# Addison County Regional Planning Commission

14 Seminary Street Middlebury, VT 05753 www.acrpc.org Phone: 802.388.3141 Fax: 802.388.0038


December 19, 2012
VIA e-mail and regular mail

Vermont Public Service Board
Susan M. Hudson, Clerk
112 State Street
Drawer 20
Montpelier, Vermont 05620

Re: Vermont Gas Systems Proposed Addison Natural Gas Pipeline Extension

Dear Ms. Hudson:

This letter contains the comments of the Addison County Regional Planning Commission ("ACRPC") responding to the letter of Vermont Gas Systems, Inc. ("Vermont Gas") dated November 5, 2012. Vermont Gas's letter provided ACRPC forty-five days notice of its intent to file an application with the Vermont Public Service Board for a Certificate of Public Good to extend its natural gas transmission pipeline into Addison County to serve Vergennes and Middlebury. ACRPC has been involved with this project for well over three years. ACRPC's representatives first met with representatives of Vermont Gas concerning its possible expansion into the Addison Region in 2009. In March 2011 ACRPC sent a letter to Vermont Gas and the Public Service Board supporting the concept of a natural gas pipeline serving the Addison Region and requesting the Board to authorize the funding that would allow Vermont Gas to explore providing service to the Region. Vermont Gas has made three presentations to ACRPC's full Commission since our initial discussions, the latest being ACRPC's meeting November 14, 2012. ACRPC has also devoted a significant amount of its committee's time and resources to studying the proposed pipeline from a number of perspectives. ACRPC's Natural Resources, Energy and Act 250/Section 248 Committees and the Local Emergency Planning Committee all reviewed Vermont Gas's proposed pipeline. Each committee made a report to ACRPC. In turn, ACRPC shared those committee reports with Vermont Gas. The proposed pipeline and ACRPC's questions and concerns were the topic of discussion between Vermont Gas and ACRPC at ACRPC's November 14th meeting.

At its December 12, 2012 full Commission meeting, ACRPC adopted a number of resolutions outlining its position with regard to the proposed Vermont Gas pipeline. Minutes of the December 12, 2012 full Commission meeting recording the votes of ACRPC's full commission are attached as Exhibit 1. ACRPC's resolutions and position are summarized as follows:

1. ACRPC voted unanimously to support the construction of the pipeline, but reserved the right to advocate for conditions on how and where it is constructed to ensure it

will be built to minimize and mitigate impacts and to provide public benefits within the area it is intended to serve.

As ACRPC's Energy Committee's report concluded, "The immediate and mid-term economic benefit to the citizens and businesses of the Addison Region would be undeniable." Vermont Gas's pipeline and service constitute an important piece of infrastructure that if constructed properly can provide significant public good to the Addison Region.

2. ACRPC voted to intervene before the Public Service Board to seek party status to ensure that the line is constructed in a manner that minimizes its impacts and promotes the most public good to the citizens of the Addison Region.

3. ACRPC voted to adopt each of its committee reports. All contain recommendations and concerns that ACRPC will look for Vermont Gas to address to reduce the pipelines impacts and promote its benefits. Each committee looked at different aspects of the line (Cost/benefit, orderly development of the region, safety and natural resources). Therefore, each committee report contains concerns, requests or recommendations on different subjects. Copies of each of the Committee Reports as adopted by the Commission are attached as Exhibits 2-5.

4. ACRPC voted to adopt 4 additional conditions that its members felt were not adequately represented in the committee reports. These include:

   a. To request that the Vermont Public Service Board require Vermont Gas to provide the towns along the pipeline with a commitment that they will receive distribution service to their "village" area within a specific timeframe. Not only Middlebury and Vergennes, but also Monkton, New Haven, Bristol and East Middlebury.

   b. To support the Town of Monkton by opposing the use of the Monkton Road as a transmission corridor and encouraging Vermont Gas to use another corridors, such as the VELCO corridor;

   c. To request that the Public Service Board require Vermont Gas to minimize impacts to businesses and residences.

   d. To request that the Public Service Board severely discourage the use of eminent domain proceedings, especially in close proximity to residences.

Each of these resolutions are recorded as part of the minutes attached as Exhibit 1. The resolution regarding setting a specific timeframe for service to the villages of each of the towns the pipeline passes through constitutes the primary economic and planning benefit this project will provide to the towns most impacted by the

transmission service. Each town recognizes the economic benefits natural gas can bring to its residents and businesses. Each also recognizes that locating distribution infrastructure within its village can serve as an important tool to support and encourage development in locations desired by local, regional and State planning policies. Certainty in the delivery timeframe will cement both the economic and planning benefits of this project.

The Monkton resolution occurred as a direct result of the letter the Monkton Selectboard sent to ACRPC, recorded in the minutes of December 12th, specifically requesting support and the large number of citizens of Monkton that joined and participated in ACRPC's discussion. The comments of the Monkton residents are recorded in the minutes. Pictures depicting the concerns of Monkton's citizens regarding the location of this portion of the corridor are attached as Exhibit 6a-6l.

In conclusion, ACRPC supports the benefits this project can bring to the Region and desires to work with each of its member municipalities, Vermont Gas and the Public Service Board to maximize the project's public benefits while reducing and mitigating any negative impacts the project might have.

