If you wish to speak this evening, please print your name on the sign-in sheets near the entrance.

1 2

In a few minutes, I will begin calling speakers to come forward in the order that they signed up. When your name is called, please come forward to the microphone, state and spell your name, and make your statement. If another speaker says the same thing that you want to say, you do not need to repeat the statement. Instead, please identify yourself and indicate that you agree with what the other speaker said.

If you have prepared a written statement, please provide a copy of the statement to the reporter and to me. You do not need to read it.

Parties to the proceeding, including witnesses that may also be residents of the area, have already formally submitted testimony and other evidence into the record. And this PPH is not an opportunity for the parties to restate their testimony or to introduce new testimony; however, I will allow anyone that wishes to speak to do so, including members of the public here tonight who have testified in the formal hearings.

Before taking comments from the audience,
I will allow SNGS and AGENA to make short presentations
to give the audience some background on the proposed
project.

The City of Sacramento has asked that I inform

you that the city will also review the project for special permit and franchise agreement. The primary contact for the city staff is Tom Buford, senior planner in the Community Development Department. Mr. Buford is here tonight. And his telephone number is area code (916) 808-7931.

This public participation hearing is being transcribed by a court reporter, so please speak slowly and clearly. Also, only one person should speak at a time.

 $\label{eq:sum_sum_sum_sum_sum} I \ \mbox{will now grant SNGS five minutes to make its} \\ \mbox{presentation.}$

STATEMENT OF MR. BURRIS

MR. BURRIS: Good evening, Judge Smith.

Is this on?

1 2

Good evening, Judge Smith. My name is Thomas Burris and I'm the community development specialist consulting with the Sacramento Natural Gas Storage project team and I was a witness for the applicant during the evidentiary proceedings and did attend those hearings.

Tonight, I'm here to present opening comments on behalf the applicant.

I would like to begin by first thanking the members of the public who are in attendance who have taken time away from busy schedules to be here this evening so that they -- you may hear a chorus of their voices.

1 2

Thank you all.

As former chair of the Avondale Action

Committee and a former member of the Avondale Glen Elder

Weed and Seed Project founding president of the South

Sacramento Greenhaven Chamber of Commerce, founding

board member of the Florin Road Partnership, and most

importantly my seven-plus years of experience working in

the Avondale Glen Elder neighborhood, I made

the decision to work closely with this project.

Since 2007, the dynamics of my role have changed. These changes were driven in large part by the principles of this project and their willingness, flexibility, and desire to make a good project even better, to encourage residents' participation in the process, and out of my own desire to ensure that the final project is one that is reflective of their values. To this end, SNGS recognizes the importance of this proceeding of the Commission's assessment of the consistency of the proposed project with community values.

SNGS is committed to bring into this community a very safe project and to being a good neighbor and partner. We anticipate that you will see that commitment reflected in broad community support for the proposed project at this hearing tonight.

At this time, I would like to ask all of those who live within the project field to please stand.

(Audience members stand.)

E2-1 (Cont.)

1 MR. BURRIS: Thank you. 2 As you can see, there is a great deal of 3 support for this project. And that of course is --4 (Audience murmurs) 5 UNIDENTIFIED SPEAKER: We do not support 6 the project. UNIDENTIFIED SPEAKER: 7 No support. 8 MR. BUFORD: As you can see, there is a great deal 9 of support for this project. And that support is 10 further indicated by the fact that of 717 private privately owned residential properties above 11 12 the proposed storage reservoir, 529 have signed storage lease agreements and 74 percent rate of support for the 13 14 area residents who are the preeminent stakeholders in 15 this project. 16 Thank you. And that concludes my remarks. 17 ALJ SMITH: Thank you. 18 (Applause) 19 ALJ SMITH: I will now grant AGENA five minutes to 20 make its presentation. 21 STATEMENT OF MS. SLIDER 22 MS. SLIDER: Good evening. And thank you, 23 ALJ Smith, for having us here once again tonight. 24 I'm going to correct a misnomer before

I begin. And that is if you are here opposing

2526

2728

E2-1 (Cont.)

E2-2

the Sacramento Natural Gas Storage project, which would

put a billion cubic feet of natural gas underneath your

homes and the homes of our friends and family in this

community, please stand.

1 2

(Audience members stand.)

MS. SLIDER: Thank you.

Today, I come to talk to you about community values on behalf of the Avondale Glen Elder Neighborhood Association and Sacramentans opposed to the Sacramento Natural Gas Storage Project. But first, I would like to clarify and rectify a portion of the testimony placed on the record by SNGS in which they referred to those opposing this project as the Slider Faction.

A faction is often thought to be a group within a group banded together to achieve a goal or advance an agenda. And while I have become accustomed to the personal attacks and accusations leveled against me personally by SNGS and their representative, I think it is time to set the record straight about exactly who it is that opposes this project. It is a community of people that oppose this project.

While it could be flattering to me to think that I have the capability to stir up on my own one of my factions, it is indeed an insult to a community whose activism and commitment predates my entire existence by about 25 years or so. This community has fought, rallied, and lobbied long before Tom Burris was president of AGENA; for over five decades, to secure sidewalks, crosswalks, streetlights, access to transportation and park services.

The rich history of this community is woven

E2-2 (Cont.) with many tales of triumph and struggle and pride in ownership. So today I address you, Judge Smith, to inform you of what this community stands for: Our collective values, for we will not be reduced to a faction.

We stand together and united to give our children schools that provide quality education, to secure our homes and our property value, and leave a legacy for our next generation; to be a gateway for immigrants, that they might come and find safe refuge here, clean fresh air and drinking water.

We value knowing who and what is around the corner and not having to live in fear for the safety of our children, parents, grandparents or friends. We value doing our fair share but not bearing the burden of unnecessary health and safety risks if there are other viable alternatives.

In the past year or so, SNGS has attempted to sponsor a new neighborhood association I hear that is positioned to receive funds from the development of the facilities and they have reportedly took a position before the draft environmental impact report was brought to the public to support this project. In doing so, it is clear that the values of SNGS cannot be less aligned with the values of this community. Because you see, regardless of what may be offered and how many neighborhood associations exist, we are one community. And we all are united in our desire to live in

E2-2 (Cont.) a neighborhood that is safe from harm, from explosions or the leakage of toxic fumes or toxic drinking water.

No matter how many times this corporation stands before you, Judge Smith, before the community or before any other elected body and continues to espouse the safety of this project or minimize the risk to life and property, the experts, your experts have documented that it is not safe for our community and that it can and should not be placed here but should be placed in a rural area.

Today I urge you, Judge Smith, to listen to the voices of a community. It's not easy to stand up sometimes and express dissent. It is not easy to go against big business. And it's not easy to resist the lure of financial bribery particularly in these challenging economic times. But tonight, you will hear their dissent as you have never heard before.

Please do not approve this project. Give voice to this community and affirm our right to choose what belongs within it for good reason. Applaud our efforts to maintain our values and secure our community for our future generations.

Thank you.

(Applause)

ALJ SMITH: The Commission also considers the views of elected representatives of the area because we believe they are speaking on behalf of their constituents. Joining us here today is Larry Carr with

E2-2 (Cont.)

SMUD. And I will hear from Mr. Carr before calling those who signed up to speak.

Mr. Carr.

STATEMENT OF MR. CARR

MR. CARR: Judge Smith, representatives of the community: Tom who spoke first and Constance who just spoke, I call them both my friends and I hope at the end of this action they will still be my friends.

I've been on the SMUD board since 1999 representing Ward 6. This proposal was brought to the SMUD board and the SMUD board saw benefit in gas underground storage facility close to our existing pipeline in case something would happen to the pipeline that brings gas into the area.

 $\label{eq:weak_problem} \mbox{We have most of our generation from natural} \\ \mbox{gas.}$

We also are aware that this facility is under existing homes. We have expertise on the SMUD staff for electricity for sure, but there is no expertise to adjudicate whether or not this project is safe. So the SMUD board decided that we would let this process go forward to the Public Utilities Commission so the Commission could determine in its environmental assessment whether or not the project is safe. We have confidence that you will do that.

I have personally sent a letter to the Public Utilities Commission asking that you take a close look at that because there's a lot of community interest. So

E2-2 (Cont.)

the position of the board is the Utilities Commission will decide. And my personal position is that we'll let the science decide this one.

And thank you for your attention. Thank you for listening to the community. And I'm sure that you will do the right thing.

Thank you very much.

ALJ SMITH: Thank you.

(Applause)

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 $\mbox{\sc ALJ SMITH:}$ I will now begin calling on speakers from the audience.

Again, speak clearly and slowly for the court reporter, and only one person should speak at a time.

Please step forward when I call your name. State and spell your name and state your address for the record.

I will begin with David DeLuz.

