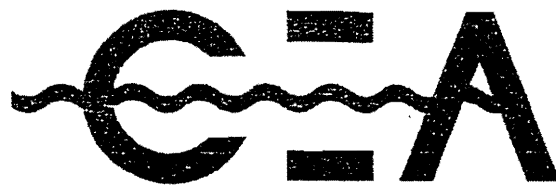


LETTER FROM SHELL OIL TO FEREC

DAY ONE 2



COPY

September 16, 2004

CORPORATE ENVIRONMENTAL ADVISORS, INC.

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, D.C. 20426



08-173-1480

Ref: Docket No. CP04-36-000
Weaver's Cove LNG Project
Fall River, Massachusetts

Dear Ms. Salas:

My name is Michael P. Bingham. I represent Shell Oil Products US (Shell) as the Licensed Site Professional (LSP) of Record for the Fall River Marine Terminal at 1 New Street. The Massachusetts Department of Environmental Protection has assigned Release Tracking Number (RTN) 4-0748 to a release at this site. Weaver's Cove Energy, LLC (Weaver's Cove) is proposing to construct and operate a liquefied natural gas (LNG) facility on the site, which is the subject of a draft Environmental Impact Statement (Draft EIS) prepared at the direction of the Federal Energy Regulatory Commission (FERC).

A groundwater and light non-aqueous phase liquid (LNAPL) recovery system has been operating at the former petroleum distribution terminal since 1989. To date, over 1,150,000 gallons of petroleum product (LNAPL) have been recovered from the subsurface. In addition to source removal, the remedial system maintains hydraulic control of impacted groundwater and prevents movement of LNAPL and impacted groundwater to the Taunton River. As the LSP of Record for RTN 4-0749, I am tasked with ensuring that the regulations contained in the Massachusetts Contingency Plan (310 CMR 40.0000 - the MCP) are met and that human health, the environment, and public safety are protected.

The Draft EIS, dated August 2004, details the design process, alternative site selection, environmental analyses and community impact of the proposed LNG facility. I have reviewed the Draft EIS in detail, including Section 4.2 (Soils and Sediment) and Section 4.3 (Water Resources) relating to planned activities to be conducted during the construction of the proposed LNG facility.

The Draft EIS neither provides nor refers to any detailed plan for maintaining and appropriately modifying the existing remediation system during construction activities, notwithstanding the anticipated placement of over 2 million tons of dredged material on the site. Necessary modifications to the existing system would include raising the entire treatment system (including recovery wells, piping, and treatment shed) concurrently with the placement of dredge material on-site, while maintaining at all times at least the level of system effectiveness currently achieved. It is imperative that the treatment system remain fully operational and effective during the construction activities in order to prevent release of LNAPL or impacted groundwater to the Taunton River. Furthermore, the impact of the placement of dredge material on the performance of the remediation system has not been fully evaluated, and the preliminary determination of the potential for increased risk to human health or the environment is not adequate and does not meet the MCP requirements for Response Action Performance Standards (RAPS) as defined in 310

(F)

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See page (2)

CMR 40.0191. Accordingly, as LSP of record for this site, I conclude that a revised Phase IV RIP¹ that is based on the Draft EIS will be insufficient to comply with the MCP and may fail to protect human health, the environment and public safety.

Sincerely,
Corporate Environmental Advisors, Inc.

Michael Bingham

Michael P. Bingham, L.S.P.
Senior Project Manager

CC:

Mr. Jaime Goncalves
Southeast Regional Office, MADEP
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Lakeville, MA 02347

James Hunt
Director, MEPA
Executive Office of Environmental Affairs
100 Cambridge St. Suite 900
Boston MA 02114
Attn: MEPA Office

Robert W. Golledge, Jr.
Commissioner
Massachusetts Department of Environmental Protection
One Winter Street, 2nd Floor
Boston, MA 02108

¹ Although Weaver's Cove apparently expects to submit a revised Phase IV Remedy Implementation Plan (RIP) to the MADEP to address system modifications (see Draft EIS, page 4-40), Weaver's Cove has not discussed any of the proposed plans with myself (the LSP of Record) or with Shell (the responsible party under the existing RTN), and Weaver's Cove does not have authorization to modify the existing remedy on its own behalf.

