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June 14, 2013

Susan M. Hudson, Clerk  
VT Public Service Board  
112 State Street, Drawer 20  
Montpelier, VT 05620-2701

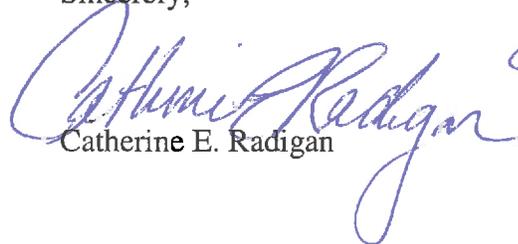
**Re: Docket 7970**

Dear Sue:

Enclosed for filing with the Board please find the original and seven copies of the Prefiled Testimony of Stephen Pilcher on behalf of the Town of Monkton in the above docket. Also enclosed is a Certificate of Service.

Please feel free to call if you need anything further.

Sincerely,



Catherine E. Radigan

Enclosure

cc: Service List

**STATE OF VERMONT  
PUBLIC SERVICE BOARD**

Petition of Vermont Gas Systems, Inc., )  
requesting a Certificate of Public Good pursuant )  
to 30 V.S.A. § 248, authorizing the construction )  
of the “Addison Natural Gas Project” )  
consisting of approximately 43 miles of new )  
natural gas transmission pipeline in Chittenden )  
and Addison Counties, approximately 5 miles of )     Docket No. 7970  
new distribution mainline in Addison County, )  
together with three new gate stations in )  
Williston, New Haven, and Middlebury, )  
Vermont )

**DISCOVERY CERTIFICATE**

NOW COMES The Town of Monkton, by and through its attorney, Joshua R.

Diamond, and hereby certifies that the Prefiled Testimony of Stephen Pilcher and supporting exhibits have been sent via U.S. First Class Mail, postage prepaid to Michael Hurlburt, and via electronic mail to all, on June 14, 2013 to the following:

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Timothy M. Duggan, Special Counsel  
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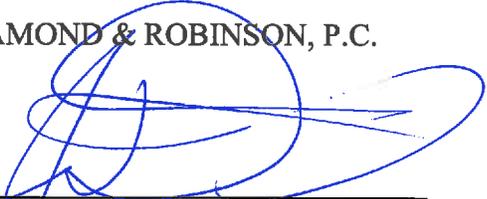
JoAnn Q. Carson  
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Dated at Montpelier, Vermont this 14<sup>th</sup> day of June, 2013.

DIAMOND & ROBINSON, P.C.

By:



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**STATE OF VERMONT  
PUBLIC SERVICE BOARD**

Petition of Vermont Gas Systems, Inc., )  
requesting a Certificate of Public Good pursuant )  
to 30 V.S.A. § 248, authorizing the construction )  
of the “**Addison Natural Gas Project**” )  
consisting of approximately 43 miles of new )  
natural gas transmission pipeline in Chittenden )  
and Addison Counties, approximately 5 miles of ) Docket No. 7970  
new distribution mainline in Addison County, )  
together with three new gate stations in )  
Williston, New Haven, and Middlebury, )  
Vermont )

**PREFILED TESTIMONY OF  
STEPHEN PILCHER  
ON BEHALF OF THE TOWN OF MONKTON**

June 14, 2013

Stephen Pilcher’s pre-filed testimony addresses the Town of Monkton’s general concerns with the proposed transmission pipeline as it relates to 30 V.S.A. sections 248(b)(1), (b)(4) and (b)(5). It also introduces a Memorandum of Understanding reached between the Town of Monkton and Vermont Gas Systems Inc., which substantially addresses those concerns.

**Exhibits**

Exhibit Monkton SP-1 at p. 4.  
Exhibit Monkton SP-2 at p. 5.

**STATE OF VERMONT  
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Petition of Vermont Gas Systems, Inc., )  
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Docket No. 7970

**PREFILED TESTIMONY OF  
STEPHEN PILCHER  
ON BEHALF OF THE TOWN OF MONKTON**

1 **Q1. Please state your name and address.**

2 A1. Stephen Pilcher, Monkton, Vermont.

3

4 **Q2. Do you hold a position with the Town of Monkton?**

5 A2. Yes. Since 2009, I have been elected to and serve as a member of the Town of  
6 Monkton’s Selectboard.

7

1 **Q3. What is the purpose of your testimony?**

2 A3. The purpose of my testimony is to present the Town of Monkton's position in this  
3 docket.

4

5 **Q4. Generally, please provide the background of the Town of Monkton's**  
6 **involvement in this matter.**

7 A4. The Town of Monkton is a rural municipality located in Addison County  
8 Vermont, with a population of approximately 1,800 residents. Vermont Gas Systems,  
9 Inc. ("VGS") has proposed to construct approximately 43 miles of a high pressure natural  
10 gas transmission pipeline through Chittenden and Addison Counties (the "Project"). The  
11 Project includes VGS' construction and operation of approximately 7.47 miles of a  
12 natural gas transmission pipeline running in a north-south direction through the Town of  
13 Monkton.