Sincerely,

Adam G. Lougee, Director

Cc: ACRPC Executive Board
Steve Wark, Vermont Gas Systems
Vermont Public Service Department

Exhibit 1

# Meeting Minutes
# Addison County Regional Planning Commission
# Wednesday, December 12, 2012

*ACRPC held its Monthly Meeting at ACRPC's office on 14 Seminary Street in Middlebury on December 12, 2012 with Harvey Smith of New Haven, presiding.*

**ROLL CALL:**

*Addison:*

*Bridport:* Ed Payne
Andrew Manning

*Bristol:* Bill Sayre
Chico Martin

*Cornwall:*

*Ferrisburgh:*

*Goshen:*

*Leicester:*

*Lincoln:* Steve Revell

*Middlebury:* Fred Dunnington
David Hamilton
Susan Shashok

*Monkton:* Thea Gaudette
Wendy Sue Harper

*New Haven:* Harvey Smith

*Orwell:*

*Panton:*

*Ripton:*

*Salisbury:*

*Shoreham:*

*Starksboro:* Richard Warren

*Vergennes:*

*Waltham:*

*Weybridge:*

*Whiting:* Ellen Kurrelmeyer

*A sizable delegation from Monkton was present at and participated in the discussion concerning the proposed Vermont Gas Pipeline

**CITIZEN INTEREST REPRESENTATIVES:**

*Addison County Farm Bureau:* Kent Wright
*Addison County Economic Development Corp:* Harvey Smith
*Otter Creek Audubon Society:* Margaret Lowe
*Otter Creek Natural Resources:*
*Addison County Chamber of Commerce:*

**ACRPC EXECUTIVE BOARD**

*Chair:* Harvey Smith
*Vice-Chair:* Jeremy Grip
*Secretary:* William Sayre
*Treasurer:* Fred Dunnington
*At Large:* Steve Revell
Andrew Manning
Ellen Kurrelmeyer

***STAFF***

*Executive Director:* Adam Lougee
*Assistant Director/GIS Manager:* Kevin Behm
*EM/Senior Planner:* Tim Bouton
*Transportation/Senior Planner:* Daryl Benoit
*Land use Planner:* Claire Tebbs
*Office Manager/Bookkeeper:* Pauline Cousino
*Regional Planner:* Kevin Lehman

DRAFT

**7:30 Presentation, Front Porch Forum ("FPF"):**

Harvey Smith, the Chair, called the meeting to order at 7:30 to address the Commission's agenda. He introduced the Commission's guest for the evening, Michael Wood-Lewis, Cofounder of the Front Porch Forum.

Adam explained that on behalf of ACRPC he has been working with Robin Scheu of ACEDC, Kate McGowan of the United Way and Spence Putnam of Weybridge to try to bring FPF to the Addison Region as a way to strengthen the community's ability to communicate with their neighbors. It builds upon the broadband planning we recently completed and could be a useful tool for local governments to engage their citizens. Spence, on behalf of the group, negotiated a substantial discount with FPF for all unserved towns in the region to join FPF. We also contacted clerks and selectboard chairs in the Region to invite them to participate in FPF and to come to the meeting tonight to learn more about the service.

Michael thanked Adam for the introduction. He presented a PowerPoint regarding the benefits of FPF. The presentation can be found on ACRPC's website at www.acrpc.org. He then proceeded to answer a number of questions from the Commissioners and other audience members present about how FPF operates and its benefits.

At approximately 8:20, Harvey closed the program due to the time and thanked Michael for his presentation.

**8:30 Business Meeting:**

I. **Approval of the Minutes of the November 14, 2012 meeting. Fred Dunnington of Middlebury moved the minutes. Thea Gaudette of Monkton seconded the motion. Wendy Sue Harper of Monkton noted that she was not present last month, but that the minutes reflected that she was; she requested that the minutes reflect that change. The Commission passed the minutes, as amended by Wendy Sue, by voice vote with all approving.**

**Additionally, since the Commission had skipped the business meeting in November because of the length of Vermont Gas's presentation, Andrew Manning moved that the Commission also approve the October 11, 2012 meeting minutes. Ellen Kurrelmeyer seconded the motion. All voted to approve the October minutes as presented.**

II. **Executive Board Minutes:** Chairman Smith of New Haven noted that draft set of Executive Board minutes from November 28, 2012 were inserted in the packet for people's information. He offered all the opportunity to ask questions or to comment. Hearing none, he moved to the next item on the agenda.

III. **Treasurer's Report:** Adam handed out the treasurer's report as of December 12, 2012. Adam noted that our fund balances remained strong. He also noted that as of this point in our fiscal year, our revenues and expenses are very close to even. Adam will watch both revenues and expenses to make sure they continue to balance. Adam offered to take any questions on the Treasurer's report. **Thea Gaudette moved to accept the Treasurer's report**

**as presented. Ellen Kurrelmeyer of Whiting seconded the motion, which passed unanimously.**

## IV. Committee Reports:

Act 250: Ellen gave the ACT 250 report as follows:

**New Applications:**

1. On October 2, 2012 the Town of Middlebury and the Marbleworks Partnership filed an application for improvements to a proposed public park to be located just behind Printers Alley in Middlebury. That permit was treated as a minor application and granted on December 12, 2012.
2. On November 10, 2012 the President and Fellows of Middlebury College applied for an Act 250 permit to construct a Field House at the Peterson Family Athletic Facility on Route 30 in Middlebury to replace the temporary field house "bubble" currently at the site. On November 20, 2012 the District Commission deemed this project constituted a minor application. No hearing will be held unless requested by a party prior to December 19, 2012.
3. On November 16, 2012 WhistlePig, LLC filed an act 250 application to make improvements to an existing Rye Whiskey Distillery located on Palmer Road in Shoreham, Vermont. A site visit and hearing will be held on January 15, 2012. The hearing will be in the Shoreham Town Library.

