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August 16, 2007

Kimberly D. Bose  
Secretary  
Federal Energy Regulatory  
Commission  
888 First Street, N.E.  
Washington, D.C. 20426

FILED  
OFFICE OF THE  
SECRETARY  
2007 AUG 16 P 4:52  
FEDERAL ENERGY REGULATORY COMMISSION

Re: Quoddy Bay LNG, L.L.C. and Quoddy Bay Pipeline LLC,  
Dockets No. CP07-35-000, CP07-36-000, CP07-37-000, and  
CP07-38-000

Response to the July 27, 2007 Staff Date Request in the Above  
Cited Dockets

Dear Secretary Bose,

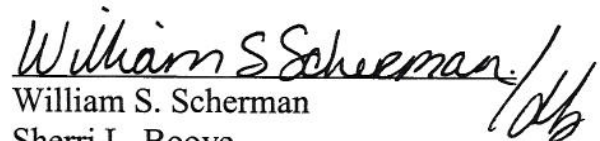
Enclosed for filing is the response by Quoddy Bay Pipeline LLC and Quoddy Bay LNG, L.L.C.'s (collectively "Quoddy Bay") addressing the questions contained in the data requests made by Federal Energy Regulatory Commission ("FERC" or "Commission") Staff in their July 27, 2007 letter.

As required by the Commission's regulations at 18 C.F.R. §§ 388.112 and 388.113 (2007), and as further discussed below, Quoddy Bay has identified and segregated into separate volumes information that Quoddy Bay has identified as "Critical Energy Infrastructure Information" ("CEII").

In accordance with 18 C.F.R. §§ 388.112 and 388.113 (2006), Quoddy Bay respectfully requests CEII treatment for its data responses to the July 27, 2007 Staff data request with the exception of the response to Question Number 2. The information contained in the data responses filed today detail specific engineering information, design characteristics, and component locations. All of this information meets the Commission's criteria for designation as CEII material as specified in 18 C.F.R. § 388.113(c)(2007).

The information for which the CEII designation is sought is information about proposed critical energy infrastructure that relates to transportation and distribution of energy; could be useful to a person in planning an attack on the subject infrastructure; is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552, in that the release of such information could cause financial harm to Quoddy Bay if the facilities are damaged in a future attack on the facilities; and the information provided is significantly more than simply the location of critical infrastructure.

If you have any questions concerning this filing, please contact Sherri L. Booye at 202-371-7845.

  
William S. Scherman  
Sherri L. Booye  
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202-371-7000

Quoddy Bay LNG, L.L.C. (Quoddy Bay)  
Docket Nos. CP07-35-000 and CP07-38-000

RESPONSE TO INFORMATION REQUEST

1. ***Provide information regarding the following specific options addressing the safe and secure movement of LNG tankers through U.S. and Canadian waters:***
  - a. ***Identification of suitable boarding locations to conduct all U.S. Government pre-arrival safety and security vessel examinations.***

This response is non-public because it contains CRITICAL ENERGY INFRASTRUCTURE INFORMATION; this response relates to transportation and distribution of energy; could be useful to a person in planning an attack on the subject infrastructure; is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552, in that the release of such information could cause financial harm to Quoddy Bay if the facilities are damaged in a future attack on the facilities; and the information provided is significantly more than simply the location of critical infrastructure.

- - b. ***Mechanisms to establish a formal one-way vessel traffic scheme during LNG tanker movements, including route adjustments and the anticipated role of Vessel Traffic Service (VTS). Other security options such as the use of private security assets in Canada and U.S. Governmental ship rider strategies should also be studied as ways of reducing risk.***

This response is non-public because it contains CRITICAL ENERGY INFRASTRUCTURE INFORMATION; this response relates to transportation and distribution of energy; could be useful to a person in planning an attack on the subject infrastructure; is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552, in that the release of such information could cause financial harm to Quoddy Bay if the facilities are damaged in a future attack on the facilities; and the information provided is significantly more than simply the location of critical infrastructure.

- - 
  - c. ***Methods to improve navigational safety, including upgrades to equipment (radar, closed circuit television, radio communications, VTS control, and pilot-suggested improvements to the existing bi-national aids to navigation system).***

This response is non-public because it contains CRITICAL ENERGY INFRASTRUCTURE INFORMATION; this response relates to



transportation and distribution of energy; could be useful to a person in planning an attack on the subject infrastructure; is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552, in that the release of such information could cause financial harm to Quoddy Bay if the facilities are damaged in a future attack on the facilities; and the information provided is significantly more than simply the location of critical infrastructure.

***d. Possible locations for establishing safe refuge/anchorage areas suitable for LNG tankers in the event of an emergency.***

This response is non-public because it contains CRITICAL ENERGY INFRASTRUCTURE INFORMATION; this response relates to transportation and distribution of energy; could be useful to a person in planning an attack on the subject infrastructure; is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552, in that the release of such information could cause financial harm to Quoddy Bay if the facilities are damaged in a future attack on the facilities; and the information provided is significantly more than simply the location of critical infrastructure.

