

ESHIA Public Meeting Minutes

Date	10.11.03
Time	18.00 – 20.00
Settlement	Val, Nogliki District
Location	Cultural Center
Number of attendees	60

1. Reception of TV signal is poor in the settlement, can the Company help to solve this problem?

Sakhalin Energy has transferred money to extrabudgetary account of the Administration of Nogliki rayon, and works will be started as soon as the equipment is delivered.

2. Chayvo Bay is traditionally a fishing area for local people, why is the access prohibited to the bay now?

It is Exxon Company that is performing construction works there within the framework of Sakhalin-1 project, therefore this question should be addressed to Exxon.

3. Won't the pipeline interfere with the spawning rivers? Will humpback salmon be able to get to spawning areas?

All the issues connected with pipelines crossing rivers were solved and approved by design institutes, the pipeline will be laid under rivers' bottoms.

4. After joining their camp in the local heating system, the contractors left behind lots of mud, which flooded the area over after the rains. Why?

(Contractor's rep) we have done our work – repaired the heating pipeline. Next spring repair works will be continued followed by the clean-up.

5. The roads in the settlement are narrow which makes it difficult for cars to drive past heavy vehicles. The roads, including the main road are in bad condition due to heavy vehicle traffic. Besides, the traffic is heavy even near the school.

(Contractor's rep) you should have raised this question earlier and we'd have stopped heavy vehicle traffic in the settlement. Starting with tomorrow the vehicular access to the settlement will be restricted.

(Sakhalin Energy rep) the vehicles could as well belong to some other company, not to SMU-4, as several contractors are doing projects in the settlement now. So even if SMU-4 withdraws its vehicles from the settlement, traffic will remain just as heavy.

6. Why is the Contractor's garage with vehicles located in the settlement, who approved that?

(Contractor's rep) Now we are building a new garage outside the industrial area, on completion the vehicles will be placed there.

7. Is cleaning of the river beds on the Project?

Actually, we are not planning this.

8. There is no fire-fighting machine at the garage and fuel trucks, why?

(Contractor's rep) the Project specifies two fire-fighting machines in Val settlement, for SMU-4 two Ural trucks will be provided.

9. Winter is coming, one can expect heavy snowdrifts over the roads. Is SMU-4 going to help with the snow clearing?

(Contractor's rep) We are getting ready for winter: we have bought equipment and spare parts, so we are certainly going to help with the snow clearing.

10. Will local people have employment priority?

(Contractor's rep) SMU-4 has employed 22 Val residents, and we continue selecting people to employ for different jobs and as maintenance staff. The wages are 5000 to 15000 rubles depending on a person's qualification. Applicants should address the Company's representative.

11. Construction works within the Project are an obstacle on the road to wild berry fields and fishing areas (the road is blocked). When can we use the road?

Rayon Administration allotted this area for construction of the builders' camp. A new by-pass road leading to the berry fields is laid; it is only 500 m longer than the old one. The Project will not block this new road, so the local people can use it.

12. Could you do something with the road running past the foundation pit? The contractor has damaged it with the vehicles and left wastes all over the place so one cannot use this road.

The road has already been repaired by SMU -4.

13. Could the contractor offer financial aid for redesigning the court?

You should address SMU-4 manager and inspect the court together with him to decide on the amount of this aid.

14. Is there any re-training program for the workers to be employed at the pipeline laying and operation?

Now we are selecting people for about 100 positions in LNG plant. Probably, there will be age limits of which the applicants will be informed. Those selected will be re-trained and after that work in Prigorodnoye. Other conditions being equal, Sakhalin residents will have employment priority. We have selected a group of 15 people who are practicing equipment operating procedures now.

15. How can a project apply for a grant?

Contact person is Ms Lina Zhamjalova, the Company's representative in charge of the program of minor grants. The grant will be awarded to the applicant whose project provides for the most number of activities in the way of environmental conservation and philanthropy. We will consider projects on any points; they don't have to be limited to the territory of one area only. Projects on the problems of Chayvo bay can be done in writing and submitted by post; remember that the general operator of construction works in that area is Exxon Company so you can address this company directly.

16. Is there any training course for oil outflow liquidators now?

We have such training programs; the workers from Val and Nogliki arrive and exercise in liquidating oil outflows. Ecoshef Company is in charge of these trainings, together with Exxon.

17. Exxon signed a contract with indigenous people of their training in Ecoshef, but for some reason they did not finish the training course and weren't employed afterwards. How do you comment on it?

I'm having a meeting with Exxon representative and I'll raise this question.

18. Are you going to engage indigenous people in the works within the Project? Will there be communities with their representatives – juridical persons - who can inform indigenous people on such questions as training, re-training and further employment?

Sakhalin Energy is working over a program on co-operation with local indigenous people, whose aim is increasing the number of indigenous people engaged in the Project.

19. How long will the works within the Project last?

The Sakhalin II project will last 30-40 years.

Questions that were not answered:

- *What are the employment possibilities? Will residents and non-residents have equal wages, or will there be any differences?*
- *Re: question 18: You should have worked out such program before: the Project has been carried out for five years already! SMU-4 said they would engage their own workers, does that mean that local people will have to do odd jobs?*