14 The Town of Monkton has a number of concerns regarding the proposed  
15 transmission pipeline by VGS. These concerns include, but are not limited to, the  
16 environment, safety, and the economic impacts of the natural gas transmission pipeline.  
17 The proposed natural gas transmission pipeline will cross public lands. It will run  
18 through private property and come within close proximity to the residences of Monkton's  
19 citizens. The Project will impact agricultural lands, wetlands, and other ecologically  
20 sensitive areas within the Town of Monkton. The construction of a high pressure natural  
21 gas transmission pipeline through the Town of Monkton has the potential to impact the  
22 safety of its residents, the water quality of the wells that provide potable water to the  
23 Town's citizens, and the use and value of the property within the Town of Monkton.

1           Some of the Town of Monkton’s concerns were identified in a letter from our  
2 Selectboard dated on January 17, 2013, to Vermont Public Service Board (“Board” or  
3 “PSB”). A copy of this letter is attached hereto as **Exh. Monkton SP-1**. Subsequently,  
4 the Town of Monkton passed articles at Town Meeting in March, 2013, reflecting its  
5 sentiment and concerns about the Project. To address many of these concerns, the Town  
6 requested that VGS modify its pipeline alignment to be placed at least 300’ from existing  
7 residential homes and wells.

8           The Town of Monkton’s interests and concerns encapsulate the following criteria  
9 under 30 V.S.A. § 248:

- 10           1. That the Project not unduly interfere with the orderly development of the  
11 community taking into consideration the town plan and recommendations of the  
12 municipal legislative body (i.e., the Town selectboard) pursuant to 30 V.S.A. §  
13 248(b)(1).  
14
- 15           2. That the Project result in an economic benefit to the State and its residents,  
16 including those within the Town pursuant to 30 V.S.A. § 248(b)(4).  
17
- 18           3. That the Project not have an undue adverse impact on the esthetics,  
19 historic sites, air and water purity, natural environment, natural resources,  
20 municipal resources and investments, public health and safety of the Town and its  
21 residents pursuant to 30 V.S.A. § 248(b)(5), and with due consideration of the  
22 criteria in 10 V.S.A. § 1424a(d) and § 6068(a)(1) through (8) and (9)(K) and  
23 greenhouse gas impacts.  
24  
25

26

27 **Q.6. Has the Town of Monkton reached a Memorandum of Understanding with**  
28 **VGS to address its concerns?**

29 A. Yes. The Town of Monkton entered into a Memorandum of Understanding  
30 (“MOU”) with VGS, which if incorporated into a Certificate of Public Good,

1 substantially addresses the Town of Monkton's concerns in this docket. A copy of this  
2 MOU is attached hereto as **Exh. Monkton SP-2**.

3

4 **Q7. Does the Town of Monkton have a request regarding this MOU?**

5 A7. Yes. The Town of Monkton requests that the terms and conditions set forth in the  
6 MOU be incorporated into a Final Order in this docket and that the Certificate of Public  
7 Good be conditioned upon compliance of the terms and conditions set forth in the MOU.

8

9 **Q8. Does this conclude your testimony?**

10 A.8. Yes.



## Town of Monkton



January 17, 2013

VIA FIRST CLASS MAIL AND EMAIL

Vermont Public Service Board  
112 State St., Drawer 20  
Montpelier, VT 05620-2701

Re: Missing material from ANGP Filing  
[no docket number assigned yet]

Dear Sirs,

This is a request from the Monkton Select Board to find the petition by Vermont Gas Systems (VGS) for a Certificate of Public Good as incomplete and return it to VGS for resubmission for the following reasons:

The petition as filed does not contain any testimony from any Professional Engineers licensed in the state of Vermont. The engineering testimony as filed is from John Heintz, James B. Howe and Jeffrey A. Nelson, none of who are licensed Professional Engineers in Vermont, and there is no testimony from the engineer, James J. Colantonio, no. 5983, who has stamped the Letter of Transmittal. Considering the scope of this project and its potential impact on the lives of thousands of Vermonters, we believe that the ANGP should be executed by project engineers that are registered and be accountable to the licensing board of the State of Vermont, in accordance with 26 V.S.A. Chapter 20, and that any testimony should be presented by Vermont licensed Professional Engineers, and the VT licensed PEs should be available for cross-examination.

