

OSFR Cited in Pipeline Article

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June 2015 Spectra Pipe Rupture, Arkansas River



Christopher
Curry

Christopher Curry has a long article in today's *Gainesville Sun*,

August 16, 2015 about WWALS efforts to block the proposed Sabal Trail pipeline across Georgia and Florida. OSFR Policy Director Merrillee Malwitz-Jipson is quoted in support of this group and its efforts.

The pipeline is planned to be put through fragile karst terrain in the springs area of North Florida, by a company of proven poor safety record. Much controversy accompanies this proposal, including a lack of need for the pipe, unfair eminent domain bullying, and the probability that the LNG will eventually be exported overseas. Read the original article at this link, in the [Gainesville Sun](#).



Georgia-based group hopes to block natural gas pipeline

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A South Georgia environmental group hopes to block a Florida permit for the Sabal Trail Transmission natural gas pipeline over a series of concerns about possible harm to springs and rivers, the destruction of wetlands, the safety record of the company building the pipeline and Gov. Rick Scott's reported financial stake in the firm.



WWALS John
Quaterman

On Aug. 7, the WWALS Watershed Coalition – an advocacy group focused on the Withlacoochee, Willacoochee, Alapaha, Little and Upper Suwannee rivers in Georgia and Florida – filed a petition seeking to get a case before an administrative law judge challenging the [Florida Department of Environmental Protection](#)'s decision to grant an environmental resource permit for the project and the pending decision to allow construction of the pipeline across the state's "sovereign submerged lands" and under four rivers, including the Suwannee and Santa Fe. The company will pay the state \$129,851.35 for a public easement to construct the pipeline.

Late Friday, the FDEP press office said the department's Office of General Counsel was "currently reviewing the petition for sufficiency" and has not yet decided whether to allow the challenge to go to the Division of Administrative Hearings.

Ultimately, the Federal Energy Regulatory Commission will decide whether to permit the \$3.2 billion, 515-mile, three-foot-wide pipeline. The pipeline is planned to carry up to 1 billion cubic feet of natural gas a day from Alabama through south Georgia and a dozen Florida counties, including Alachua, Gilchrist, Suwannee, Levy and Marion, to a connector pipeline in Osceola County. The pipeline will provide natural gas for a Florida Power & Light electric generation and a Duke Energy plant in Citrus County.

The Sabal Trail Transmission project is a joint venture between FPL parent company NextEra, Duke and Spectra Energy Corp, the Houston, Texas company that will design, build and operate the pipeline.

The DEP notice of intent to issue a permit says construction will impact more than 400 acres of wetlands and include the "loss of wetlands through the placement of fill material." The DEP officials go on to say they deem the impacts "temporary" and restoration of wetlands may take two years to more than 50 years.

In its notice, DEP officials said the Sabal Trail group has demonstrated the project is "clearly in the public interest."

DEP officials and the [Suwannee River Water Management District](#) had a more cautious tone in written comments to the federal government in 2014, saying the pipeline could possibly lead to petroleum liquid contamination of the aquifer when "much of the route" passes through vulnerable, karst areas of the aquifer. In those comments, state officials also raised the possibility of sinkholes and the redirection of groundwater that might reduce flow to springs and rivers.

In response to questions about the decision to approve the permit after expressing concerns about the potential environmental impact of the pipeline last year, the DEP issued a written statement via email saying "approval of a permit is based on the determination that the application meets all requirements under Florida law and the applicant has demonstrated reasonable assurance that the State's wetlands and water resources will be protected."

Spectra spokeswoman Andrea Grover said the company has conducted extensive civil and environmental surveying since 2012 and rerouted the planned pipeline where possible to avoid karst

areas that might be more prone to sinkholes and damage to the aquifer. In May, the company announced it was moving the planned pipeline crossing beneath the bed of Santa Fe River farther west – and away from the Ichetucknee River to an existing Florida Gas Transmission pipeline corridor – to avoid an area deemed more susceptible to sinkholes.

Grover also said the permit would require “full mitigation” of impacts on wetlands.

In a phone interview from his Lowndes County, Georgia home, John S. Quarterman, the president of WWALS, said the pipeline was an “unnecessary, destructive and hazardous” project planned across one of the most sensitive areas of the Floridan aquifer.



Policy
Director
Merrillee
Malwitz-
Jipson

In this area, the environmental group [Our Santa Fe River](#) Inc. is not part of the challenge but does support it, said Merrillee Malwitz-Jipson, the organization’s former president.

The WWALS petition pointed to the area’s karst geology, where the limestone is characterized by sinks and underground streams, and says underground drilling may lead to sinkholes and impact the flow and water quality of springs and rivers. In the petition and in the phone interview, WWALS and Quarterman also

pointed to some past incidents Spectra's safety record.



Spectra 2015 Pipeline Rupture

In June, a Spectra pipeline under the Arkansas River ruptured, releasing nearly 4 million cubic feet of natural gas. In December 2012, U.S. Department of Transportation Pipeline and Hazardous Materials Administration Office of Pipeline Safety fined Spectra \$134,000 after an inspection of that more than 9,000 mile pipeline revealed violations that included not checking removed sections of pipe for corrosion.

In July, Reuters reported that Canada's National Energy Board fined Spectra \$122,300 after "more than two dozen safety and security incidents at its Canadian plants and facilities since 2014."



Andrea Grover

Back in 1989, the Los Angeles Times reported that Spectra subsidiary Texas Eastern Transmission Corp agreed to pay a then record \$15 million environmental fine to settle a case against

“the company for discharging highly toxic PCBs – polychlorinated biphenyls – at 89 sites along a natural gas pipeline running from Texas to New Jersey.”

In an email, Grover wrote that the company works with regulators in the U.S. and Canada to improve safety.

“Our pipeline professionals work closely with the U.S. Department of Transportation and the National Energy Board (NEB) in Canada,” Grover wrote. “DOT’s Pipeline and Hazardous Materials Safety Administration’s Office of Pipeline Safety (PHMSA) and the NEB enforce these regulations by utilizing various inspection and enforcement processes. PHMSA’s (and NEB’s) inspection provides interstate pipelines the opportunity to continuously improve safety procedures. The results of many PHMSA findings during inspections don’t involve pipeline integrity issues, but involve documentation processes, timing procedures, procedural details. We continuously improve documentation processes and related personnel training to ensure compliance with regulations.”

The WWALS petition also alleged it was a conflict of interest for Gov. Rick Scott to participate in a decision about running the pipeline across state lands – the Governor and Cabinet serve as the board of Trustees of Florida’s Internal Improvement Fund – because Scott has an investment interest in Spectra.

In 2014, the news site Broward Bulldog.org reported that when Scott disclosed his financial records, it showed a \$53,000 stake in Spectra through a blind trust. State law allows officials immunity from conflict of interest rules if their investment in a company is made through a blind trust where a manager in charge of the investment portfolio, not the official, has knowledge of the investments and makes decisions on them.

“After Governor Scott took office in 2011, he put all of his

assets in a blind trust so they would be under the control of an independent financial professional. As such, the Governor has no knowledge of anything that is bought, sold or changed in the trust," Scott spokeswoman Jeri Bustamante said in a statement Friday afternoon. "Jeb Bush and Alex Sink had blind trusts also, which protects the public from any conflict of interest."

News reports in the Broward Bulldog last year raised questions about whether Scott was truly in the dark about the activities of his blind trust because a longtime business associate from the governor's private investment firm managed the trust.

During Scott's time in office, his appointees to the Florida Public Service Commission have voted in favor of the pipeline project and in 2013 he signed into law two bills that helped it move forward.