LOUISIANA STATE UNIVERSITY
AND AGRICULTURAL AND MECHANICAL COLLEGE
School of the Coast and Environment • Department of Environmental Studies

April 22, 2008

Mr. William C. Gibson,
Project Manager
U. S. Department of Energy Strategic Petroleum Reserve
Project Management Office
900 East Commerce Road
New Orleans, Louisiana 70123

Dear Mr. Gibson,

The Environmental Advisory Committee (EAC) of the Strategic Petroleum Reserve (SPR) offers the following comments on the proposed SPR expansion to one billion barrels. Considering America's dependence on petroleum and increasing worldwide demand, the EAC fully supports expansion of domestic strategic petroleum reserves to one billion barrels. Our specific comments follow.

1) Hurricanes Katrina and Rita compromised the expedited Environmental Review Process for SPR expansion. The Energy Policy Act of 2005 (EPAct) (Public Law 109-58) became law on August 8, 2005. EPAct required the Secretary of Energy to complete an environmental review and site selection for expansion within one year after enactment. Hurricane Katrina made landfall on August 29, 2005. This powerful storm devastated New Orleans and all Mississippi coastal communities to the east including Pascagoula. Within a month, Hurricane Rita made landfall near Lake Charles. Damages from the two storms were monumental. More American citizens were displaced from their homes for longer periods (some are still displaced) than in any other storms of contemporary time. On September 1, 2005, the Department of Energy (DOE) issued a Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) for expansion. In the NOI, DOE proposed to expand storage capacity at three of four existing SPR storage sites and develop one new site in the Gulf Coast region. The three existing sites and the new site are located within the areas impacted by Hurricanes Katrina and Rita. Emergency operations were underway in all Gulf coast communities when the NOI was issued and were still underway when DOE completed the public scoping process on December 19, 2005. A cornerstone of NEPA is public participation. Due to time constraints of EPAct and the impacts and massive public displacements from Hurricanes Katrina and Rita, adequate opportunities for the public to be informed and participate in the scoping process during the fall of 2005 were severely comprised in the environmental review and site selection process. This expedited review and selection process will certainly be a cause of serious concern of some.

2) In light of concerns expressed about the proposed site, and the cost associated with mitigating these concerns, perhaps re-evaluation of other sites might be feasible. For,

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example, the Chacahoula site has wetland mitigation cost and issues, but already has existing terminals, the current distribution system seems sufficient to handle the potential increase in oil storage and distribution, and water for cavern development, maintenance, and drawdown is readily available from the Intracoastal Waterway. The comparison and review of new sites should be comprehensive. We recommend the justification for the selection of the preferred alternative be clearly stated in the supplemental Environmental Impact Statement.

3) The Richton site expansion plan proposes use of the Leaf/Pascagoula River system as the source of raw water for cavern development, maintenance, and drawdown. The Pascagoula system is considered to be one of the few remaining streams in the region, and indeed in nation, with few impacts. Under extreme low flow conditions, drawing water from this system could create adverse impacts. Even though Gulf of Mexico raw water intakes would be less efficient to operate and more costly to construct, we recommend that they be considered and compared to other sites' alternatives.

4) The Richton site proposes construction of a storage terminal in the Port of Pascagoula adjacent to the Gulf of Mexico. To avoid potential impacts for hurricanes, we recommend that the proposed storage facility be located further inland.

Thank you for the opportunity to comment on the proposed expansion. Please let us know if we may provide additional information or assistance.

Sincerely,

Edward B. Overton, PhD
Chair, Environmental Advisory Committee

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