**Approvals or Denials:**

1. On October 25th, 2012 the District 9 Environmental Commission issued an amended permit to the Town of Middlebury allowing it to build a Grit drying bed at the town wastewater treatment plant on Industrial Ave in the Town of Middlebury.
2. On November 29th, 2012 the District 9 Environmental Commission issued a permit to the Vermont Hard Cider Co., LLC to construct a new 87,000 sq. ft. manufacturing facility on 26 acres in the industrial Park in Middlebury, Vermont.

**Other:** None.

Energy: Fred Dunnington reported that the Energy Committee had focused its meeting on discussing the PACE program and on a new program efficiency Vermont is launching, the 2013 Home weatherization challenge. ACRPC will act as a facilitator to try to encourage 3% of the homes in participating communities to make improvements to improve their thermal energy efficiency.

Local Government: Fred Dunnington reported that the committee had met in Leicester and that he would have a full report under New Business.

Natural Resources: Kevin Behm noted that the committee had met to prioritize the action steps that it had included in the natural resources section of ACRPC's Regional Plan. They worked through 3 of 10 sub-sections and will continue the work at their next meeting.

Transportation Advisory Committee: Andrew Manning reported that the TAC had discussed the New Haven Field Days mobility study it had commissioned.

V. **Joint Partners Report**: Harvey noted that ACRPC, ACEDC and ACoRN had just completed an excellent workshop they worked together to organize concerning financing the working landscape.

VI. **Delegate/Staff Recognition/ Project Highlights:** None.

VII. **Old Business:**

Discussion concerning Vermont Gas pipeline and vote on Committee Recommendations:

Harvey requested that Adam lead the discussion regarding the pipeline proposed by Vermont Gas systems. Adam handed out a memorandum he had created to try to focus the discussion and to provide staff with enough information to carry out the direction the commission desired to follow. Adam used the memo to summarize the action the commission's committees had taken to date and the charge each had been given by the commission.

He then asked the Commission to provide direction as to how it would like to address the project. **Chico Martin of Bristol moved to support the overall gas pipeline project but to advocate for conditions that support areas of interest or concern to the Commission. Ellen Kurrelmeyer seconded the motion. After considerable discussion, the Commission voted unanimously by voice vote to support the motion.**

**Thea Gaudette of Monkton then moved that the Commission leave the outline that Adam had prepared to allow the Town of Monkton and the delegation from Monkton that had joined the Commission for that meeting to speak. Chico Martin seconded that motion and all voted in favor of it.**

Thea, as the senior Commissioner representing Monkton, began the discussion. She noted that the Town of Monkton had expected the corridor to follow the VELCO ROW through the Town. On November 5, 2012, without consultation, the Town found that Vermont Gas's proposal for much of Monkton had changed and that Vermont Gas now was proposing to use the public ROW on Monkton Road for the transmission line. The proposed line in the road ROW travels through two historic hamlets past 60 homes. She then read the letter the Monkton Selectboard had sent to Vermont Gas into the record of the meeting. A copy of the letter is attached here. In summary, the Monkton Selected board refused to let Vermont Gas use the public right of way, requested that Vermont Gas relocate its proposed pipeline out of the Monkton Road ROW and requested that ACRPC support its position.

Henry Boisse, also of Monkton, spoke on behalf of the group of Monkton citizens in attendance. He noted that the group wanted Vermont Gas to relocate the line away from the road ROW and back onto the VELCO ROW as it was first proposed.

Ken Wheeling of Monkton also spoke against the corridor in Monkton on Monkton Road. He noted that the construction easement would require Vermont Gas to take down all the Street trees in Monktonboro.

Elsa Gilbertson, speaking as a private citizen, spoke against using Monkton Road as a pipeline corridor. She noted that the Monkton Road was the main thoroughfare from Starksboro and Monkton to Vergennes. She noted that the route contained a lot of important historical structures and properties. She noted that the area was settled by revolutionary war veterans shortly after the war. She noted that the hamlets of both Monktonboro and Barnumtown dated back to that era and that many old houses were located very close to the road. She noted that the pipeline would negatively impact both the houses and the street trees.

In summary, the Monkton residents attending the meeting noted that Vermont Gas's proposed pipeline in the Monkton Road did not consider the human resources of the people living close to the line. They urged the Commission to support Monkton by requesting that Vermont Gas choose a different corridor option.

Several commissioners spoke strongly that the Commission should aid the Town of Monkton and its residents by advocating that Vermont Gas seek an alternative route to the line other than Monkton Road.

Steve Revell of Lincoln noted that the motion to support the project could include numerous conditions, this would only be one of them and that the Commission should participate in the process until the project is satisfactory to the Region's best interest.