***e. In-transit and dockside emergency procedures which may be required in the absence of any existing bilateral agreement or bi-national response plan.***

This response is non-public because it contains CRITICAL ENERGY INFRASTRUCTURE INFORMATION; this response relates to transportation and distribution of energy; could be useful to a person in planning an attack on the subject infrastructure; is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552, in that the release of such information could cause financial harm to Quoddy Bay if the facilities are damaged in a future attack on the facilities; and the information provided is significantly more than simply the location of critical infrastructure.

***f. Details of how marine near-shore terrorist threats and civil disobedience incidents, especially those originating from Canada, would be addressed.***

This response is non-public because it contains CRITICAL ENERGY INFRASTRUCTURE INFORMATION; this response relates to transportation and distribution of energy; could be useful to a person in planning an attack on the subject infrastructure; is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552, in that the release of such information could cause financial harm to Quoddy Bay if

the facilities are damaged in a future attack on the facilities; and the information provided is significantly more than simply the location of critical infrastructure.

- g. Identification of what additional security measures would be put in place at elevated maritime security levels and whether coordination with Canada would be necessary to implement them.*

This response is non-public because it contains CRITICAL ENERGY INFRASTRUCTURE INFORMATION; this response relates to transportation and distribution of energy; could be useful to a person in planning an attack on the subject infrastructure; is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552, in that the release of such information could cause financial harm to Quoddy Bay if the facilities are damaged in a future attack on the facilities; and the information provided is significantly more than simply the location of critical infrastructure.

- h. Explanation of what Emergency Response Plans would be developed with Canada, including the activities that would be undertaken to: (1) train and equip Canadian first responders; (2) enhance crisis communication procedures with Canada; and (3) develop protection strategies for the affected Canadian public and natural environment.*

This response is non-public because it contains CRITICAL ENERGY INFRASTRUCTURE INFORMATION; this response relates to transportation and distribution of energy; could be useful to a person in planning an attack on the subject infrastructure; is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552, in that the release of such information could cause financial harm to Quoddy Bay if the facilities are damaged in a future attack on the facilities; and the information provided is significantly more than simply the location of critical infrastructure.



***2. Provide a discussion of and any potential resolution to the anticipated legal issues with regard to fishermen's loss of equipment, the special rights of Passamaquoddy tribal fishermen, and any liability resulting from accidents, attack, use of force, or any other trans-boundary concerns.***

Quoddy Bay has been in communication with fishermen organizations for several years. Generally, fishermen have expressed wishes to deal with any issues individually instead of collectively. In an effort to determine potential issues, Quoddy Bay will send out a letter and print advertisements with a survey to identify individual fishermen that may feel they will be affected by the ship's transit route, once that route has been approved by the USCG. On a general basis, LNG vessels will operate in a defined transit corridor and under a conditional navigation parameters window (winds, tide, current, visibility, daylight/night). Quoddy Bay will agree to reasonably compensate any fisherman who loses gear as a result of the LNG vessel transiting outside of its operational boundary, as well as for the inconvenience of reapplying for the lost permit.


The Passamaquoddy have not yet responded to requests from the USCG for their position on waterway rights, but are currently working to do so. This response will likely bring up the specific issues that are of importance to the Passamaquoddy Tribe. Through conversations with Pleasant Point leaders, Quoddy Bay believes that its current Ground Lease Agreement with the Reservation and the subsequent Project Coordination and Tax Agreement are actionable under Tribal law, and can be enforced by the Pleasant Point Police Department. Because the Ground Lease Agreement is actionable under Tribal law, individual Passamaquoddy members will be required to honor the Ground Lease Agreement, which recognizes exclusion zones required by the Federal government. After receipt of the Passamaquoddy response to the USCG request, Quoddy Bay will memorialize this understanding with the Pleasant Point Reservation.

Quoddy Bay will carry and will require that any ship owner will carry appropriate insurance in case of an event involving accidents, attack, use of force, or any other trans-boundary concerns.

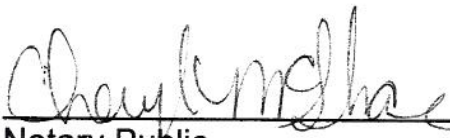
## VERIFICATION

Brian Smith, being first duly sworn, states that he is the President and Manager of Quoddy Bay Pipeline LLC and Project Manager of Quoddy Bay LNG, L.L.C.; that he is authorized to execute this Affidavit; that he has read the above data responses to the July 27, 2007 FERC data requests and is familiar with the contents thereof; and that after reasonable diligence and review, the information provided in such responses constitutes a complete and accurate response to the best of his knowledge, information, and belief.

Quoddy Bay Pipeline LLC and  
Quoddy Bay LNG, L.L.C.

  
\_\_\_\_\_  
Brian Smith  
President and Manager and Project  
Manager

Subscribed and sworn to before me this 14th day of August, 2007.

  
\_\_\_\_\_  
Notary Public

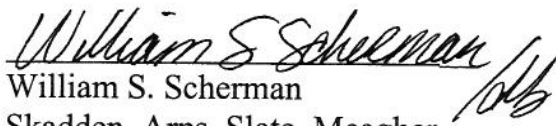
My Commission Expires:

7.1.11

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C., this 16<sup>th</sup> day of August, 2007.

  
William S. Scherman  
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& Flom LLP  
1440 New York Avenue, N.W.  
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