Kevin,

Following is a summary of today's Via Verde meeting in HQ:

Puerto Rico Attendees:

- Miguel Cordero, Exec Dir, PREPA
- Daniel Galan, Secretary, DNER
- Pedro Nieves, EQB
- Jed Bullock, Cong Delegate's staff
- Colleen Newman, Federal Affairs
- Jeffery Berman, Consultant
- Daniel Pagan, Consultant

EPA Attendees:

- Nancy Stoner, Acting AA OW
- Jack Bowles, OCIR
- John Filippelli, Region 2

Daniel Pagan lead the presentation for the project with other members of the group contributing. His key points were:

- The project meets the Corps nationwide permit parameters and does not even need an individual permit, but the Corps has chosen to go that route.
- PREPA has already addressed EPA concerns in the final EIS and its 1/28/11 letter to the Corps.
- The project only has 2 acres of wetlands impacts and those are temporary.
- Trenching, rather than directional drilling will be used in karst terrain. Directional drilling will only be used under roads and other appropriate situations.
- An alternatives analysis was done. Building a new import facility on the north coast is not feasible. Because of the size of the safety exclusion zone and impacts to shipping an appropriate site is not available. Also this alt would cost \$1B vs. \$450M for Via Verde.
- PREPA does have contracts for various alternative energy projects but needs Via Verde for base load.
- Via Verde has major CO2 and other air quality benfits.
- The project will cut electric rates substantially.
- PREPA is in a hurry. It wanted to start the propect in January 2011.
- The NEPA-like nature of the Commonwealth's EIS process was defended. The need for a Fedeal EIS was challanged.

The Puerto Rico reps were a half hour late, so Nancy needed to leave halfway through the meeting because of other commitments. Comsquently, I lead most of the discussion for EPA and raises the following points;

- Our main concern is protecting the environment. In this case, water quality, wetlands, karst terrain and endangered species (via wetland and water quality linkages) are our main concerns.
- We recognize the air quality benefits of the project, but EPA must protect both and cannot trade between media.
- Once we see that our concerns are being addressed we can work out the process (i.e., EIS) issue.

Next steps:

- We agreeed to work together to identify and resolve technial issues.
- PREPA will send us the final EIS in Spanish. I told the group we are working on arrangements to review it, in house.
- PREPA will send us key sections of the EIA translated into English.

- PREPA will send us its January letter to the Corp.- PREPA said they would send technical staff to New York to meet with us if necessary. I said that could be useful.
- I committed to brief our Regional Administrator on the issue.

Please let me know if you have any questions. Have a good weekend.

John

Sent from my BlackBerry Wireless Device