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County OKs \$200M in bonds for project
by DON PERRYMAN
dperryman@the-messenger.com

Hopkins county Fiscal court approved a resolution Tuesday that will provide for approximately \$200 million in industrial revenue bonds for Orbit Gas Storage. The company plans to build 10 underground storage wells southwest of Madisonville near the intersection of the Pennyriple and Western Kentucky parkways. The projects will include a compressor station and 22 miles of pipeline. Three magistrates - William Groves, Larry Rogers and Karol Welch - abstained from the vote because property they own may be affected by the project. The county will not be financially responsible for the bonds. An informational public meeting was scheduled for Tuesday night in White Plains. In other action, the court approved entering into memorandum of agreement with the Governor's Office for Local Development for a North Hopkins Water District project, water and sewer project for the Jenmar and J-Lok plants in Earlington and the South Main sewer interceptor sewer project. The county is seeking \$200,000 for each of the projects.

- approved advertising for bids for four public works trucks.
- was advised that more than 90 percent of the county's tax revenues have been collected.
- adopted a five year solid waste management plan.
- declared two Sheriff's Department vehicles surpluses.
- proclaimed Jan. 19-21 as Dr. Martin Luther King Jr. celebrations.

Gas storage facility details revealed:

Dozens of Hopkins County residents got their first detailed look Tuesday at a project that would create an underground storage facility for natural gas. The proposed Kentucky Energy Hub is a 5-billion cubic foot storage area located about 1,500 feet underground, in a depleted natural gas field near the intersection of the Pennyriple and Western Kentucky Parkways. Suzanne Williams, who lives southwest of the interchange, received a letter informing her of the open house at the Madisonville Technology Economic Center.

"I don't know enough about it to voice any concerns. That's why I'm here tonight, to get information," she said.

Magistrate Karol Welch attended the meeting because a portion of the pipeline from the hub will cross her mother's property.

That's why I didn't vote," she said, referring to the Fiscal Court's decision Tuesday to approve the \$200 million in industrial revenue bonds for the project.

Components of the project include 10 storage wells and three new well pads and a 5,400 horse power compressor station. After construction, the above ground area will occupy about 300 acres. Orbit President Jim Martin said the storage area is a geologic formation porous sandstone with a barrier of harder rock that can be used similar to the way a farmer stores grain in a bin. He said there are many such formations in western Kentucky, but not all of them are large enough to use for gas storage. Natural gas companies, including coal-to-gas conversion plants, inject their gas into these storage hubs until it is needed. A network of underground pipelines,

which Martin referred to as "interstates," criss-cross the country. "Our natural gas highways are the interstate pipelines," he said. "Western Kentucky is fortunate to have two." One of those natural gas highways is owned by ANR Pipeline Co. of Houston, Texas. According to ANR's Web site, the company delivers nearly 1 trillion cubic feet of gas per year through more than 10,000 miles of pipeline. One of ANR's main arteries passes through the Rabbit Ridge area as it runs from Michigan to Louisiana. Orbit plans to lay a 22 mile stretch of pipeline to connect the underground storage area to the ANR line. Orbit is in the process of obtaining easements from over 30 property owners who own land where the pipeline is expected to cross. Storage hubs and the pipelines that connect to them are valuable to economic development, Martin said, especially with the recent interest in locating coal gasification plants in the state.

"It allows companies to manage the commodity they're producing," he said. The pipelines also offer manufacturers that need a steady supply of natural gas a "pipeline to plug into," he said.

The project is in a preliminary phase, according to Tamara Young-Allen, a spokeswoman for Federal Energy Regulatory Commission. On Monday, the commission published a notice of intent to prepare an environmental assessment for the project.

She said it's common for companies to hold public open houses during the prefilling stage as well as conduct studies to examine environmental impacts.

FERC will conduct an analysis of environmental information, using the findings from Orbit's studies in addition to the findings and conclusions of the agency's staff, Young-Allen said. Once a formal application is filed, it takes an average of 10- 18 months to receive final approval from FERC, "but it depends on a number of issues," she said.

"There will be changes made before the actual filing occurs," she said. FERC has planned a Jan. 30 meeting to receive verbal and written comments from the public concerning the project.

There is no timeline to file the formal application, Young-Allen said.