**Steve then moved that the Commission intervene in the application to seek party status to advocate for specific improvements to the project. Richard Warren of Starksboro seconded the motion. All voted in favor of intervening to secure party status.**

**Steve then moved to adopt the Committee Reports as presented to the Commission as areas of concern where the Commission would participate. Fred Dunnington seconded the motion.** During the discussion phase several commissioners noted that we should address other conditions, including those just raised by Monkton. The Commission acknowledged those concerns and chose to address them as additional issues after it addressed the Committee reports. **At the completion of the discussion, on a voice vote, the Commission unanimously voted to adopt its committee reports.**

The Commission then discussed other conditions that it would advocate for, within the context of its support for the overall pipeline. It created a slate of 4 additional conditions beyond the concerns raised in the Committee reports:

1. To request that the Vermont Public Service Board require Vermont Gas to provide the towns along the pipeline with a commitment that they will receive distribution service to their "village" area within a specific timeframe. Not only Middlebury and Vergennes, but also Monkton, New Haven, Bristol and East Middlebury.

2. To Support the Town of Monkton by opposing the use of the Monkton Road as a transmission corridor and encouraging Vermont Gas to use other corridors, including the VELCO corridor;

3. To request that the Public Service Board require Vermont Gas to minimize impacts to businesses and residences.

4. To request that the Public Service Board severely discourage the use of eminent domain proceedings, especially in close proximity to residences.

**Chico Martin moved that the Commission adopt the 4 additional conditions noted above. Richard Warren seconded the motion. The motion passed unanimously.**

The discussion regarding Vermont Gas ended, the delegation from Monkton thanked the Commission and left and the Commission addressed its attention to the items on the agenda it needed to act on in December, tabling the rest until its next meeting.

Endorsement of Broadband report presented at October Meeting: Tabled until next meeting.

Audit: Tabled until next meeting.

Other: Tabled until next meeting.

**VIII. New Business:**

Dues for FY 2013/2014: Adam presented the Commission with the new dues structure proposed by the Executive Board for FY 2013/2014. It includes raising the dues three cents per capita from $1.08 to $1.11. Adam noted that dues only comprise about 5% of our budget. However, ACRPC's expenses have continued to increase. While we did not raise dues last year, Adam felt it is necessary that dues keep up with other portions of the budget to keep its member municipalities invested in the Commission's work. Adam also noted that a three cent increase raises about $1,000. It is the minimum raise that he believes the Commission should pursue. **Ellen Kurrelmeyer moved that the Commission adopt the new dues rate for FY 2013/2014. Ed Payne seconded the motion. All approved.**

Vote concerning the confirmation and approval of the Leicester Town Plan: Fred noted the Local Government Committee had held a joint hearing with the Leicester Selectboard and representatives of the Leicester Planning Commission on December 3rd to confirm Leicester's local planning process and to regionally adopt their town plan. He noted that staff had reviewed the plan and found it favorable and at the hearing all offered positive comments on the plan. **Fred moved to confirm Leicester's planning process and to regionally approve the Leicester Town Plan. Andrew Manning seconded the motion. On a voice vote, all voted in favor of the motion.**

Other: None.

**IX. Members Concerns**: None.

**X. Adjourn: Chico Martin of Bristol moved to adjourn the meeting, Ellen Kurrelmeyer seconded the motion. The motion, passed unanimously and the meeting was adjourned at 10:10 p.m.**

Respectfully Submitted:

Adam G. Lougee, Director

# Town of Monkton

December 11, 2012

VIA FIRST CLASS MAIL AND EMAIL

Vermont Public Service Board

112 State St., Drawer 20

Montpelier, VT 05620-2701

Re: Vermont Gas Pipeline Proposal

Dear Sirs,

The Monkton Select Board strongly opposes the current route of the VT Gas pipeline through the Town of Monkton. The Monkton Select Board suggests that as a matter of public safety and health that all high pressure gas pipelines through the Town of Monkton maintain a minimum of a 300 foot set back from the gas pipeline Right of Way to any habitable building, a minimum of a 300 foot set back from the gas pipeline Right of Way to any registered well and further that the pipeline be buried a minimum of 48 inches below the current grade. With respect to the depth of burial we are particularly concerned with the pipelines that are buried near or close to water run off ditches maintained by the Town of Monkton. The Monkton Select Board also suggests that disturbance of any current buried electrical service be avoided.

The Town of Monkton is also currently actively engaged with the Vermont Agency of Transportation (AOT) on the construction of an amphibian crossing that would be impacted by this route. The project is AOT Monkton STPEH08(4) and is intended to protect a wide variety of animal species, in particular the Blue-Spotted Salamander and Spotted Salamander - both of which are listed as Species of Greatest Conservation Need.

Given all of these factors, the Monkton Select Board does not support a VT Gas pipeline route that uses the Town of Monkton road Right of Way. The VT Gas had originally proposed a route that followed the VELCO Right of Way which we feel would be better able to meet the public safety and health guidelines mentioned above.

P.O. Box 12▪ Monkton, VT 05469 ▪ Phone: 802.453.3800 ▪

The Town of Monkton also believes that proper provisions should be made for wider distribution of service throughout the Town of Monkton.

Please find attached a copy of a page of a petition signed by 121 citizens given to the Select Board at their last meeting and a copy of the comments made by the Monkton Recreational Committee to the Select Board.

The Town of Monkton would like to have party status with regard to the Act 248 proceeding on the VT Gas pipeline application.

Regards

John Phillips

Chair, Monkton Select Board

CC: Stephen Wark, Vermont Gas

P.O. Box 12 ▪ Monkton, VT 05469 ▪ Phone: 802.453.3800

Exhibit 2

**Adopted by ACRPC Full Commission December 12, 2012**

# ACRPC Energy Committee position statement on Vermont Gas' proposed expansion into Addison County

September 27, 2012

The Energy Committee was asked to consider the economic considerations which would affect the view of the Commission on the Addison Natural Gas Project proposed by Vermont Gas. The consensus of the Committee is that the immediate and mid-term economic benefit to the citizens and businesses of Addison County would be undeniable.

