



VIA CERTIFIED MAIL
September 5, 2017

Stephen Pilcher, Chair
Monkton Selectboard
Monkton Town Hall
P.O. Box 12
Monkton, VT 05469-0012

RE: Petition of Vermont Gas Systems, Inc. for a Certificate of Public Good pursuant to 30 V.S.A. § 248 authorizing construction of the Monkton Pressure Regulation Station 45-day Advance Notice Package

Dear Mr. Pilcher:

As we discussed at the Selectboard meeting on August 14, 2017, this letter is to notify you that Vermont Gas Systems, Inc. ("VGS") is preparing to file a petition with the Vermont Public Utility Commission ("PUC") pursuant to 30 V.S.A. § 248 requesting approval to construct a pressure regulation station ("Station" or "Project") to bring natural gas service to residents of the Town of Monkton ("Town") in accordance with the Memorandum of Understanding ("MOU") dated June 12, 2013, between the Town and VGS.

VGS anticipates filing the petition with the PUC by October 23 2017, and are providing the following Project overview and related information in this 45-day advance notice package in accordance with PUC Rule 5.402 and 30 V.S.A. § 248 ("Section 248").

I. Project Overview

VGS is proposing to build the Station on a property located at 282 Hollow Road in Monkton with a Parcel ID of 05.102.006.000 282. Currently, VGS owns the property, and the Station would be located approximately 350 feet north of Hollow Road and adjacent to the west side of VGS' 12-inch pipeline easement.

As with all communities, in order to serve the Town with natural gas, a Station is required to reduce the high pressure in the existing 12-inch transmission line to medium pressure (under 100 p.s.i.) that will run through the proposed distribution system. VGS currently has gate stations of similar size, design, and functionality operating in Milton, Georgia, and Swanton. The distribution system will supply gas to potential customers along the agreed upon distribution route, which was included in the MOU. All of the Station piping is above ground, except for the inlet and outlet pipes, which will be buried. The Station is designed to have redundant regulator runs, which enhances reliability to the delivery of the natural gas supply by



having a primary run and a back-up run. It will also include a meter so that the amount of gas flowing through the Station can be measured. The Station will be situated on a 50-foot by 50-foot easement and contained within a 12-foot by 12-foot fenced in area. It will be accessed off of Hollow Road by a 12-foot wide gravel road on a 20-foot wide access easement, which is fully located on the property.

The following attachments to this letter describe the Station in more detail. Attachment 1 is the site plans showing the proposed Station layout and access road. Attachment 2 is a zoomed in view of the site footprint. Attachment 3 is an orthographic photograph showing the location of the Station. Attachment 4 is a photograph of a similar sized gate station. Attachment 5 identifies the proposed service territory in Monkton, from the MOU.

II. Project Need

Currently, there is no gate station in the Town of Monkton. As described above, in order to serve the Town with natural gas, the Station is required to reduce the high pressure in the existing 12-inch transmission line to medium pressure that will run through the proposed distribution system. The distribution system will supply gas to potential customers along the agreed upon distribution route.

III. Project Impact

When selecting a location for the Project, VGS based its decision on several factors including, available land for the Station, proximity to the transmission line for interconnection, proximity to the proposed distribution footprint, and access to electric service. To minimize landowner impact and overall cost, Vermont Gas chose to construct the Station on one of the properties it owns in Monkton. The proposed location on the Company's property at 282 Hollow Road satisfactorily addresses factors listed above.

VGS has engaged Vanasse Hangen Brustlin ("VHB") to inventory and assess natural resource features and historical and cultural resources in the Project area for the purpose of avoiding and minimizing potential impacts and to address options for properly mitigating any unavoidable natural resource impacts.

In terms of visual impact, after completion, the aesthetic impact of the Station will be minimal, as the Station is set back 350 feet from the road in a forested area. VGS has also retained VHB to perform a more detailed aesthetic analysis, which will be provided with the petition filed with the PUC.

Equipment and materials will be transported to the project using existing federal, state and city/town roads.



In reviewing this Project, VGS considered alternative means to bring natural gas service to the Town, including alternative locations for the Station.

An alternative to serving the community of Monkton with natural gas, other than building a gate station, would be to connect the Town with the existing VGS distribution system. The nearest distribution network is located in Hinesburg, Vermont. Extending the distribution network to Monkton would require constructing approximately 5 miles of distribution from the end of the existing system in Hinesburg along Silver Street. Based on a preliminary review of the distribution line extension alternative, it appears comparable to the proposed gate station in terms of cost and reliability, with the Station being slightly less expensive. However, this initial cost comparison does not account for the potential for rock and stream crossings along the distribution line route which could materially increase the cost and timing of distribution pipeline construction. Accordingly, VGS has selected the gate station option as the least-cost solution.

IV. Additional Information

This letter and the attachments are intended to provide a general understanding of the Station and are subject to change based on further analysis and the requirements of any applicable permits.

Projects submitted to the PUC pursuant to Section 248 require that local and regional planning commissions and municipal legislative bodies be given 45 days advance notice of the filing. This letter and accompanying attachments are being provided to satisfy that requirement. The PUC (formerly called the Public Service Board) has issued a publication entitled "Citizens' Guide to the Vermont Public Service Board's Section 248 Process," which is available through the PUC's website at http://psb.vermont.gov/sites/psbnew/files/doc_library/psb-citizens-guide-section-248-process.pdf. Please also note that the PUC provides further information on participating in cases before the PUC at <http://puc.vermont.gov/>.

Section 248(f) provides information regarding participation of municipal and regional planning commissions in Section 248 proceedings, including specifically, stating the following with respect to any recommendations municipal bodies and local and regional planning commissions have on the proposed project. First, Section 248(f)(1)(C) states that such bodies may, "Make recommendations to the petitioner within 40 days of the petitioner's submittal to the planning commission under this subsection," which is October 16, 2017 for this Project. Second, Section 248(f)(1)(D) states that, once the petition is filed with the PUC, such municipal bodies and local and regional planning commissions may make recommendations to the PUC "by the deadline for submitting comments or testimony set forth in the applicable provision of this section, Board rule, or scheduling order issued by the Board." As stated in Board Rule 5.402(A)(2),



municipal bodies and local and regional planning commissions also have the opportunity to “provide revised recommendations within 45 days of the date on which petitioner has filed a petition with the Commission if the petition contains new or more detailed information that was not previously included in the petitioner’s filing with the municipal and regional planning commissions.”

As always, we would be pleased to meet with you again to explain this Project and answer any questions you may have. I can be reached by phone, 802-951-0329, or by email, agero@vermontgas.com. Thank you for your assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "A. Gero", written over a faint grid.

Adam Gero
Engineering Manager

enclosures

Cc: Ms. Judy Whitney, Clerk, Vermont Public Utility Commission (via U.S. Mail)
James Porter, Esq., Director Public Advocacy Division, Vermont Department of Public Service (via U.S. Mail)
Jennifer Duggan, Esq., General Counsel, Vermont Agency of Natural Resources (via U.S. Mail)