STATEMENT OF MR. DE LUZ

MR. DE LUZ: Yes, Judge Smith. David DeLuz president/CEO of the Greater Sacramento Urban League, our headquarters is 3725 Marysville Boulevard, Sacramento, California 95838.

I come to you tonight as a 17-year resident of Sacramento, as a former president of the Sacramento NAACP, and currently as president and CEO of the Greater Sacramento Urban League. I have spent the better part of my adult life fighting for civil rights and economic justice and opportunity for not only speak of color, but

E2-3 (Cont.)

I was approached by this particular project on a number of occasions. And what I wanted to come tell you today was my original concept of the project was that there was going to be a two-foot pipe running right behind people's homes that would be susceptible to some sort of surface damage that could destroy the community.

I went and met with SNGS staff and they presented the project to me. Based on my layman's understanding of the science and of the safety reports, my communication to them was on its face, I had no personal issue with the project.

There are economic benefits to the community. But as is obvious tonight, there are also concerns about the property rights of individual landowners that need to be taken into consideration.

I agree with Mr. Carr's assessment: That one of the things we haven't been able to determine is the safety and the health risk of the potential project. We can only look at the performance of similar facilities, similarly situated facilities in which the safety record is pretty impressive.

So with that, the Urban League has no formal position on this particular project other than to say we want to see what the science decides because it does present an economic benefit to the community, but we have to make sure that it's safe and secure. And the CPUC is the only organization that's capable of

E2-4 (Cont.) actually making that determination. So we await the decision by your panel.

Thank you.

ALJ SMITH: Thank you.

(Applause)

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ALJ SMITH: We have a large number of requests to speak tonight, so I will limit the time for each speaker to two minutes so that everyone has a chance to speak. Please be brief and to the point. The Public Advisor will keep track of time and will indicate when your time is up.

Now, I will call the first speaker. And I'll actually call the first three speakers; the first speaker come up and the other two, start getting ready to come up. And that way we can keep things moving along.

 $\hbox{First I will call Harriet Miller.} \ \ \, \hbox{And after} \\ \hbox{that, Vincent Redmond and Verlyn Baker.} \\$

STATEMENT OF MS. MILLER

MS. MILLER: Hello. My name is Harriet Miller. I own the property at 7641 53rd Avenue, Sacramento, California 95628.

I'm here today to talk about a claim that SNGS has said several times in my hearing that people who have signed their papers and signed their property rights over support the project. That's not true. I'm one such person. I signed their papers, but I do not support the project. I regret signing. I wish I could

E2-4 (Cont.)

undo it now.

(Applause)

MS. MILLER: There's a lot of reasons that people might sign. People have, as has been said, financial crises. There's a lot of uncertainty and anguish going on.

I had a financial crisis last spring that caused me to look around and say, Where can I get some money right now? This was one of the places.

I'm on my feet financially. I'd like to officially ask that Sacramento Natural Gas take my money. I will give it back if they give me my rights back.

I think this will not be an economic benefit to the neighborhood. I think property values will decline because nobody will want to buy in this neighborhood with gas underneath it.

The compensation is not fair. It nowhere near offsets the lowered property values that will come with this project. The only people that will buy in this neighborhood will be investors. It will change from an owner-occupied community to a rental community.

That's already happened.

My financial crisis came about because I was moving out in large part due to Sacramento Natural Gas. I don't want to live there anymore. Therefore, I don't anymore. I live in a different neighborhood.

I thank the people that have held out that

E2-5 (Cont.)

have not had such crises that they have not signed up. 1 2 I really do. Please hold out. Please keep it up. 3 Thank you. 4 (Applause) 5 ALJ SMITH: Vincent Redmond. 6 STATEMENT OF MR. REDMOND 7 MR. REDMOND: My name is Vincent Redmond. 8 Redmond R-e-d-m-o-n-d. I live at 7540 51st Avenue, 9 which is actually on the edge of the red line up there. 10 But my main comment I want to make is that I sometimes get a little tired of people looking at our 11 12 neighborhood as a bunch of dumb yokels that don't know; poor people. We have a diverse neighborhood of all 13 14 kinds of people. I myself am a retired firefighter from the Air Force base. 15 16 I support this project mainly from the 17 standpoint of the gas being stored. I should say that I 18 worked for the fire department over 30-year period. 19 I don't see it unsafe as far as leaks and explosions. 20 As far as the other concerns of the residents, 21 they should not be minimized. That is exactly what 22 people have said. They have scientists to look at this. And hopefully the Commission will look at it also and 23 24 look at the other aspects other than the leakage and 25 explosions. Thank you very much. 26 27 (Applause) 28 ALJ SMITH: Next, I'll hear from Verlyn Baker and

E2-5 (Cont.)

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following her Ellen Nitshke, and Barbara Currie.
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                       STATEMENT OF MS. BAKER
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           MS. BAKER:
                      Good evening, Judge Smith.
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           ALJ SMITH: Good evening.
           MS. BAKER: I'm Verlyn Baker, V-e-r-l-y-n.
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     B-a-k-e-r.
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               I bought my home in Glen Elder in 1968.
     I don't know exactly why we are here today because
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     I thought back in April we spelled out emphatically that
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     we did not want this project in our area. We said that
     then and we are saying it now: No. We do not want it.
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               Your own staff has said that the proposed gas
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     storage can cause fires, explosions, and may cause
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     drinking water contamination. The CPUC staff said for
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     the safest thing for us would be not to store gas under
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     homes at all. Instead, it should be stored in a rural
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     area. And Sacramento County has many rural areas.
               We don't need this project. It isn't safe for
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     our families.
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               We are saying it again:
                                        No.
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               Thank you.
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               (Applause)
           ALJ SMITH: Thank you. Our next speaker.
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                      STATEMENT OF MS. NITSHKE
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           MS. NITSHKE: Hello again.
                                        N-i-t-s-h-k-e.
     7506 Florin Road, 95828.
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               In 1946, my husband bought 40 acres on Florin
     Road. In the '50s, oil companies came in and we even
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signed a contract if they found any oil, gas or
minerals. They did the entire area of Sacramento
County, county. It wasn't till years later we found out
there was gas in Tokay Park. We owned a house in Tokay
park.

I grew up in Detroit, Michigan. We had coal. It's, you know coal. You know, coal chutes. That way.

In the Florin area, people had their houses with butane, those big butane tanks. Big trucks had to come with the butane and fill you up every month with your butane. So we were very fortunate when natural gas came through.

I am definitely for this project.

I sold houses in all these different areas. My husband has built houses in all these different areas in the -- further, going south towards Elk Grove. A lot of people built their homes with electricity. Natural gas is a lot cheaper than butane or electricity. So I think we're very fortunate now.

We know all of us public are heating their homes and we cook our homes with natural gas. Natural gas has to come from someplace.

At the last meeting, some people got up and stated, well, their houses would going to sink if all the gas was taken out.

Well, Tokay Park built about 60 years ago and people have been using that water all these years and the properties have not sunk.

E2-8 (Cont.)

1 And I do not understand how gas can push 2 water, water can push gas, but I know there's different 3 tanks. And if you don't have natural gas in tanks E2-8 4 you're going to go to butane. It's more expensive. (Cont.) 5 (Applause) 6 ALJ SMITH: Thank you. 7 Barbara Currie. And she will be followed by Jermain Gill, and Tamie Dramer. 8 9 STATEMENT OF MS. CURRIE 10 MS. CURRIE: My name is Barbara Currie C-u-r-r-i-e I live at 7709 37th Avenue which is just north of 11 12 the proposed site. I'm objecting to the site. I don't think its 13 14 safety can be guaranteed. E2-9 15 I agree with Constance Slider. I was a member 16 of the Avondale Action Committee for many areas and I'm a current member of AGENA. 17 18 Thank you. 19 (Applause) 20 ALJ SMITH: Jermain Gill. 21 STATEMENT OF MR. GILL 22 MR. GILL: My name is Jermain Gill. Spelled 23 J-e-r-m-a-i-n. Last name is Gill, G-i-l-l. I live at 24 7805 Vallecitos Way. I'm a longtime resident of E2-10 25 the Glen Elder neighborhood. I'm also the chair of 26 the Avondale Glen Elder Neighborhood Association. And 27 I'm going to say it again, over and over: I do not

support this. My answer to this is no. It will always

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be no.

Thank you.

(Applause)

ALJ SMITH: Thank you.

STATEMENT OF MS. DRAMER

MS. DRAMER: Hi, Judge. My name is Tamie Dramer. That's T-a-m-i-e D-r-a-m-e-r. I live at 20 Elton Court, E-l-t-o-n, Sacramento. I'm a resident of the College Greens neighborhood, which is less than five miles from the proposed natural gas storage site.