Normalized for heat production, the current price differential between home heating oil and natural gas is substantial—almost 2 to 1, and the advantage over propane approaches 2.5 to 1. Wood heat, which can arguably be called a more renewable source, still enjoys a considerable cost advantage—probably significantly better than 2 to 1 in favor of wood, when buying at prevailing cordwood prices and using a wood-burning stove of average efficiency. For many residents, the associated work of heating with log wood is not a possibility. Wood pellet appliances are a possibility but the fuel cost is greater. Reliable estimates put natural gas at 25% cheaper than wood pellet heat. Most of the foregoing cost comparisons hold for hot water heating as well as space heating, depending on the specific configuration.

For individual homes and businesses, there will be a cost for the conversion to natural gas from other fuel sources. For average homes, this is estimated to cost from $2,000 to $10,000 and up, so immediate conversion is not necessarily in everyone's economic interest. For instance, a homeowner planning on staying in a home for another six years may not elect to spend $10,000 on a fuel conversion estimated to save $1,000 per year on fuel costs. Conversions will certainly occur over time as existing furnaces and boilers require replacement. And financing options such as those offered by the PACE program may alter the considerations and accelerate the process.

In addition to the $/btu advantage, it should be noted that most gas-fired heating appliances are more efficient than the alternatives, so there will generally be a slight multiplier effect when converting, especially to newer technologies such as condensing gas furnaces.

For commercial and industrial heating, the readily available choices often do not include production technology for biomass heating, though the Energy Committee has supported and will continue to support such efforts as long as they make environmental and economic sense. For large energy consumers the immediate cost savings for a fuel conversion to natural gas could be substantial, and the payback might be much faster than for smaller users. In some cases, this could make the difference between financial viability and failure, and sway the decision of employers to remain in, or locate to, Addison County. Our understanding is that existing major

energy consumers such as Cabot Creamery, Middlebury College, Pike Industries and others have already expressed interest.

It is probable that there will be some minor losses to locally based fuel oil dealers, but most of these are diversified into plumbing and heating services, and so will offset some of the fuel sale losses with work in conversions and support services.

A responsible economic analysis must consider whether the fuel price advantage will remain significant enough over time to amortize the cost of conversion. This is the choice—the bet—that a homeowner must make when replacing a heating system. The current trend is markedly toward an expanding differential between natural gas and fuel oil prices. This trend seems likely to continue for some time. Domestic gas exploration and extraction continues to expand in other states, with admittedly mixed local environmental impacts, and the price pressures on oil supply continue to escalate. There are certainly "externalized" costs of the current domestic gas boom that will dampen the price advantage some as regulation catches up with the industry. If a carbon tax scheme were to be effected in the US market, however, it would probably increase the price advantage of natural gas over oil, but decrease it over more renewable technologies. And while alternate technologies for heat are available, such as passive solar design, "active solar" heating, and geothermal they are often not cost-effective, workable in the Northeast's climate, or applicable to existing building stock or all sites, and there are no short-term breakthroughs evident on the horizon. So, from an economic perspective, the investment in natural gas distribution infrastructure looks reasonable, if only as a mid-term bridge.

The most cost-effective, which is to say the most economic approach is, as always, conservation. Just as the cheapest watt is the "nega-watt", the cheapest BTU is the "nega-btu"("free-tu"). Vermont Gas advertises participation in demand side management (DSM) programs in its existing service territories, among which are support for home energy audits and rebates for insulation and other shell efficiency retrofits and space and hot water heating equipment retrofits and upgrades. ARPC should maximize the use and impact of these types of programs in Addison County. Efficiency Vermont (EVT) and the Vermont Energy and Climate Action Energy (VECAN) have recently announced a Vermont Home Weatherization Campaign for 2013 to help reach the State's goal of 25% energy savings in 80,000 homes by the year 2020. This program calls for regional partners to help in implementation, but currently lacks funding. As well as encouraging the implementation of DSM programs similar to those VG supports in its existing service territory, ACRPC could pursue the possibility of support from VG for this program as well.

Exhibit 3

**Adopted by ACRPC Full Commission December 12, 2012**

MEMORANDUM

From: Adam G. Lougee, Executive Director
To: Act 250 Committee, Tim Bouton, Kevin Behm
Date: October 10, 2012

Re: Minutes of the Act 250 Committee Review of the proposed Vermont Gas pipeline on October 9, 2012.

Dear Act 250 Committee members:

**This memo summarizes the Committee's discussion at its meeting yesterday afternoon, October 9, 2012 at 3:30 on the proposed Vermont Gas pipeline and contains the draft recommendations of the committee for the full commission.**

Vermont Gas presented the region with a plan to expand its service into the Addison Region to serve commercial, industrial and residential customers in certain densely developed portions of the Town of Middlebury and the City of Vergennes. Vermont Gas also acknowledges it harbors a longer-term goal of serving the City of Rutland and perhaps interconnect with the American Gas pipeline system (Vermont Gas receives the natural gas it supplies its customers from the Canadian pipeline system.). Neither of its future longer-term plans are part of its current application to serve portions of the Addison Region. In the course of its planning for Addison County, the International Paper Mill in Fort Ticonderoga NY asked Vermont Gas to also consider serving its plant. This would dramatically expand the scope of the transmission project in Addison County and the impact/benefit of Vermont Gas's project. Vermont Gas expects to conclude its negotiations with the paper mill very soon.

