

Office of the Premier
Cabinet du premier ministre

PF06-11-000
PF06-13-000

OFFICE OF
EXTERNAL AFFAIRS



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FEDERAL ENERGY
REGULATORY COMMISSION

October 11, 2006

Mr. Joseph T. Kelliher
Chairman
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

ORIGINAL

RE: Proposed Maine LNG Facilities
Docket No. PF06-13-000 (Downeast LNG, Inc.)
Docket No. PF06-11-000 (Quoddy Bay, LLC)

Dear Mr. Kelliher:

I am writing following my recent election as Premier of the Canadian Province of New Brunswick to express concern regarding the proposed LNG projects along the Maine Coast of Passamaquoddy Bay.

Passamaquoddy Bay represents a valuable and ecologically unique area for New Brunswick as well as an important provincial tourist destination. We are concerned about the impact of LNG ship traffic on other users of Passamaquoddy Bay such as fishermen, aquaculture operators, recreational boaters, whale watching tours and kayaking excursions. Exclusion zones around tankers and the potential visual and noise impacts resulting from the industrial facility have the potential to impact these activities.

Having the LNG tankers move through Head Harbour Passage would put them in close proximity to environmentally significant areas. There is also grave concern regarding the potential damage that could be caused by a facility or tanker accident on both Canadian and American residents, tourism resources and economic resources.

While we understand that the facilities might employ about 27 construction jobs and eight operational jobs per LNG terminal, it is possible that there could be more jobs and revenue lost to existing tourism, fishing and other industries. We want to minimize any negative impact the communities surrounding Passamaquoddy Bay could feel from the proposed LNG developments, such as increased expenses for emergency services and decreasing property values.

2006-00402

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I understand that the next step of the formal U.S. regulatory process is expected to start within the next few months. We believe that the Passamaquoddy Bay is not suited to sitting an LNG industry, which would threaten the marine ecosystem and the existing fishing, aquaculture and tourism industries operating in the Bay. The Province of New Brunswick would like to be considered a formal intervener in the U.S. regulatory process. As such, the Province of New Brunswick would like to be kept informed of the Federal Energy Regulatory Commission regulatory review process.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Graham". The signature is written in a cursive style with a horizontal line under the name.

Shawn Graham
Premier

cc Hon. Greg Thompson, Minister of Veterans Affairs
Hon. Peter MacKay, Minister of Foreign Affairs
Hon. Michael Wilson, Canadian Ambassador to the United States
Hon. David Wilkins, U.S. Ambassador to Canada
Governor John Baldacci