And as I stated at the last hearing, I've uncomfortable and opposed to this project being developed in a residential area.

And I'm aware of other situations such as in Hutchinson, Kansas, where gas migrated seven miles underground and caused a chain of deadly explosions.

I object that the community so close to this project has not received information or public notice of it.

And this concern of the safety of the project has been exasperated by my attempt to do research on the safety record of SNGS on their website. There's basically no information about SNGS. And I couldn't learn about their experience building, maintaining or monitoring such a facility. And I believe this information is not available because they have not done

E2-10 (Cont.)

E2-11 (Cont.)

this before. They have no experience with a project of this type, underground storage of this capacity.

And I have no confidence based on the way that they have conducted themselves with public outreach and in the licensing process that they would look out for the safety of our community over their own profits.

Thank you.

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(Applause)

ALJ SMITH: Roberta Espinoza.

STATEMENT OF MS. ESPINOZA

MS. ESPINOZA: Hi. I'm Roberta R-o-b-e-r-t-a -- UNIDENTIFIED SPEAKER: Can't hear you.

MS. ESPINOZA: E-s-p-i-n-o-z-a.

I'm just here to support Constance and our neighborhood that's against this SNG.

I'm sorry that this gentleman is representing SNG in the manner he was. I am not for this project at all. And I'm sorry that you misinformed all these people.

I don't want to end up like this neighborhood (holding up newspaper) in Rancho Cordova with bodies.

I don't want to end up on the front of the paper like this. That's not the way I want people to remember me.

A lot of these people here that they targeted with these gas cards, these picnics at these parks, where are they going to be when something like this happens? They're not going to be there to support you. You won't even be able to find them. They're there now

because they want you to sign.

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When we bought our house in 1991, we had no idea that this was going to come our way. And like it's been said before, we do not want our neighborhood to go downhill.

We fight and fight and fight to keep our neighborhood safe from criminals, from the bad-doing in this world, and we don't want to have to fight against natural gas companies that are going to come in to our lives and affect it, possibly like this (holding up newspaper.)

 $$\operatorname{\textsc{So}}\xspace{1}$$ Want it to stand on the record that Roberta Espinoza says no to SNG.

Thank you.

(Applause)

ALJ SMITH: Thank you.

Marcella Forcum, I believe. I apologize.

STATEMENT OF MS. FORCUM

MS. FORCUM: Marsha Forcum. M-a-r-s-h-a
F-o-r-c-u-m. 7801 Lorin Avenue, Sacramento, California
95828.

I said this at the last meeting, I'll say it again: I serve the God who created the heavens and the earth and everything in it. And if he saw fit to put natural gas and oil in the earth like this, I don't see any reason why you cannot put it back there.

And as for the explosion that happened in December of last year, that was Pacific Gas and

E2-12 (Cont.)

Electric. 1 Thank you. 2 3 ALJ SMITH: Thank you. 4 (Applause) (Cont.) 5 ALJ SMITH: The next speaker will be Eric 6 Sunderland, followed by Burnie Lenau and Jamie Jackson. 7 STATEMENT OF MR. SUNDERLAND MR. SUNDERLAND: Hello. I'm Eric Sunderland. 8 9 E-r-i-c S-u-n-d-e-r-l-a-n-d, and I live in College Greens about four or five miles in that direction. 10 I'm not an expert but I do have six years 11 12 working with pressurized natural gas and geologic 13 formations while employed with the Paul Graham Drilling 14 and Service Company back in 1990s. 15 I have personally witnessed both blowouts and 16 ground fissuring. I've had both Boots & Coots and E2-14 17 Red Adair on locations where incidents occurred. When 18 speaking with geologists and engineers and experts after 19 the incidents, none of them ever said "I knew that would 20 happen." 21 If you ask me if I wanted 7 billion cubic feet 22 of pressurized natural gas in my neighborhood under my 23 house near my children, I'd say never. 24 (Applause) 25 ALJ SMITH: Burnie Lenau. 26 STATEMENT OF MR. LENAU 27 MR. LENAU: Good evening. My name is Burnie E2-15 28 Lenau. B-u-r-n-i-e. Lenau, L-e-n-a-u.

the president of Lawnman Inc., a small business here in the Power Inn area.

I wish to express my personal support for this proposed natural gas project to be located in Depot Park at the juncture of Junipero and Power Inn Road.

The planning and zoning advisory committee of the Power Inn Alliance has extensively reviewed and monitored the project over the past year and a half, almost two years now. As the chairman of the planning and zoning advisory committee, I've had the opportunity to become very familiar with this project.

I do want to reiterate though that I'm speaking personally and not on behalf of the Power Inn Alliance tonight.

This project is good for business. The construction and operation will create jobs in the community, and the foundation will bring other moneys into the area.

Sacramento Natural Gas Storage is a good corporate citizen and has already invested in this community. They have worked in earnest to provide regional opportunity for reliable energy resources.

The business owners in the area have endeavored to upgrade the Power Inn corridor.

Accordingly, this project will provide curbs, gutters, sidewalks and landscaping at the corner of Power Inn and Junipero. This is in keeping with the long-range goal

E2-15 (Cont.)

of the local business community and would be a demonstration to other property owners of how the area can be beautified.

In addition, this is a green project that is registered with the U.S. Building General council and is aiming to receive gold leadership in energy and environmental design for LEED certification.

The city council has unanimously designated this an enterprise zone within which this project will be constructed as an area for development of environmental sensitive and green business. This project meets or exceeds these standards and will be a sense of pride for both the area and the city.

For these reasons and others, I support this worthwhile project.

Thank you again.

(Applause)

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ALJ SMITH: Thank you.

The next speaker will be Michael Keeley, followed by Larry or Marcie Stamm, and Carl Pinkston.

STATEMENT OF MR. KEELEY

MR. KEELEY: My name is Michael Keeley. I own a small business MGK Risk and Insurance Services. I'm also the president of the board of directors of the Sacramento Black Chamber of Commerce.

When I went and sat down with the folks at Sacramento Natural Gas and Storage, they presented me with a pamphlet of facts and information regarding

E2-15 (Cont.)

the economic impact of the project on the community, which sounded fine and good. And certainly, it seemed an economic benefit to all of the chambers and the businesses that we represent.

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But my business, my main business that I make a living at is insurance. So in my capacity as a insurance broker, what I do is I gather information to make decisions. That should be the first step in any decision making process is information gathering. So I talked to underwriters today on this information as well, but I wanted to get their impression as well about what rates would be impacted, insurance rates based on the building of this facility and what has happened around the country and other places. And there was no appreciable increase, nothing above what was the norm in terms of insurance rates being impacted by virtue of projects similar in the country.

So my decision and my conclusion is that absent any type of safety risk -- and there's always a risk in everything do you. The question is how much. The people who make a living at doing that have concluded that across the country that it's not an unreasonable risk and it does not increase rates. So therefore I'm in support of the project.

Thank you very much.

(Applause)

ALJ SMITH: Thank you.

I believe I may have skipped Jamie Jackson.

E2-16 (Cont.)

Is Jamie Jackson here? 1 2 She'll be next followed by Larry or Marcie 3 Stamm. 4 STATEMENT OF MS. JACKSON MS. JACKSON: Hi. Jamie Jackson. J-a-m-i-e 5 6 J-a-c-k-s-o-n. I'm just a private citizen that's 7 concerned. And it seems fairly simple to me. You need to listen to the community. If the community says no, 8 9 then it's no. 10 And that's pretty much what I wanted to say. Thank you. 11 12 (Applause) 13 ALJ SMITH: Thank you. 14 STATEMENT OF MS. STAMM 15 MS. STAMM: Yes. Marcie Stamm. M-a-r-c-i-e. 16 Stamm, S-t-a-m-m. I live at 7110 Nicolas Street, 17 Sacramento 95828. 18 I would kind of like to take a different 19 approach right up front. I'm against it. My husband is 20 against it. 21 At the prior meeting, we came at 6:00. 22 there was just a group of people on this right side of 23 the hallway. And I went in and I stated who I was, what 24 I was there for, and he said sign in. I signed in. 25 About two minutes later, I realized I was at the wrong 26 meeting. The other meeting against this pipeline was on the other side of the hallway, but it had not begun. 27

E2-17

E2-18

I tried to get my name off the list. She said

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it does matter. She picked up her paper, started running down the hall. I followed her. I said please, I want to take my name off the list; I'm not for this project. And she scooted out of the door.

I then started receiving phone calls saying of the started receiving phone calls saying on the started receiving phone calls saying the started receiving the sta

twice oh, that's okay; it doesn't matter. I said yes;

I then started receiving phone calls saying oh Marcie, Larry; you support this project. I didn't know that. Oh, that's wonderful. You support this project. We've lived in the neighborhood since 1960.