Vermont Gas last presented its plans to the full Addison County Regional Planning Commission at the Commission's meeting of April 11, 2012. Since that time, they have been planning for their system to serve the Addison Region. They have held numerous outreach meetings to local governments and businesses. Vermont Gases pipeline obviously constitutes a significant piece of infrastructure for the Region. How the infrastructure is utilized, sited and configured will determine whether it brings both benefits and impacts to the region. Recognizing the significance of the project, ACRPC has been tracking the project carefully and has asked its committees to review different portions of the project. At its meeting in March, 2012 the Executive Board laid out its charge to each of the Commission's committees. That Charge follows:

1. As per the charge of the commission at the last meeting, the Executive Board had discussed and created a plan for committee's to review relevant portions of the project. The Executive Board agreed on some broad principles:

a. ACRPC should perform a broad based analysis of the proposed project, using the areas of interest of its committees and partners to help evaluate the information provided.
b. ACRPC's investigation should start with and be supported by the goals and policies of ACRPC's regional plan.
c. ACRPC should work to be a resource to its member towns, help represent them where they support mutual interests, promote open dialogs and public information sharing, including all information it develops.
d. Committees working on the project will tentatively include:
   - Addison County Local Emergency Planning Committee - safety (Tim)
   - Natural Resources - Air and water pollution (including understanding more about fracking), wildlife and threatened plant communities (Kevin B)
   - Addison County Economic Development/ Energy – Cost Benefits of Gas for region/ Renewable natural gas – (Kevin L/ Robin S)
   - Act 250 – Orderly Development of the Region (Regional Plan) (Adam)

Each Committee reviewed certain topic areas specifically reviewing the proposed pipeline for benefits or impacts under the topic reviewed. The Committees will report their recommendations to the Commission. The Commission will decide what recommendations it desires to adopt as its own and whether and how it should interact with Vermont Gas both prior to and, if necessary, within the Section 248 process before the Public Service Board.

This report constitutes the draft report of the ACT 250 Committee to address the orderly development of the region as defined by our regional plan within the context of the criteria of Section 248 of Title 30 of the Vermont Statutes Annotated governing the criteria that Vermont Gas must meet to receive a Certificate of Public Good necessary to construct the proposed pipeline service.

**Issue:** Analyze the impacts and/or benefits of the project to the orderly development of the Region as defined by the Addison County Regional Plan.

**Conclusions:** After reviewing the plans available and Addison County Regional Plan, specifically the Energy Section, the Act 250 Committee finds that the project, if structured appropriately, can satisfy each of the four Goals contained within the Energy Section of the Plan. The Act 250 Committee urges the Full Commission to support the Vermont Gas project, provided that the project addresses the following concerns:

1) The transmission pipeline is sited to support regional economic development and land use planning goals. Specifically, the line shall support the statewide, regional and local planning goal of providing infrastructure to promote development in the Region's downtowns and village centers:

a) Where supported by the municipality, the transmission line will be equipped with a gate station (tap) located in a place that allows the transmission line to provide short term (within 5 years) future service to the village core of each town that the line passes through and neighboring towns if economically reasonable and feasible.
b) The transmission line will be designed to limit the number of gate stations (taps) and generally not have gate stations (taps) designed to serve areas outside the village planning areas.
c) Gate stations or smaller taps may be located outside of a village area if they are capable of serving the village area and reach a neighboring town's village planning area or a significant commercial/industrial customer (ex. A gate station to serve Bristol could be located outside the village of New Haven if it could also supply the village of New Haven or an additional tap served the village of New Haven.)

2) The Transmission pipeline is sited to address aesthetic concerns and the scenic character of the Region.

   a) The Transmission line shall generally be co-located in or adjacent to the VELCO transmission corridor. It may leave the corridor to take advantage of topographical changes or other conditions (favorable river or mountain crossings) that will reduce the impact of it on the character of the Region;
   b) Gate stations (taps) will be sited and designed in areas suitable for their use in a manner that blends them into the landscape of the Addison Region either by screening them with landscaping or enclosing them in an appropriately designed building or structure;

3) The Transmission and distribution systems will support the existing local economy by:

   a) providing an additional, competitively priced energy alternative in the Region's downtowns and villages;
   b) serving as infrastructure available at a reasonable cost to farmers and other local entrepreneurs desiring to produce renewable natural gas from farm and other local waste streams;
   c) providing the Region with an additional efficiency program that promotes energy conservation by the adoption of increased efficiency measures in the Region;

**The Act 250 committee developed these comments based upon the best information available to them at the time of their meetings and without knowing the exact scope of the project, where transmission/distribution lines would be precisely located and where one type of line would stop and another would begin. The Act 250 Committee believes the basic principles underlying its proposed conditions are sound, but reserves the right to amend or add conditions as Vermont Gas defines the details of the project.**

Exhibit 4

**Addison County Regional Planning Commission**

**Adopted by ACRPC Full Commission December 12, 2012**

# Memo

**To:** ACRPC

**From:** Tim Bouton

**Date:** 12/18/2012

**Re:** Proposed VT Gas pipeline safety requests

Delegates,

The Addison County Local Emergency Planning Committee (LEPC District #8) assigned its Chair, Matt Fraley, Vice Chair, Erik Eriksen, and Tim Bouton to review potential concerns and identify needs associated with a possible natural gas pipeline to be built in the Addison Region. LEPC #8 is charged by statute with emergency planning for all hazards and particularly for planning for hazardous materials emergencies.