The petition as filed does not contain sufficient data on Public Health and Safety as required under §248 (b)(5). The Monkton Select Board has received a letter from engineer Curt Freedman, (who is a licensed professional engineer in the state of Vermont) on the issue of safe setbacks of gas transmission lines from residential structures (see attached). The petition as filed does not have any data or analysis of the impact of an accident or rupture on the surrounding area. The phrases "potential impact area" or "potential impact radius" do not appear in the filing. The Pipeline & Hazardous Materials Safety Administration Division of the US Dept. of Transportation has stipulated "Operators must calculate the potential impact radius for all points along their pipelines and evaluate corresponding impact circles to identify what population is contained within each circle." The petition does not define or calculate PIRs for High Consequence Areas, as stipulated in rule § 192.903 (see attached) even though the proposed pipeline route passes within 500 feet of two schools, (considered HCAs) Allen Brook Elementary School in Williston and Bridge School in Middlebury and within 700 feet of the grounds of Monkton Central School and adjacent to the town of Monkton's recreational facilities, which can also be considered an HCA.

Furthermore, the petition as filed does not include sufficient information analyzing the capacity of a small town volunteer fire department to handle a situation that may arise from a pipeline incident, especially in a town that has no hydrants and relies on fire ponds and pumper trucks to fight fires. (see attached letter from a member of the MVFD). While the petition's emergency planning refers to refers to its "Public Awareness Program," this is no substitution for an actual

emergency response plan, and we would like to see the petitioners provide an actual plausible plan that demonstrates that they truly can safeguard the lives and properties of more than 100 households whom they have placed within the Potential Impact Radius, given that in the event of a rupture, eight miles of natural gas (the distance between valves) at up to 1440 psi will evacuate from the pipeline.

In his response to the Town of Monkton's initial letter of Dec. 11, Steve Wark stated "Developing a project like this requires balancing many interest including environmental impacts, archaeological areas, constructability, and landowner issues." (SJW-4.15.a) The word "safety" is noticeably missing. In the meeting with the town of Monkton on Jan. 10, the constant references by the project engineers that the project "meets code" demonstrates that they do not consider it a problem to site a pipeline so as to place 100+ households within a Potential Impact Radius, as long as it "meets code." We think that this does not meet the criteria that the project has the lowest possible impact.

The petition as filed does not contain sufficient data on Water Purity as required under §248 (b)(5). It does not contain any data or analysis of the impacts of construction on private wells or groundwater, only on public water supplies. In Monkton, the proposed route passes within 100 feet of many private wells. The petition says that there will be blasting along 35% of the proposed route. It does not specify where any of this blasting will be, but given the terrain in Monkton, it is likely that significant amounts of blasting will occur within 100 feet or less of the aforementioned wells, as well as homes, including very old houses with stone foundations. The petition as filed is not compete until it contains more detailed information on the actual blasting locations and the types and quantities of explosives to be used. Given the current proposed route on the public right-of-way, the Town of Monkton requests a separate blasting plan to address these issues.

The petition does not adequately address criteria in §248(b)(1) Orderly Development, in that it does not assess the impact that running an industrial, high-pressure gas transmission line might have on a small town, in the form of reduced property values and therefore reduced tax revenue to the town, the stress for residents of permanently residing within a "potential impact radius," the negative effect it could have on the desirability to live in the town immediately adjacent to such a pipeline, the increased complicating burden on town road maintenance or the effects on future development.

The petition does not contain enough data to satisfy the requirements of §248 (b)(4), Economic Benefit. While the petition addresses the economic benefits to those customers receiving natural gas service, the micro economic analysis of the savings expected for one household does not adequately address the increased costs to the towns that are bypassed and who will see their costs for trucked fuels go up as the most cost-efficient residential customers and large business customers are removed from the trucked fuel system. It also does not address the reduced desirability that may come in living in one of these towns and the ensuing reduction in property values. Since this will be the situation for over 70% of Addison County, an economic analysis that is missing this data is incomplete.