I said no, we do not.

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I don't appreciate being misled. I don't appreciate the tactics that were taken that night.

And then, maybe in the Sacramento Bee on September 18, there was this article or column. I'm sure most of you have read. It states the judge said it didn't mislead on the storage issue.

I felt I was misled that night. I don't like the tactics that were used this night. And I don't like the tactics that when the orange shirts or red shirts, yellow shirts or whatever came through the door to try to get us to sign up. They were being paid to come door to door. And they would say oh, yeah; we have this environmental impact report. We'll get that to you. Go ahead and sign. We'll get that to you.

Well, months and months and months; no impact report. They were using that as a carrot to sign.

I was not -- okay. I was not for this in 1980. And if anyone wants to know what happened in

E2-18 (Cont.)

E2-18 (Cont.)

1980, they can come and ask me following the end. I was against it then. I'm against it now.

Thank you.

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(Applause).

ALJ SMITH: Next speaker is Carl Pinkston followed by Linda Hardoin, and Levia Nelson.

Mr. Pinkston.

STATEMENT OF MR. PINKSTON

MR. PINKSTON: Thank you very much.

 $\label{eq:myname} \text{My name is Carl, C-a-r-l, Pinkston, P like in} \\ \text{Paul, i-n-k-s-t-o-n.}$

 $\label{today I'm representing the Sacramento Area} \\$ Black Caucus.

First of all, I want to make perfectly clear that we are opposed to this particular project, Sacramento Natural Gas Project. There's three reasons why we oppose this project.

Number one, we do not believe that the economic benefits will be used in the best interests of the community of Elder Creek and Avondale. They will not hire, they will not employ, they will not utilize the resources and services within the Avondale Glen Elder area.

Two, I live on 6 Rancho Torre Court which is right outside the area. And we believe that it -- that gas will migrate. That once you pump in and pump it out, it never really -- that gas will break and have problems.

Last but not least, we are opposed to it because we believe this project environmental racism. And what I mean specifically about that is this project would never have moved forward if this was located in Green Haven, Land Park, Natomas, El Dorado Hills.

Thank you.

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(Applause)

ALJ SMITH: Linda Hardoin.

STATEMENT OF MS. HARDOIN

MS. HARDOIN: My name is Linda Hardoin.

H-a-r-d-o-i-n. I live at 7828 Lorin Avenue. I am in the group that was a part of the original -- where they took the natural gas out.

I did not originally sign up. I bought the house that way. Prices went up when they took it out. I don't believe they will be depressed when they put it back in.

As far as any -- well, one of the questions
I have to ask these people that are against it is how is
it we've managed to get this far into looking into this
project and no one has approached the Sacramento Parks
and Recreation? They are the ones that brought you into
this.

By the way, you received an e-mail -- your group received an e-mail from me. I brought a variety of these points up at the time.

The Parks and Recreation wanted to be included into this gas. And now you're complaining about it.

E2-19 (Cont.)

Why are you not complaining to them? Why did you not 1 2 start complaining to them a long time ago? Why are we 3 suddenly at this point where everybody's complaining about this? 4 5 I am vehemently agreeing with this item. 6 I like the project. I don't know why the other lady did 7 not get any paperwork environmental. I got the whole 8 packet. All I did was ask for it. They have an office on Power Inn Road; went and picked one up. No big deal. 9 10 I say I am totally in favor of it. Thank you. 11 12 (Applause) 13 ALJ SMITH: Thank you. 14 Our next speaker I'm having trouble reading this. I believe it's Livia Nevin. 15 16 UNIDENTIFIED SPEAKER: Nelson. 17 ALJ SMITH: Could be Nelson. And followed by Sam Butler and Bill Elko. 18 19 STATEMENT OF MR. NELSON 20 MR. NELSON: Good evening. Name is Levia Nelson. L-e-v-i-a N-e-l-s-o-n. I live at 7820 48th Avenue, 21 22 Sacramento. And I've been living there 49 years. 23 And I was in the last oil deal. I think it 24 was in the 1950s when Union Oil came in. And I would

E2-20 (Cont.)

E2-21

like to say that I oppose this project in my area. And

I oppose this contract in any area in Sacramento because

And I have been approached many years with

I think it could be a hazard.

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yellow shirts and stuff, by signing leases and stuff. But not one time, nobody come up with anything in case something is going to happen to my property.

I checked with my insurance company and they told me anything that blows from this natural gas on my property, they don't cover that.

It's just like an automobile. If somebody run into your car and got insurance, they car gonna pay for it. Your's not. That's why I oppose this project.

And I don't know if any of you guys watched the news, but just last week in Stockton, California, there was some natural gas leak. There was a lot of people out of their homes. And this natural gas facility was owned and operated by PG&E. But the cause they say it wasn't maintained and the sticky valves wasn't operating, and it forced gas and stuff up in people's homes in Stockton. That was last week.

And that's why I oppose this project, for safety reasons. You know. And I think it's not good for a resident area. It should be put out in an unpopulated area, not in the residential area.

Thank you very much.

(Applause)

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ALJ SMITH: Thank you.

STATEMENT OF MR. BUTLER

MR. BUTLER: My name is Samuel Butler. S-a-m-u-e-l B-u-t-l-e-r. I live at 6408 Aliso Way.

A-l-i-s-o Way. Sacramento 95828-1521. I've been over

(Cont.)

F2-21

1 there over 50 years. When I bought my home, I could smell gas. 2 3 I smelled gas for a long time until it was pumped out. 4 After it was pumped out, I was smelling more gas. 5 since they want to put it back in, they haven't come 6 around and checked for any kind of leaks or any leaks 7 out there. At one time we did have a little fire out 8 9 there from gas. 10 But at the present time we have people that want \$500 and those are not renters -- I take it back. 11 12 Not homeowners but they are renters. They are renters. If you find out who lives out there, those people do not 13 14 want that gas storage back under there. They should take some kind of valuation around and check and see if 15 16 they smell gas. But it could be a different odor now. 17 They'll probably now make it smell real good. Anyway, I'm a against it, and I hope they 18 19 would take a look at what happened in Stockton. 20 Thank you. 21 (Applause) 22 ALJ SMITH: The next speaker is Bill Elko, followed by Raul -- I'm having trouble with this last 23 24 name as well. Raul. And followed by Fatima Chey, 25 I believe. So Mr. Elko, Bill Elko? 26 27 (No response).

E2-22 (Cont.)

ALJ SMITH: Okay, we'll move to the next speaker.

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Raul, I think it's Chamoa. Anyone named Raul wants to speak?

 $\,$ And he will be followed by Fatima Chey and Amanda Lee.

STATEMENT OF MR. CHAMORRO

MR. CHAMORRO: Good evening, Judge. My name is Paul Chamorro. P-a-u-l. Last name is C-h-a-m-o-r-r-o. Say hi to the entire community. I live at 7721 Robinette Road, 95828.

Became informed about this particular project that this group wants to bring forth before the community about putting natural gas underneath their homes. Pretty serious stuff.

I don't believe that; all this stuff with their kind of corrupt methods of trying to influence the community, as you kind of seen that already happen here by the original speaker that first spoke when he had us stand up and all of a sudden try to push it like you guys are in support of the project when in fact you are not. There's no way that stuff like that, human life or even the chance of loss of human life or great human life should even be proposed for the profits of the certain small group of individuals that are in it for money. That's basically it.

You need to understand that there's good and bad. These individuals are only interested in sticking the stuff underneath your neighborhood because of the mass profits that they see. Their intention and stuff

is to specifically stick it into this their neighborhood underneath it probably because it lowers their bottom line.

There's no way as a man or a family member or a woman that you should ever consider for profit whether it be \$500 or \$50 that for any amount, that we're going to put our children's life at risk, our own individual health or anyone in the family or community. It will take your -- you folks caring a lot about your family and folks. There's no amount of money that these folks are going to bring forth to corrupt or even bring anything that can be negative to the community.

I choose to live here, but I also choose to defend a neighborhood and feel hopefully that you'll feel the same way, Judge.

We appreciate your efforts in being here and listening to our, you know, what's important to us and what's right.

Thank you very much. And that's it.

ALJ SMITH: Thank you.

(Applause)

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ALJ SMITH: Fatima Chey?

 $\label{eq:Amanda Lee, followed by Cassie Evans and Steve} % \[\mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf{L}} + \mathbf{L}_{\mathbf{L}} = \mathbf{L}_{\mathbf$

STATEMENT OF MS. LEE

MS. LEE: Hi. My name is Amanda Lee. I'm representing my mother who is not able to be here but lives in the community at 5450 Jansen Drive Sacramento

E2-23 (Cont.)