The committee met on July 16, 2012 to create a list of recommendations and requests associated with any possible gas pipeline construction project. Because there is, at present, no actual proposal to review, the committee reserves its right to a final review and recommendations for any actual proposal. Based on information that is available, the committee has come up with the following recommendations:

- All emergency services (fire, police, EMS, highway dept.) that have a high likelihood of responding to an incident at or near a constructed natural gas pipeline or service entrance should be provided with an explosivity meter to determine the presence of natural gas at the lower explosivity limit (LEL).These meters should be provided and financial support should be put in place by the pipeline owner, to allow for a minimum of annual maintenance costs as well as a replacement fund for the meters.

- Suitable non-sparking hand tools for basic emergency shut-off/capping capacity should be provided by the pipeline owner to each fire department whose service territory will be host to any lines.

- Annual awareness training for each fire department whose service territory will be host to the lines should be provided by the pipeline owner.

- A regional awareness training which should be provided by the pipeline owner and should be open to any first responder wishing to understand potential issues associated with natural gas.

- Protective concrete bollards surrounding any locations where either a transmission or distribution line come to the soil surface to prevent accidental damage to the line should be installed by the pipeline owner.

- Annual delivery of a suitable public awareness/outreach campaign targeting what to do/dangers associated with natural gas should be provided by the pipeline owner.

- If, in any final design specifications there are created confined spaces which could possibly hold pockets of escaped natural gas, training and funding for confined space rescue capacity should be provided by the pipeline owner for first responders in the host location/s.

- Gas company employees will need to be able to respond to an emergency call and be on site within 10 minutes of receiving an emergency call to ensure fully qualified and knowledgeable response to a call.

- In the event it is not possible to guarantee employee response within the required time, an alternative would be to provide equipment, advanced training and funding by the pipeline owner, for a regional response team created from first responders in the region.

- Regular representation by the pipeline owner at LEPC #8 monthly meetings should be required.

The committee feels these are the minimum actions/funding required to ensure the safety of the Addison region's residents and first responders. Natural gas, while relatively harmless when handled appropriately, represents an entirely new and unfamiliar hazard to our region and hazards associated with the gas should not be taken lightly.

Matt Fraley, Chair LEPC #8, Captain- Vergennes Fire Dept.

Erik Eriksen, Vice Chair LEPC #8, Chief Ripton Fire Dept.

Tim Bouton, SR Planner- Emergency Management ACRPC

Exhibit 5

# Addison County Regional Planning Commission's Natural Resource Committee's recommendations for the Addison Natural Gas Project proposed by Vermont Gas

## 1.0 AIR QUALITY

Mitigation measures should be implemented to address effects on public health and safety including:

- Implementation of Best Management Practices (BMPs) during construction activities to mitigate fugitive dust and reduce particulate matter emissions.
- Operate all combustion equipment in accordance with manufacturer's specifications to mitigate NOx, CO, VOC and particulate emissions resulting from incomplete combustion.
- Maintain emissions control equipment in accordance with manufacturer's specifications to mitigate emissions and maintain emission control efficiency.

## 2.0 NOISE

Mitigation measures should be implemented to address effects on noise including:

- Development and implementation of a Construction Communications Plan to inform adjacent residences of construction activities

## 3.0 GEOLOGIC HAZARDS

Mitigation measures should be implemented during construction and operation to address effects of geologic hazards on the integrity of the project including:

- Design Considerations :
  - Earthquake mitigation measures and special design considerations at fault crossings
  - Special design considerations at river crossings
  - Erosion control measures
- Operational Considerations:
  - Slope stability monitoring
  - Seismic/earthquake monitoring
  - River hydrology monitoring

## 4.0 ARCHEOLOGICAL AND PALEONTOLOGICAL RESOURCES

Avoidance is the preferred mitigation measure for effect on paleontological resources. If permanent effects are unavoidable, they should be mitigated in accordance with requirements of the Vermont Division of Historic Preservation and applicable laws. If any known or previously undiscovered paleontological resources are encountered during construction activities, Vermont Gas should contact the State Historic Preservation Officer (SHPO) (if on state lands) and the Authorized Officer as responsible for paleontological and cultural resources if on public land. A qualified paleontological monitor may be required to be on-site during construction near known paleontological resources, or in areas where the likelihood of finding such resources is high as determined in consultation with SHPO or the Authorized Officer.

## 5.0 SOILS AND GRAVEL RESOURCES

Mitigation measures should be implemented to address effects on soils including:

- Development and implementation of an Erosion Control Plan
- Development and implementation of a Storm Water Pollution Prevention Plan
- Development and implementation of pipeline routing plans that do not have an adverse impact on potential sand and gravel resources.

