Excerpt (non-confidential) from J. Hogan 30(b)(6) testimony on behalf of PSE (1/7/2021)

In the Matter Of:

ADVOCATES FOR A CLEANER TACOMA vs

PUGET SOUND CLEAN AIR AGENCY

JAMES HOGAN

January 07, 2021



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139
                AFTERNOON SESSION
 1
                   (Time noted: 1:30 p.m.)
 2.
                  THE VIDEOGRAPHER: 1:30 p.m. We're back
 3
      on the record.
 4
 5
 6
                           JAMES HOGAN
 7
     resumed as a witness and testified further as follows:
 8
 9
                     CONTINUED EXAMINATION
     BY MR. THOMAS:
10
11
                 Mr. Hogan, I'm going to spend just a few
12
     minutes here talking about the end-use topic.
13
                  I understand that you've had
14
      conversations with the Earthjustice attorneys about
15
     marine vessels and trucks to some extent, so I won't
16
      recanvass any of that.
                  I want to talk for just a few minutes
17
      about rail. And we've talked with your colleague
18
     Mr. Littauer about sales to rails. And so he
19
20
     provided testimony on that. I've got just a few
21
     questions for you about infrastructure and capacity
22
      for the rail end-use.
23
                  Are you able to answer a couple of
24
     questions about that?
25
           Α.
                  Certainly.
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140
1
          Q.
                Okay. All right.
                MR. THOMAS: Let's call up OMW 29,
 2
    please.
 3
 4
                THE REPORTER: Exhibit 15.
 5
                MR. THOMAS: I guess, before we do that,
6
     in current events --
7
                I'm sorry. This is what exhibit?
8
                THE REPORTER: 15.
9
                MR. THOMAS: 15.
                (Exhibit 15 marked for identification.)
10
    BY MR. THOMAS:
11
12
          Q.
                In current events, did you hear
    Secretary Chao resigned from the Department of
13
14
    Transportation today?
15
          A. No, I have not.
                So Exhibit 17 here, are you familiar
16
          0.
    with this document and the information presented in
17
    it?
18
19
          A. Yes.
20
                Okay. And can you tell me what this is?
          Q.
21
          Α.
                I believe that this is a copy that was
    on the Puget LNG website at one time.
22
23
              Okay. And I'm looking at "Capabilities"
          Q.
    on the first page of this -- I think it's a
24
25
    four-page document.
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141
 1
                 Do you see "Capabilities" about halfway
 2
     down the page?
 3
          Α.
                 Yes.
                And do you see the last bullet there
 4
           0.
     that says: "Rail spur on site for future potential
 5
     rail car loading"?
 6
 7
          Α.
                Yes.
                 Okay. So is there a rail spur on-site
 8
           Ο.
 9
     at the Tacoma LNG facility?
                 There is a rail spur that was used by
10
           Α.
     prior tenants. However, it's not connected to
11
12
     the -- it's not connected to the railroad out on
13
     Alexander Avenue. There's no switch.
14
                 Okay. So, then, why was this bullet, if
           Ο.
15
     you know, provided on the Puget LNG website for
     marketing purposes?
16
                 Well, this was done by the marketing
17
           Α.
     person without consulting with me.
18
19
                 And do you have any knowledge regarding
20
     PSE's plans for its LNG end product to be
21
     transported by railcar in the future?
22
                No, not specifically. I know it's been
     talked about. But rail transportation of LNG is
23
     only a very, very recent development, I believe, in
24
25
     the last 18 months or so, so it's not really an
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- existing market.
- Q. Okay. And you said it's been talked about. It's been talked about by who specifically?
 - A. The marketing people.
 - Q. Okay. And can you give me a sense of what those discussions have entailed?
 - A. Well, you know, the fact that the facility is located in the port, and there's quite a bit of rail infrastructure in the port.

I think the marketing folks were looking at making sure to emphasize that if and when LNG by rail became a viable way of transporting LNG, that there is rail service to almost directly to the site. As I mentioned, there's no switch, so the spur that comes into the site is not connected to the rail. And then, also, I don't know the condition of that rail spur, if it would be suitable for an LNG tanker car.

Q. Okay. And you said the marketing folks were talking about a change in condition.

Are you talking about the recent regulatory change that now allows for the transportation of LNG by rail?

- A. Yes.
- Q. Okay. So in light of that regulatory

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143
     change, I just want to make sure I'm taking away an
1
     accurate understanding of what you're telling me.
 2
                 So are you saying in light of that
 3
     change, the marketing people are beginning to look
 4
     at transporting the LNG end product by rail?
5
                 MR. FRANK: Again, object to the scope
 6
 7
     to the extent that this is about marketing, and not
     about the design of the facility.
8
9
                 Correct. And I'm just asking about your
     conversations that you've heard from the marketing
10
11
     team.
12
                 You know, I'm not aware of anything. As
          Α.
13
     far as I understand, there's really not any market
14
     for transportation of LNG by rail.
15
           Q.
                 Okay. If we could go down to the second
     page of this document just very briefly.
16
                 And do you see this diagram being
17
     depicted sort of in the top half of this page?
18
19
           Α.
                 Yes.
20
                 All right. Can you explain to me what's
           Q.
     being depicted here? And I see a fire wall between
21
     "UTC" and "Fuel Sales."
22
23
                 Can you walk me through this diagram?
                 Yes. So the facility is owned by two
24
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different energy -- entities: one being Puget Sound

25