95824. She is opposed to the project.

I represent myself Amanda, A-m-a-n-d-a. Lee, L-e-e. I live at 9932 Zion Way, Sacramento 95827. I am also opposed to the project.

I think as a community we take great pains to make sure we separate things like bars from private neighborhoods, make sure businesses, clubs are not next to residents. We have people whole live downtown. They create roadblocks so you can't drive through their street community because traffic is too much, and yet you are going to consider a potential health hazard underneath the homes where people are actually living. I don't even understand why we are even weighing this as an option.

I think no amount of money can ever take the place of any health risks. And you've already been shown as has all the other communities and the people involved that there have been risks. And if you place any dollar amount on people's lives to say that they're friends of the community and they are going to help build curbs, make your community look nicer. Who cares about that if you're going to develop cancer and essentially have leaks and health issues down the road.

They also said you can live near power lines, but they have shown that 25 years later, all these children are developing asthma and cancer in all these areas. How many years later are you going to find out that there have been health risks that they have been

⊏2-24 (Cont.)

1 soaking up gas and our children are having further 2 issues. 3 I think you need to should show a 4 responsibility to the community and the people that you 5 serve and vote this project down. 6 Thank you. 7 (Applause) ALJ SMITH: Cassie Evans? 8 9 Cassie Evans, followed by Steve Tang and Lesli Lewis. 10 Mr. Tang, Steve Tang? 11 12 (No response) 13 ALJ SMITH: Okay. Lesli Lewis. 14 STATEMENT OF MS. LEWIS 15 MS. LEWIS: Hello. My name is Lesli Lewis, 16 L-e-s-l-i L-e-w-i-s. I live in the neighboring 17 residential area. 18 When I was told of the project that was going 19 on, I was outraged. My first thought was if they were 20 to just suggest that this happen in this community 21 neighboring my community, my community would be next. I asked a friend to help me do some research 22 23 to find out why this was even suggested to happen. 24 in the research, some articles I'd like to pass on to 25 you, things that I found suggested there was no need. 26 There is no demand. Natural gas is low. The supplies

E2-24 (Cont.)

E2-25

Further research states that this has

are high. Why are we doing this?

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happened: McDonald Island underground, gas storage
facility. This has happened. Why are we risking
the lives, the health of our families, of our community,
of our babies. It is not necessary.

I thought maybe it's going to save us, our community some money. Maybe this is why this is presented. And reading an article, SMUD rep says there would be no impact on consumer rates; it would save us no money at all to do this.

So I'm a bit outraged, surprised to see some representatives here who would push this type of project in a community that is growing, that is filled with children. We're trying to stay active and healthy so that we can improve upon our neighborhood, not destroy it.

I'm against this project. And I would urge everyone to sign any petitions, to get out and speak loud, and protect your community. This is our community.

Thank you.

(Applause)

ALJ SMITH: Thank you.

Keith Watkins. Keith Watkins, to be followed by Helen Tate, and Dortha Oberlies.

STATEMENT OF MR. WATKINS

MR. WATKINS: Thank you, your Honor. My name is Keith Watkins, K-e-i-t-h W-a-t-k-i-n-s. Property address 851 Maple Grove Way, Sacramento 95834.

E2-25 (Cont.)

1 I'm a private citizen. My Bachelor's degree 2 is in soil and water science from the University of 3 California, Davis; Masters in public policy with 4 environmental emphasis. I oppose the project. 5 (Applause) 6 ALJ SMITH: Helen Tate. 7 STATEMENT OF MS. TATE Hello. My name is Helen Tate. 8 MS. TATE: 9 name T-a-t-e. I bought my home in Broadnex, 10 B-r-o-a-d-n-e-x. I bought my house in 1994. I bought it as 11 12 a single parent. My kids have grown up in that home. And the information that I'm reading or that I'm seeing 13 14 in this is if this is a natural storage facility, that 15 tells me that there had to have been something there 16 before. It had to have been gas there before. 17 want to put gas back there; I don't have a problem with 18 it. I'm for it. 19 And as far as when you got up to speak, 20 I understood exactly what you said. I understand that 21 you're for the project. I stood up too. I'm for 22 the project, too. 23 Little nervous. 24 Thank you.

E2-26 (Cont.)

E2-27

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Dortha Oberlies to be followed by Odell Rhodes, and Vicki Rhodes and Nate Marke.

ALJ SMITH: Thank you.

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E2-28

STATEMENT OF MS. OBERLIES

MS. OBERLIES: Hello. My name is Dortha Oberlies. D-o-r-t-h-a, O-b-e-r-l-i-e-s.

I have travelled Power Inn Road for 49 years. I never saw a sign about a natural gas well in this area. When I purchased here 30 years ago, it was never disclosed by developers or the City of Sacramento and I knew nothing about it until SNaGS arrived on the scene. If that well had been disclosed, I never would have purchased here. If they told me before, I never would have bought the house.

It says the \$500 a year they're offering homeowners is a selling point. Well, you should know that's bribery.

And \$500 a year ain't going to buy you nothing. You're going to have to pay unearned income tax. You are not going to have nothing left. And you have to do that too.

And then the taxable, so it would be taxable earnings, and SNaGS is going to make millions if this property is sanctioned. This is not a lot of money as they think we should believe. \$40,000 was the estimated price that they want to put in the community. And that's the price I got for a patio and a new roof on my house is \$40,000. What are they going to put in here for 40,000?

I don't feel SNaGS is a company to be trusted. Their tactics exemplify their lack of integrity and

and her husband, trying to form a personal relationship with me that was for the benefit of SNaGS. They visited my home. They called me on the phone. They made offers to take me to lunch. They sent me postcards from vacation. When I told my daughter about this, she became alarmed and appeared with me at the last hearing. She advised this Commission that I had been the target of undue influence by these SNaGS employees, and she told me not to ever let these people in my house again. However, they must have got the message because they went out after that.

conscience. I had two of their representatives, a woman

A year ago, SNaGS distributed flyers to a neighborhood implying Congressman Doris Matsui, Congressman Doris Matsui supported what -- their gas well project. I called Congresswoman Matsui's office and they told me that she was not in favor of SNaGS at all. In fact, I left the paper up there today for you from Doris Matsui and she will tell you.

In fact, she said she had written a letter on September 8 in 2008 advising the CPUC of her objections because of the risk of the population now living there. I want to read that letter out loud to you but I don't think I have the time.

ALJ SMITH: Actually, if you don't leaving a copy for us.

MS. OBERLIES: I did. I did. I will give a copy of the letter to the CPUC along with a copy of SNaGS.

E2-28 (Cont.)

And by the way, I called SNaGS the other day. PG&E told me to call CPUC, and I did. And they told me they knew nothing about it. Then I get their mail in here now today.

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And I am not alone in feeling that SNaGS is so conniving. You can't believe anything they say, including their claims about the safety of this project. The depleted well under these homes was a naturally occurring natural gas well. But it was not without hazard either. There was an explosion and fire associated with that well that happened in an empty field where part of my neighborhood is now.

What SNaGS proposes will be manmade. experts claim their well will be safe. They don't know. How many experts gave the same opinion about safety at Hutchinson, Kansas, only to have a series of explosions that is narrowly blew up the town.

If this is so safe, let SNaGS be responsible to take the risk to life, limb and property.

And to me, whenever I sell my house, this will also be a -- it will lessen the people that's looking at your house and buy your house. You can't sell it.

23 I know that. I already talked to the real estate man.

So whenever I sell my house, I want you to tell them they're going to have to buy it. Buy mine and everyone else's so we can move where we will not be at risk. And we will make darn sure that it isn't a place with a depleted well sitting underneath it.

E2-28 (Cont.) $\hbox{ And that is $--$ this is $--$ I gave you $--$ I gave them one of these from Doris Matsui. } \\$

Thank you very much.

(Applause)

ALJ SMITH: Odell or Vicki Rhodes, followed by Nate Marke and Janet Kellam.

STATEMENT OF MR. RHODES

MR. RHODES: Good evening. My name is Odell Rhodes. O-d-e-l-l. Rhodes, R-h-o-d-e-s. We live at 7323 Lindale Drive, Sacramento 95828.

First of all, I'd like to state that I am opposed to this project. When Constance and some of the people working with her at first approached us with this, you know, and told us about some of the stuff that had gone on with the people trying to push this project, it was hard for me to believe that people, that they were being underhanded. Tonight confirmed that, when someone would ask how many people live in the community and then try to pass that off as people who approve of this project. That's not the case.

Remember that.

You know, people talk about the financial benefits to the owners. But to members of the community, there's no financial benefit that is worth one life. And these people cannot promise that this project is safe.