## 6.0 WATER RESOURCES

Mitigation measures should be implemented to avoid or minimize adverse effects on surface and ground waters including:

- Minimize the number of river and stream crossings
  - Use existing bridges where feasible
  - Use horizontal directional drilling (HDD) or other trenchless technology to minimize disturbance to water bodies.
- Maintain, to maximum extent practicable, the existing surface hydrology at all water body crossings.
  - Prevent discharges that have the potential to adversely affect water bodies
  - Stabilize cut slopes immediately when the designed grade is obtained
  - Initiate reclamation of disturbed areas as soon as practicable
  - Ensure water withdrawals meet federal and state standards and guidelines
- Keep construction activities within the footprint of the pipeline right-of-way (ROW) and the disturbed area of the adjacent construction zone to the maximum extent practicable
- Minimize the construction of new permanent access roads by emphasizing winter construction.
- Perform water crossings in a manner that minimizes effects on water quality
- Implement practices that avoid adverse effects to vegetation and to existing quality of surface waters, including erosion and scouring
- Locate fuel storage, equipment refueling, and equipment maintenance operations at least 100 feet from surface waters
- Use temporary bridges for transportation of construction equipment and materials

## 7.0 WETLANDS AND VEGETATION

The permitting process for placing fill in wetlands requires compliance with the mitigation steps outlined in the Vermont Wetland Rules and US Corps of Engineers' regulations to maintain wetland functions. These steps include:

- Avoid: A wetland should not be affected if there is a less environmentally damaging and practicable alternative.
- Minimize: Unavoidable effects should be minimized to the extent possible.
- Compensate: Any remaining effects should be offset, if practicable and appropriate, through restoration, enhancement, creation, and/or preservation actions.

Traditional construction methods can help avoid significant effects on wetland habitats and will likewise avoid long-term effects on wetland functions and values if mitigation measures are implemented. Traditional wetland mitigation measures that should be implemented include the following:

- Schedule pipeline construction across wetlands during the winter to the maximum extent practicable.
- Maintain existing hydrologic systems.
- Re-establish vegetation that is typical of the general area, where practicable
  - Segregate topsoil and use as top trench fill to the greatest extent practicable.
  - Reseed and re-vegetate affected areas upon completion of construction activities.
- Minimize the number of stream crossings.
- Contain fuel and lubricant spills during construction.

Mitigation measures that shouldl be implemented to prevent the introduction and spread of non-native invasive plants (NIPs) include a NIP Prevention Plan. The NIP Prevention Plan will address procedures to reduce or eliminate the spread of NIPs at project locations such as, material sites and temporary use areas such as lay-down yards. Restoration of cleared areas will also be addressed in the NIP Prevention Plan. Leaving cleared areas un-restored may present an opportunity for NIPs to establish a foothold without competition from local species. The NIP Prevention Plan will provide details of the measures to be used to control invasive species through appropriate site preparation, monitoring, re-vegetation of disturbed areas with native species, and performance standards.

## 8.0 WILDLIFE RESOURCES AND FISH HABITAT

Mitigation measures should be implemented to address wildlife resources including:

- Avoid locating pipeline facilities in sensitive wildlife habitats to the maximum extent practicable.
- Schedule construction activities to avoid effects during sensitive periods in the life cycle of wildlife to the extent practicable, including scheduling excavation activities during times of the year when major movements across the ROW occur (i.e., amphibian migrations).
- Use pipeline designs and construction scheduling that minimize disruption of fish passage and spawning fish and effects to fish habitat.

## 9.0 VISUAL RESOURCES

Mitigation measures should be implemented to address effects on visual resources including:

- Restore the construction zone in a manner that facilitates reestablishment of the adjacent natural vegetation.
- Use root balls, salvaged native plant materials, and topsoil removed from the construction footprint for redistribution on disturbed areas where feasible.
- Maintain a screening of existing natural vegetation when the pipeline facilities are offset from a highway.
- Use existing disturbed areas to the maximum extent practicable for temporary construction activities.
- Minimize locating pipeline facilities, new material sites, and construction material stockpiling in places with special visual resource values that would be visible to the general public.

- Blend the pipeline system into the natural setting to the extent practicable when crossing places with high visual resource values.
- Use re-vegetation species that are appropriate for the general area.
- Re-grade construction disturbances to a condition that blends with the surrounding terrain and surface drainage patterns.
- Monitor reclaimed, disturbed construction areas and take remedial action where expected re-vegetation success is not achieved.

## 10.0 SOCIAL AND ECONOMIC

Mitigation measures should be implemented to address effects on socioeconomics including:

- Time construction activities to minimize impacts to local business
- Develop and implement traffic control plans to minimize negative impacts to local businesses from blocked access during construction.
- Identify and promote work opportunities for local residents.
- Prepare an Economic Opportunity Plan to describe how the project will operate to enhance locally-based economic and employment opportunities.
  - Promote use of local businesses to support the project (e.g., lodging, food, services, and sundries)
  - Coordinate with Vermont training centers on workforce development and training opportunities, which may include, but are not limited to, future job fairs in the region.
- As a publically regulated project, the project should adhere to the Buy American provision of the American Recovery and Reinvestment Act of 2009 even if ARRA funds are not used for the project.
  - The Buy American provision in the American Recovery and Reinvestment Act of 2009 (section 1605 of Title XVI), provides that, subject to three listed exceptions, funds may not be used for the construction, alteration, or repair of a public building or public work unless all the iron, steel, and manufactured goods used are produced in the United States.
- Conduct early and continuing consultation with municipal authorities, the Addison County Regional Planning Commission and State authorities.

## 11.0 RECREATION ACTIVITIES

Mitigation measures should be implemented to address effects on tourism and recreation use areas including:

- Retain existing public access routes and uses.
- Conduct early and continuing consultation with the public, tourism, and recreation businesses.
- Co-locate with existing and planned transportation and utility system where practicable.