Finally, although extensive analysis of route choices were made very early on in the project, with the addition of International Paper as a customer, the project changed and evolved after the route selection in such significant ways that the original data used to analyze the routes became incorrect and obsolete. Furthermore, a significant last minute change to the route in October 2012 occurred in Monkton when the route was moved from the VELCO power corridor to the public right-of-way, and no analysis of this route was done whatsoever. One criteria for route selection is low-impact on criteria in 248 (b)(5). Is is harder to imagine a higher impact on the Town of

Monkton than the current proposed route, and pre-filed testimony "VGS ANGP Nelson PFT [12-20-12]" (p. 42) has already stated that the Route 7 corridor has a lower natural resource impact. We request that the petitioners be required to go back and rework their original alternatives analysis using accurate current data, as required by state statute to ensure that they are still pursuing the lowest cost and lowest impact alternative. We believe that an analysis using corrected data may show that the route selected may no longer be the lowest cost nor lowest impact alternative, given the stated desire of VGS to serve Route 7 in the future, the lack of interest in providing service to smaller towns, and the need with the addition of service to International Paper to send the path of the pipe back west again to get it back to the lake.

We respectfully request that the PSB require Vermont Gas Systems to address these fundamental issues before proceeding with this petition.

Thank you.

Regards,

**John Phillips**  
Chair, Monkton Select Board

CC:  
Hinesburg Select Board  
New Haven Select Board  
Chris Recchia, Commissioner of Public Service

enclosures

**STATE OF VERMONT  
PUBLIC SERVICE BOARD**



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Vermont )

Docket No. 7970

**MEMORANDUM OF UNDERSTANDING**

**NOW COME** The Town of Monkton and Vermont Gas Systems, Inc., by and through their duly authorized undersigned representatives and submit the following Memorandum of Understanding ("MOU"):

**I. Preambles/Background.**

Whereas, Vermont Gas Systems, Inc. ("VGS") filed a petition with the Vermont Public Service Board ("Board") for a certificate of public good in Docket No. 7970 on December 20, 2012 to construct the Addison Natural Gas Project ("Project"), a project to extend VGS' natural gas transmission pipeline through Chittenden and Addison counties, including the Town of Monkton (hereinafter the "Town").

Whereas, the Town has intervened in this docket over general concerns that include, but are not limited to, the environment, safety, and economic impacts of the natural gas transmission pipeline, as well as the desire to have VGS extend natural gas service to the Town.

Whereas, at the 2013 Town Meeting, the Town passed Articles reflecting the sentiment and concerns of the Town regarding the development of the Project. Such concerns included, but are not limited to, safety and adverse environmental impacts.

Whereas, the Town has requested VGS to modify its pipeline alignment to be placed at least 300' from existing residential homes and wells.

Whereas parties have met to discuss the Town's concerns including, but not limited to those expressed at the 2013 Town Meeting, and desire to resolve such concerns in accordance with the terms and conditions set forth in this memorandum of understanding.

Whereas the parties agree that the Public Service Board should incorporate the agreements and conditions set forth herein into a final order by the Public Service Board in this docket.

**II. Siting and Route of Natural Gas Transmission Line.**

- A. To address the Town's concerns for potential adverse impacts on the environment, residential wells, residential homes and public lands and buildings in the Town and substantially achieve the Town's desire regarding distance of the transmission line from any existing residential home and well, VGS agrees, subject to the approval of the Board, to site and construct the Project within or adjacent to the existing Vermont Electric Power Company, Inc. ("VELCO") right of way in the Town as depicted in Exh. VGS Supp. JAN 2, Appx I (2-28-13) at sheets 21-27 and Exh. VGS Supp. JH 3 (2-28-13) at sheets 49-65, excepting those deviations set forth therein and VGS' plan to move the Project route along the Bailey property, as shown on sheets 51-53 of EPSC permit amendments of 5/3/13, and as filed with the Board on February 28, 2013. VGS shall actively advocate and take those steps reasonably necessary to obtain approval of this route as set forth herein with the Public Service Board and/or other regulators.

**III. Construction of Distribution Network and Other Economic Issues.**

- A. Subject to receipt of all necessary permits and approvals, VGS shall construct and operate a distribution network within the Town's Village and Pond districts in the locations set forth in Appendix A and generally described as follows (the "Initial Monkton Distribution Network"):

*Monkton Road from 1909 Monkton Road to 953 Monkton Road. This encompasses Boyers Orchard and Monkton Central School.*

*Boro Hill Road from 73 Boro Hill Road (Mark's Auto) to the intersection with Monkton Road.  
Pond Road from the intersection with Monkton Road to Rotax Road.*

*Rotax Road from 673 Rotax Road to the intersection with Davis Road.*

*Davis Road from the intersection with Rotax Road to the intersection with Silver Street.*

*Monkton Road from the intersection with Davis Road to the intersection with Bristol Road.  
States*

*Prison Hollow Road from the intersection with Monkton Road to the Town Garage at 4059  
States Prison Hollow Road. This would cover approximately 101 residential homes, 4  
commercial businesses, the Monkton Central School and the Monkton Town Garage.*

VGS shall take those steps reasonably necessary to obtain all the permits and approvals to construct and operate the Initial Monkton Distribution Network described above.