Some people talk about science, and I'm talking about good common sense. There are gas leaks

E2-28 (Cont.)

when gas is stored in storage tanks. There's no tanks under this ground. Now I live on the edge of this project and the last I knew, there was no walls to stop gas from seeping either way, anyway it goes. Just like water, it goes where it goes.

So I'm against this.

My wife had something she wanted to say.

STATEMENT OF MS. RHODES

MS. RHODES: Good evening, Judge. We thank you for taking the time to hear us again. I spoke at the last hearing. And a lot of my comments have been addressed --

I'm sorry. My name is Vicki Rhodes.

V-i-c-k-i R-h-o-d-e-s. And I spoke at the last hearing.

And the only comment that I had this evening again is to those people who are for the project, just for them to think about when their insurance companies find out that their homes are sitting on top of natural gas, how long do they think that they will be insured?

And maybe there's some people who don't have homeowners insurance, but I'm pretty sure they will not be able to get insurance, as well as sell their homes as well.

Thank you very much for your time.

ALJ SMITH: Thank you.

(Applause)

ALJ SMITH: Nate Marke.

E2-29 (Cont.)

environmental reasons and for the fact that people in this -- look at the population. These are not kids anymore. There is not much alternative but to stay in their homes, assuming this project goes through. And

STATEMENT OF MR. MARKE

for the last 15 years plus. I raised two boys.

MR. MARKE: Yes. Last name is Marke, M-a-r-k-e.

My name is Nate Marke. I live in this area

And I object very strongly to this project for

they can't leave. You can't sell at this age. You got

to stick with it.

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Secondly, the environmental factors, like the soil, most of these people, especially the Asians, use the soil to produce food that -- to substitute their incomes and that will be income lost. Apart from that, the water problem. We don't know how safe the water will be.

Traffic, bringing the gas to the project site.

There will be a lot of trucks around here.

A final problem I have with this is calling this project the same as any other project. This is unique and different. The chemistry of the land, the soil, the makeup is completely different.

The population is different. The traffic, the flow,

everything is different about it. And more so,

26 the management.

I'm a banker by profession, retired many years now. The first thing you know about giving somebody or

trusting somebody with money, giving them or trusting 1 them with the project is how they're built. And based 2 3 on my experience with this management, they've been 4 woefully aggressive, rude. These are my experiences, 5 I'm sure the experiences ever others. They have not 6 been up to par. Sorry. 7 So I'm very worried that these people are given the opportunity, they will not look for our 8 9 interest. They will be just for their own interest. 10 Thank you very much. 11 (Applause) 12 ALJ SMITH: Thank you. 13 The next speaker is Janet Kellam followed 14 by --15 STATEMENT OF MS. KELLAM 16 MS. KELLAM: Janet Kellam. I live on top of this 17 proposed project. At first I was going to give up my 18 turn to speak because we probably all heard these 19 arguments already. But I wanted to say again to 20 reiterate that I'm opposed to the project. I think that 21 it is not safe. 22 I believe the PUC is headquartered in 23 San Francisco; right? 24 ALJ SMITH: Yes. 25 MS. KELLAM: Correct. Thank you. Quake city. You're right on the San Andreas 26

E2-31 (Cont.)

E2-32

Fault. And you are aware that rock, even thick rock can

break. And that's what they are proposing to do is

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E2-32

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store millions of gallons of gas under my home under
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     a piece of breakable rock. And I'm opposed to that.
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               Further, I'm sure you must be aware that our
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     drinking water in our neighborhood here is located in
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     a reservoir within this project area. And so it's very
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     susceptible to the contamination. It's not just
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     a little narrow straw water line being brought into the
     neighborhood. It's a reservoir under Florin Reservoir
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     Park where all of our drinking water comes from.
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     I think that's a huge danger to all of us in
     the community, aside from the explosion danger and all.
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               Again, thank you for coming and hearing us
     this evening. I think that's probably --
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               Oh, I had one more thing.
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               I wrote you a letter and you have my name now.
     If you did not get my letter, please let me know,
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     someone, and I will e-mail it to you right away.
               Thank you.
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           ALJ SMITH: Thank you.
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           MS. KELLAM:
                         Thank you very much.
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               (Applause)
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           ALJ SMITH: I'm having trouble reading the next
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     speaker's name. The address is 6409, and I can't read
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     the street name on it either.
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               Anybody live at 6409 who wants to speak?
               Could be Ethel or --
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           MS. GILLIAM: That's me.
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ALJ SMITH: Followed by Pat Fong Kushida and

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E2-33

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STATEMENT OF MS. GILLIAM
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           MS. GILLIAM: Good afternoon, Judge. My name is
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     Ethel, E-t-h-e-l, G-i-l-l-i-a-m. Ethel Gilliam.
                                                        I live
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     at 6409 Somis Way in Sacramento. And I'm here to say
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     that I've been against it from the first time and I'm
 7
     still against it.
               So, the family that live in that area, Glen
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     Elder area, they oppose it. I've talked to them. I've
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     gone door to door. And I'm kind of like an advocate in
     that area. And we are very much oppose this gas in our
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     neighborhood.
               And I'm not going to take up your time but
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     I wanted really to impress on you how important this is
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     to the Glen Elder, Elder Creek neighbors in my area.
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     It's very important that you take this under
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     consideration and think about the health of the
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     old people, the young ones, the children, and the
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     elderly.
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               So I really appreciate this time to address
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     you.
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               Thank you for hearing me. And you have
23
     a great day.
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               Thank you.
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Ruth Kahle.

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Kahle.

ALJ SMITH: Pat Fong Kushida followed by Ruth

ALJ SMITH: Thank you.

(Applause)

2 MS. FONG KUSHIDA: It's Pat For

MS. FONG KUSHIDA: It's Pat Fong, F-o-n-g.
Kushida, K-u-s-h-i-d-a. And I'm the president and CEO
of the Sacramento Asian Pacific Chamber of Commerce
located at 2012 H Street in Sacramento 95811.

STATEMENT OF MS. FONG KUSHIDA

I've also for the past five years served on the California Public Utility Commission Diversity Council, which looks at areas of diverse community issues with respect to consumer rights, workforce development, supplier diversity, philanthropy and governance.

I appreciate the time to be able to speak with you this evening.

The chamber is in support of the application and urges approval absent any undue safety risk. We believe that this project will provide significant economic benefit to the city. Specifically, we believe that it will generate nearly 25 million in business revenue annually within the city, provide 89 new jobs with 5.8 million in employee compensation annually, create 213 jobs during construction, and generate 1.59 million in state and local tax revenues annually.

Our mission is to build sustainable communities through economic development. Our work advocating for local small business utilization in the professional services and construction categories as well as local hires as part of the project's full-time personnel is a commitment that I know we share with

E2-34 (Cont.)

California Public Utilities Commission.

Sacramento Natural Gas Storage also shares this commitment to local participation.

Thank you for the opportunity to speak in support of this project.

(Applause)

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ALJ SMITH: Thank you.

 $\hbox{Our next speaker is Ruth Kahle followed by} \\ \hbox{Doug West.}$

STATEMENT OF MS. KAHLE

MS. KAHLE: My name is Ruth Kahle, K-a-h-l-e. My house is located at 7750 Leaverite Way, right behind Florin Park where most of this is going to put.

I'm a hundred percent for it.

I did some -- got some information from information from some professors from Harvard. I sent them the information they had and they laughed when I said that the people around, that they were scared to death. They said there's nothing to be scared of. You cannot blow up natural gas without oxygen and a force of fire.

 $$\operatorname{So}\ I$$ let it go at that. My husband and I signed the papers.

I have more reason than a lot to not want this here. I'm on oxygen 24 hours a day. And this could be a big danger. But I'm not letting it bother me because I know this is important for the entire community.

There will be jobs. There will be safety in the park.

They're going to put up cameras and lights to save the park.

I've been up there. And I've said to the employees many times it would close out drug operations. It would close down chop-shop operations, all in this area and -- because there's not enough lighting. Nobody could see what was going on.

And I'm angry at Constance that she scared some of our neighbors. She actually had some of my neighbors petrified of this project, and she doesn't even live in our neighborhood. She is not over the gas project. And there were quite a few people, probably 90 percent of them are not over the project.

And last statement. There was gas, natural gas storage there for five million years. Nothing happened. It can't happen now. If it was there that long, something would have happened, because they didn't have the knowledge we have now.

ALJ SMITH: Thank you.

(Applause)

 $\mbox{\sc ALJ SMITH:}\mbox{\sc Doug West followed by Lesli Lenard and}$ Christine Roybal.

STATEMENT OF MR. WEST

MR. WEST: Doug West. D-o-u-g W-e-s-t. Live at 7517 50th Avenue.

 $\label{eq:constraints} I\,\text{'m opposed to this program and basically from personal experience.}$

In 2001, I lived in Wichita, Kansas, 60 miles

E2-35 (Cont.)

