

Officials explain salt cavern project

Published Tuesday March 3rd, 2009

A1 By Charlene MacKenzie

HAMPTON - "We're at the very front end of trying to determine if there is a potential project in Salt Springs," Norm Miller said of a controversial proposal to store natural gas in underground salt caverns.



The project would proceed only if the geological and commercial environments are favourable, but Miller, president and CEO of Halifax-based Corridor Resources, said there's no plan to draw upon potential drinking water.

Concern for losing their water supply was what prompted residents of the salt storage exploration area to form the Quality of Life Initiative, a grassroots citizens group, last summer. The QLI invited Corridor to discuss its proposal and address questions at a Feb. 25 public forum at Hampton High School.

Miller assured people worried about losing their well water, as many Penobscot homeowners did when industry moved in, that Corridor has no intent to use drinking water for cavern leaching procedures. "Our goal is to not use potable water at all," he said. "If we can't get saline or sea water, I don't think there'll be a project."

Corridor drills and processes natural gas at McCully Field in Penobscot, exporting it to Canadian and American markets by a pipeline connecting to the Maritimes & Northeast Pipeline. Corridor sought and attained an underground storage exploration licence because of the thick, pure salt deposits, proximity to existing natural gas operations and pipeline infrastructure to Canadian and American markets. It is also close to the Bay of Fundy for brine disposal.

Less than one per cent of the area covered by the Salt Springs exploration licence of 35,792 gross acres would actually be used for underground storage, said Corridor's chief physicist Paul Durling. The process of choosing a suitable site is expected to take years.

Should the project eventually proceed to construction, caverns would be created by solution mining: drilling holes deep into the thick salt bed, pumping water down and pumping the resulting brine back up for disposal in the Bay of Fundy via a brine pipeline.

"We need a lot of water," Miller said, explaining it would take about 1,800 gallons of water per minute, per well, for initial cavern development over a two or three year period.

Shaped like giant vertical gas cylinders, the underground caverns would be 600 to 800 feet tall and about 200 feet across.

Corridor is looking at water sources in deeper saline wells where water lays in the ancient Poodiac geological formation about 2,300 feet below the surface. It's also looking at bringing Bay of Fundy seawater in by pipeline.

Building underground storage capacity for natural gas and other hydrocarbons could bring up to 200 construction-phase jobs, 15-20 operational jobs and tax benefits to the community, Miller said. It may eventually allow Kings County residents actual use of the valuable resource under their feet, which is currently whisked away to markets elsewhere, mainly the United States.

Regionally, Miller continued, the project could bring supply security and natural gas price leveling and strengthen Saint John's position as an energy hub by providing storage for crude oil and other petroleum products.

These types of salt deposits occur throughout the Maritimes and northern European countries including Germany, Poland and Denmark, but not in Maine or the American Northeast, or even Quebec. Salt cavern storage is safer than surface tank storage, he explained, because salt is impermeable to hydrocarbons and "you need oxygen to burn gas and there's no oxygen down there."

Beth Nixon, one of dozens of Penobscot residents whose wells fouled or went dry over the last four years amidst mining and natural gas development, warned residents their lives won't be the same if industry moves into their midst. She said there's much disruption and very limited benefit to the community.

"It's seismic testing we feel created the problem," she said.

"You guys need to be concerned about seismic might do and that Ittihad might do."

Ittihad Capital Corporation is a private fund Canadian company planning to explore for natural gas in the Norton area this year.

Addressing the seismic issue, Durling said the company received only one complaint of seismic testing in Penobscot, and that resident neglected to tell the company about loss of well water. As far as the company is concerned, he said, Corridor has a good record with seismic testing.

Harold Bettle of Hampton drew rounds of applause when he asked how relatively minimal benefits to

the area could offset the major environmental risks of loss of fresh drinking water, and brine overload in the Bay of Fundy. He said residents are reluctant to trust provincial regulations and standards to protect them: "I don't trust government, they generally sell taxpayers down the river in order to support big business."

He asked Corridor to help citizens by being more open than the government and other developers have been about what their studies reveal and what they plan to do.

Miller suggested the QLI and Corridor agree to meet up with a public discussion to update each other in September and promised to come back sooner if there's any progress on the project before then. Information on the proposal can be found on the company's website at www.corridor.ca/underground-storage/presentation.html