VGS shall pay for all costs related to the construction and operation of this Initial Monkton Distribution System including, but not limited to, the related infrastructure such as a gate station to provide future service to the Town; provided, however, that if an individual service connection is in excess of 100 feet, VGS' tariff regarding customer service extensions will apply. Ratepayers within the Town of Monkton will not be responsible for the payment of the capital expenses necessary to construct and operate the Initial Monkton Distribution System, except with respect to applicable tariff charges. Notwithstanding anything to the contrary herein, VGS shall provide a distribution connection to the Monkton Central School at no additional cost or expense to the school.

- B. VGS shall use reasonable best efforts to complete construction of the Initial Monkton Distribution System within two years from the conclusion of construction and gasification of the Project, subject to having received in a timely fashion all necessary permits and approvals for a new Monkton gate station and all other necessary permits and approvals.
- C. VGS and Monkton agree to abide by the those methodologies set forth by the Vermont Department of Taxes for assessing property taxes with respect to that portion of the Project and the Initial Monkton Distribution System (or as later expanded) located within the Town.

**IV. Capacity and Construction of Transmission Pipeline.**

- A. Construction methods and materials shall occur in material conformity with descriptions provided in the supplemental prefiled testimony of John Heintz, dated February 28, 2013, except to the extent they are inconsistent with those items expressly provided herein.
- B. Size and capacity of transmission pipeline shall be limited to no greater than a 12" diameter pipe at 1440 lbs of pressure. VGS agrees not to operate more than one pipe at a time over any particular easement with a total size and capacity of limited to 12" and 1440 lbs of pressure.
- C. For any residence or well that falls within 300' of the proposed transmission pipeline route, VGS shall construct the transmission pipeline in conformity with Class III standards pursuant to 49 C.F.R. part 192. All other areas shall be constructed in conformity with at least Class II standards. In addition, VGS shall offer at no charge to such property owners with wells within 300' of the transmission pipeline pre-construction water testing of well water through the Vermont Department of Health's program for Testing Drinking Water from Private Water Supplies and testing to establish total coliform bacteria, inorganic chemicals, mineral content, gross alpha screen, radon, water yields, and verify pump access.
- D. VGS shall limit the transmission pipeline's use to gaseous materials only. Without limitation, the transportation of oil will not be permitted.
- E. Impacted Agricultural Lands. Unless otherwise requested by a landowner or prohibited by a permit condition relating to the Project, VGS agrees that it shall undertake the following:
  - 1. VGS shall place any transmission line that crosses or is otherwise located upon agricultural lands at least four feet below the surface. To the extent the servient estate's farming needs require the pipeline to be placed below four feet (e.g., subsoiler utilized by the farm exceeds 4'), VGS shall work with the landowner in good faith to reasonably accommodate depths in excess of four feet.
  - 2. Agricultural soils disturbed by construction will be replaced. Stripped topsoil will be segregated to prevent mixing with subsoil in active agricultural areas and wetlands. Removed soils will be replaced after

construction and the ROW width will be decompacted with a subsoiler following installation of the pipeline.

3. Clay tiles impacted by construction will also be repaired or replaced.
4. Agricultural crops on servient lands within the ROW will be permitted, except for tree farming.
5. Where Project construction may interfere with access to agricultural lands, VGS shall work with farmers in good faith to install temporary access and compensate landowners for the value of lost crops due to Project construction.

F. VGS agrees to limit the hours of construction to the following within the Town:

1. Construction on Monday through Friday 7 am to 7 pm. Construction on Saturday shall occur between the hours of 8 am to 5 p.m. No construction shall occur on Sunday or state and federal holidays. Only for purposes of horizontal directional drilling for the Monkton Swamp necessary to protect the Monkton Swamp, it is possible that a longer construction day may be necessary to reduce the risk of failure.
2. Blasting would be limited to Monday through Friday, between the hours of 9 a.m. to 4:30 p.m., except on state holidays; provided, however, that VGS agrees to limit blasting within 300 feet of roads and road crossings that are used for regular Town school bus routes, to the hours of 9 a.m. to 3 p.m., and to provide the Town and the Monkton Central School notice of blasting as set forth below.