E2-36 (Cont.)

south of Hutchinson, Kansas. And on January 18th, a natural gas cavern that was being used for storage leaked. It blew up two buildings downtown, damaged 26 others, and left a four-block radius of business and the Reno County Enforcement Center and the courthouse without power one -- on that day. That gas actually followed the lines, water lines in the city to a trailer park, caused a trailer to blow up and two people died.

So for about five days, every time I got home I went to the news and all I will saw was fire, death, and destruction. There was so much evacuations from other neighborhoods that the Red Cross had to be called in to house these people; in January in Kansas with the cold and the rain and snow, a lot of people without homes, they couldn't go back to the neighborhoods. They had to evacuate businesses.

So that's really all I have to say.

Please don't put a price on my son's life.

I live in this neighborhood. I care about living here.

And I can't support something like this, not after seeing fire and death and destruction for a week. It's not something I want in my house.

Thank you.

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(Applause)

ALJ SMITH: Our next speaker is Lesli Lenard. No address. Is there a Lesli who wants to speak?

(No response)

1 ALJ SMITH: Christine Roybal and Alona Jennings? 2 MS. JENNINGS: I'm Alona Jennings, and I'm here to 3 represent the youth of this community. They're actually 4 going to speak. 5 ALJ SMITH: Thank you. 6 STATEMENT OF MS. CHAOCHANG 7 MS. CHAOCHANG: Hi. My name is Anne. I am 15. And this is my neighborhood as well as our neighborhood. 8 9 I am with the Youth Leadership Council and 10 I live with the passion to make this community a better place. And knowing that there is a risk of this 11 12 neighborhood being destroyed because of this project, 13 what better future is there to look forward to? like predicting my own death. I don't want to perish. 14 So on behalf of myself and the youth, I say no 15 16 because I want to see a better future not to see 17 a perished one because of a foolish decision that was 18 already known to be a risk in the first place. 19 So I say on the behalf of the youth, myself, 20 and the residents, I say let us live. 21 Thank you. 22 ALJ SMITH: Thank you. 23 Anne? Anne, what's your last name? MS. CHAOCHANG: Chaochang. 24 25 ALJ SMITH: Would you spell that? MS. CHAOCHANG: C-h-a-o-c-h-a-n-g. 26 27 ALJ SMITH: Thank you. 28 (Applause).

E2-36 (Cont.)

ALJ SMITH: Our next speaker is, I believe it's Jermaine Perry and Jay Narayan.

STATEMENT OF MR. PIERRE

MR. PIERRE: Hello. My name is Jermaine Pierre J-e-r-m-a-i-n-e. Last name P-i-e-r-r-e. And I just wanted to say that just for the record that I am opposed for the project.

It's unfortunate that we are here again to show our displeasure for this potential project. At that time, I was a potential father. And now as a concerned father, it just freaks me out to death that this possibility could actually come into the neighborhood. I'm already nervous enough when she takes a two-minute nap. So to have that fear that potential gas could come into our area and affect her is just nerve wracking.

So it will be great if I can stay in this great community. We've already dealt with the parks and enjoy them. But if this project goes through, there's no way I can face her and put her in that danger.

So thank you.

(Applause)

ALJ SMITH: Thank you.

STATEMENT OF MR. NARAYAN

MR. NARAYAN: Hello, Mr. Smith. My name is Jay Narayan. J-a-y. Middle name is R-a-j. Last name N-a-r-a-y-a-n.

I am opposed to the SNGS project. I am

E2-38

E2-39

a member of Southeast Village Neighborhood Association. I also represent a small business, which is Elder Creek Market which is very close to the proximity of this project.

First of all, I think it's an insult that this company will make millions of dollars in profit and revenue and is only offering \$500 in compensation for the amount of risk that is involved. You have, you know, people's houses and backyards that could be sinking into the ground. You have children that are playing that could have deformities as they grow up. You have the possibility of fire and risk. It's just uncountable to see the amount of potential dangers this project could bring in a community like this.

And once again, I reiterate that it's not fair that you have a lot of key players that will make a lot of money off of this venture.

And the community won't profit from it. You talk about offering jobs to the community but I don't think any of the jobs will go to any of the people that live in the neighborhood.

And it's just not a good plan. They should take it to a area that is not heavily populated so there is less of a life-risk issue.

Thank you.

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ALJ SMITH: Thank you.

(Applause)

ALJ SMITH: Now, there are a few people that

I called that didn't come up.

Is there anyone else who wishes to make a statement? If so, step forward.

Please state and spell your name.

STATEMENT OF MS. JOHNSON

MS. JOHNSON: Karen Johnson. K-a-r-e-n J-o-h-n-s-o-n. I'm here to speak on support of the project.

My father owned the gas station that is now currently the Jack in the Box. My father now lives in Oklahoma, and I have called him about this project to ask him, you know, what he felt about it. He said that his gas station actually posed more of a problem than the natural gas that sits in the ground.

He currently is being paid. He has gas under his property in Oklahoma, and he leased out that land here in Elder Creek.

I just feel like everybody keeps saying not in my backyard, not in my neighborhood. But we all use PG&E. We all use gas. It's cheaper. I'm a single parent. It's just -- it's got to go somewhere. We as consumers demand it, but just nobody wants it near them.

We've got gas lines going into our house, pumping gas into our homes right now. There's a risk, that you can go turn on your pilot and it can blow up.

It's just the risks are small that the need for it outweighs the risk.

We carry risk every day.

1 So thank you.

ALJ SMITH: Thank you.

(Applause)

STATEMENT OF MS. CHAMORRO

MS. CHAMORRO: Good evening, Judge. My name is Lucy L-u-c-y, C-h-a-m-o-r-r-o. I live at 7721 Robinette Road. I live in the area not this close to where this project is being proposed. I live off of Power Inn Road which is up the street.

And I'm appalled myself that I didn't get a notification in regards to this project.

I feel badly that this is being put in this residential area and that we're here this evening fighting it.

I want to make sure that you guys know that I'm opposed to this project. And I'm also concerned in the fact that this is my first meeting that I attended in regards to this project. And the only reason why myself and my husband knew about this project was because we are constant readers of the Sacramento News and Review and there was an article there in regards to this project. And I believe as a community member, that if the other neighborhoods weren't informed in regards to this project all the way from countryside which is off of Power Inn and even in Elk Grove, that there would be more people here this evening for the fact that Power Inn Road, nobody has brought that up this evening, that hundreds of people travel Power Inn Road every day. And

if there was a sign out there that said that traveling 1 2 this road could be hazardous to your health, and if you 3 contact this number and get more information, you'd have 4 more people. And it would probably -- you might even 5 need a bigger facility to hold this meeting. It's only 6 in this amount that we have right now because 7 the neighbors here are concerned about this project. I don't live in the neighborhood. I'm 8 9 concerned and speaking on behalf of the people that 10 travel up and down Power Inn Road that don't even live in this area. 11 12 The people who have accepted those gift cards and any type of bribery, if anything was to happen in 13 your neighborhood, would that gift card actually cover 14 your funeral costs if anything was to happen? 15 I don't think so. 16 17 Five hundred for a funeral these days, it's 18 not going to get you anywhere. 19 So on behalf of the people, please, I oppose 20 this project. 21 (Applause). 22 ALJ SMITH: Thank you. 23 STATEMENT OF MR. WU Good evening, Mr. Judge Smith. My name 24 MR. WU: 25 is Luis Wu. I live in 7890 --

E2-41 (Cont.)

F2-42

MR. WU: L-u-i-s. Last name W-u.

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please.

ALJ SMITH: Excuse me. Would you spell your name,

I live in 7890 Tierra Glen Way, Sacramento, California 95828.

I've been living in that house since 1981 and all my kids, they grew up. And I think this project is safe for me and I think as well for everybody. And I go with the project. And I think it will be well for everybody.

My daughters all grow up. They're healthy. They never get sick. They got no problems. They don't have no cancer. No disease. I'm 62 years old and very healthy person.

Thank you.

(Applause)

ALJ SMITH: Thank you.

STATEMENT OF MR. TAMAYO

MR. TAMAYO: Good evening, Judge. My name is Dave Tamayo. D-a-v-e T-a-m-a-y-o. I live at 5918 38th Avenue. It's not in the project area. I am a couple of miles of there. I've been a longstanding activist in my community, trying to make my community, actually this whole southeastern part of Sacramento better.

One of the main impacts of this is the uncertainty of the uncertainty of this project.

It's very clear to me that this project has been presented to people as if you're taking some vessel, taking gas out -- that gas was taken out of that that had been for millions of years, and now we're going to put it back in.

E2-42 (Cont.)

Well, obviously there's been a misrepresentation. Because gas had accumulated over hundreds of thousands or millions of years. It was going under there under pretty low pressure and it was extracted under negative pressure. That's not the same thing as putting -- injecting gas in at high pressure and loading it up over a period of just a few years.

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The levels of pressure that are going in there, they're going to find different places to go, and the gas is then able to migrate under the low pressure that it was under for millions of years.

The other thing is that once you take the gas out of that pressurized vessel, it was under pressure there, there's a relaxation of some brittle rock.

There's no guarantee that that rock hasn't fractured or is no longer capable of holding the gas that it held for millions of years because it now is under a different condition. You're going to start putting that gas back in.

Finally, I want to point out that maybe it looks like this project is economically viable, but it's because of where it is, because the price that the community as a whole and SNGS has to pay to get people to give up their mineral rights here is a lot less than they'd have to pay in my neighborhood.

I wouldn't accept it. My neighborhood wouldn't accept it. They certainly wouldn't accept \$500 a year to put this in Land Park or Curtis Park or the vast majority of

1 the community around here. Just because it's happens to 2 be under there it's viewed as economically viable just 3 because of the demographics of its location. E2-43 (Cont.) 4 Thank you. 5 (Applause). 6 ALJ SMITH: Thank you. 7 STATEMENT OF MR. ROJAS MR. ROJAS: Thank you for this opportunity. My 8 9 name is Peter Rojas R-o-j-a-s. I live at 7931 Lorin 10 Avenue. ALJ SMITH: I'm sorry. What was your first name? 11 12 MR. ROJAS: Peter, P-e-t-e-r. And I support this project. I've lived in that neighborhood for the last 13 F2-44 14 30 years. And we have our own water district there. We 15 never had contamination in there. I'm more concerned 16 about my daughter walking in the neighborhood than this 17 project. So I hope we can get this project going as 18 soon as possible. 19 Thank you for your time. 20 (Applause) 21 STATEMENT OF MR. STAMM 22 MR. STAMM: My name is Larry Stamm. Last name is 23 S-t-a-m-m. I live at 7110 Nickles Street, 95828, right 24 on the southern edge of this project. Lived there since E2-45 1961. 25

I'm opposed. My wife spoke earlier.

a geologist, but we have a tremendous amount of natural

One of the things I've been told, and I'm not

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gas already in the south-central part of the United

States. This project is talking about buying natural

gas out of Canada and bringing it down here. And

I wondered why we have to go out of our country to get

natural gas.

And at the last meeting that we attended, I'm fairly certain that the guy from the Sacramento utility company offered an alternative to this project and would be gotten out of the residential area a little further from the city but would not pose the dangers that have been expressed here for the safety of the community, the children, and the possibility of leakage of gas.

And we do have two gas wells in our neighborhood, nothing to do with this project, but one of those wells been shut down for about a year because of contamination that comes somewhere from the groundwater. And I believe we're operating on one well hopefully every day and not having to go out and buy water.

Been wondering about what we're going to do about our lawns in the summer.

They say there's no real danger of that seepage, but I hear that natural pressure goes up a bit.

They broke the cavity when we drilled in.

They were going to drill back near Kennedy School back when they took the gas out. And that was fought by the community. So they want across Power Inn Road and slant-drilled in there which was supposed to be safer.

E2-45 (Cont.)

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My point here is they're breaking inside that cavity to
 1
 2
     get that gas out. Will they, can they seal that where
 3
     we won't have seepage into our home?
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               I think we've got a lot of danger here.
                                                         I am
 5
     opposed and I join those others that are opposed.
                                                                          E2-45
 6
               Thank you.
                                                                          (Cont.)
 7
               (Applause)
           MS. FORCUM: Can I speak again?
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           ALJ SMITH: I believe you spoke earlier.
           MS. FORCUM: But when you started this meeting
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11
     out --
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           ALJ SMITH: I'm sorry. What was your name again?
                      STATEMENT OF MS. FORCUM
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           MS. FORCUM: Marsha Forcum.
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           ALJ SMITH: Okay.
           MS. FORCUM: When you started the meeting out, you
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17
     said you only wanted people to come up to speak who live
                                                                          E2-46
18
     in the area. And 90 percent of the people don't live in
19
     the area. And I don't think that's fair either.
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           UNIDENTIFIED SPEAKER: Who said?
21
               (Applause)
22
           ALJ SMITH: All right. Are there any others who
23
     wish to speak for the first time?
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                     STATEMENT OF MS. GILLIAM
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           MS. GILLIAM: Oh.
                               This my second.
                                                                          E2-47
               I'm sorry. I just couldn't help but to get
26
27
     up.
28
           Ethel Gilliam. E-t-h-e-l. Gilliam,
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E2-47 (Cont.)

And I have to disagree with the things that's going on here that's for this thing that we got going on. I live in that neighborhood. Most of the people has talked tonight live in that neighborhood. Most of the people have talked to me on the phone but they don't know me. They probably know me now. But she said 99

I disagree. They live in that area. And I'm very concerned about that area.

percent of the people don't live in the area.

And I'm not only concerned about the area.

I'm concerned about the area around us. There's places around us where this stuff could affect lots of places other than Glen Elder. So I'm feeling very much against it.

And I disagree with whatever they are saying. They probably don't agree with me, but I disagree.

Please, we don't want the gas in our area. We don't want the gas in our community. So I ask you to have mercy upon us and the people there to stop it however you see fit to do it, but we asking you no, no. No. Okay?

Thank you.

(Applause)

ALJ SMITH: All right. Is there anyone else who wishes to speak?

I think we got one more speaker.

G-i-l-l-i-a-m.

E2-48

STATEMENT OF MR. NGUYEN

MR. NGUYEN: Hi. My name is An Nguyen. I live at --

ALJ SMITH: I'm sorry. What is your name?

MR. NGUYEN: An Nguyen.

ALJ SMITH: Would you spell that.

MR. NGUYEN: A-n. N-g-u-y-e-n is the last name.

I think I live about half a mile from the pipe, the release pipe. And anyway, I think I want to say to you that I'm opposed to the project. And for that part, there's a lot of uncertainties in here. You heard a lot on both sides. And just like the -- just more -- just stuff to throw at you, asbestos when they first started with the insulation of the pipes back in the 1950s, nobody knows that it causes cancer of the lung until about 20 years later. Nobody really actually made any effort to actually go through and research that until it started popping up because it creates a hook inside the lungs.

My other point for you is that I'm the property owner of my house. And so from what I know is that I own the land down to the court center, and so I choose not to sell that part. And I'm hoping that the government doesn't take -- or doesn't overpower my right as a homeowner to take away that choice, that right and that choice.

And so I know that the government will have the power to do whatever it is to stomp on top of me,

but I'm hoping that part of American dream and the freedom is to choose and the property is to own. And so hopefully the government won't do that.

The second is just for you, Judge, is that if someone were to propose to do the same thing to your house and your grandkids' house, would your son approve of having his grandkids having the gas underneath his house? And will you approve of having this stuff underneath your house?

So if you can think of from your perspective, switch to us living in this area and see through our eyes and try to imagine if it happened to you, would you choose it.

That's it. Thank you.

(Applause).

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ALJ SMITH: I believe we have another person that wishes to speak.

Please state and spell your name.

STATEMENT OF MR. HUDLER

MR. HUDLER: My name is Rob Hudler, H-u-d-l-e-r.

And I have to in general be in support of this project. I've lived in this neighborhood since the 1980s when these very same gas fields were being pumped because the gas was there. At that point there was no environmental concerns that were mentioned such as sites or things like that which can occur.

I understand from the last public meeting that I attended that there's a lot of fear speaking here and

E2-48 (Cont.)

E2-49 (Cont.)

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there's a lot of greed. I happen to have a degree in geology. I've read the environmental impact reports. I've read all the Division of Oil and Gas reports. And yes, there are hazards involved. But looking at what the fear has said here, which is basically that there's a catastrophic possibility, and looking at the greed which is let's get as money out as possible, I think that where we should be is looking at the scientific facts.
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We also have to look at the fact that we are consumers. I don't think there's too many people in this neighborhood that would decide to turn off their air conditioners in the middle of the summer because of the lack of natural gas to fuel power plants. And that's exactly what this project is going to provide for us is the space conditioning we need during those peak critical periods.

Thank you.

ALJ SMITH: Thank you.

(Applause)

ALJ SMITH: All right. I believe everyone who wishes to speak has done so.

Is there anyone else?

(No response)

ALJ SMITH: Hearing none, this public participation here is adjourned. Thank you.

(Whereupon, at the hour of 8:00 p.m., this Public Participation Hearing was concluded.)

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PUBLIC UTILITIES COMMISSION, STATE OF CALIFORNIA SAN FRANCISCO, CALIFORNIA

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