G. Blasting

1. Blasting shall occur with the methods and processes described in the supplemental pre-filed testimony of John Heintz dated 2/28/13, unless such methods are in conflict with those expressly provided herein.
2. All blasting for the proposed project shall be carried out by licensed and certified blasting technicians. All blasting shall be performed in accordance with

all applicable laws and regulations including, but not limited to, the Vermont Occupational Safety and Health Administration regulations. Vermont has adopted by reference Code of Federal Regulations (“CFR”) OSHA regulations regarding explosives and blasting, CVR 24 050 013 (Sec’y of State Rule Log #92-041) (Rules Pertaining to VOSHA- Process Safety Management of Highly Hazardous Chemicals; Explosives and Blating (sic) Agents). Specifically, Vermont has incorporated by reference 29 CFR Part 1910.109 Explosives and Blasting Agents and 29 CFR Part 1910.119 Process Safety Management of Highly Hazardous Chemicals. *Id.*

3. Prior to performing any blasting for the proposed project, the Petitioners shall develop and file for Board approval, a blasting plan that includes a pre-construction survey of any residential or agricultural water sources within the Town within 600 feet of blasting, and shall arrange for a public information session with surrounding landowners to address concerns related to blasting. Parties with standing on this issue shall have two weeks, from the date this plan is filed with the Board, to comment on the plan. The Petitioners cannot commence any blasting activities until the plan is approved by the Board. In addition, VGS shall perform the following:

- a. VGS shall utilize seismic monitoring equipment during blasting at the closest structure to the blast epicenter regardless of distance (e.g., more than 600 feet).
- b. Blasting mats shall be utilized for blasting activity.
- c. All blasting shall occur in conformity with the maximum safe values recommended by Appendix B of the U.S. Bureau of Mines Standard RI 8507.

4. Water quality, flow testing of wells, and verification of pump access consistent with the requirements of section IV C, will be offered to all property owners within the Town within a 600 foot radius of the blasting at no charge to the property owners.

5. Prior to any actual blasting, VGS shall provide landowners and VGS shall utilize best efforts to notify tenants with one week written notice followed by twenty-four hour advance notice, including “door hangers” (e.g., notes on the door).

6. VGS shall remediate, indemnify, and hold harmless property owners for any physical damage to property if and to the extent such damage is caused by construction and/or blasting for the Project and to the extent the property damage is not otherwise compensated with easements provided for the Project. Said property owners of the Town are third party beneficiaries to these duties and obligations by VGS. This obligation to remediate, indemnify, and hold harmless shall not be merged into any final order by the Public Service Board and shall remain separately enforceable by any beneficiary of this provision.

7. VGS shall abide by any further additional safety measures required by the Vermont Department of Public Service.

- H. Lay down areas within the Town of Monkton shall occur as set forth in locations identified in Exhibit VGS Supp. JH-3 and JAN 2.
- I. VGS shall obtain all necessary municipal permits prior to bringing heavy duty construction equipment on Town roads and comply with Monkton posted weight restrictions during spring thaws.
- J. VGS shall obtain all necessary municipal permits prior to commencing construction within municipal right of ways or other properties owned by the Town. VGS shall utilize horizontal or bored drilling to construct the Project through the road crossing on Monkton Road.
- K. VGS shall take those measures reasonably necessary to restore any lands disturbed by construction of the transmission pipeline to the original grade, landscaping and vegetation with similar species. Notwithstanding, VGS shall have the right to eliminate any trees within their right of way and honor the terms of any individually negotiated easements and access agreements.
- L. Construction will be performed in conformity with VGS' EPSC and Spill Prevention Control and Countermeasures Plans approved by the Vermont Agency of Natural Resources.
- M. The Town is concerned that proper oversight exists to insure that the construction of the Project occurs in conformity with the terms and conditions of the CPG and related permits. It is anticipated that the Vermont Department of Public Service will provide such oversight. However, in the event the Town determines in its own discretion that such oversight is not sufficient, VGS shall provide the Town up to \$4000 to fund a consultant hired on behalf of the Town to perform such

services. In the event the length of construction in the Town exceeds four weeks, VGS shall provide an additional \$1,000 per week to fund the consultant referenced above. VGS shall provide the Town's selectboard with direct access to the project manager who shall be vested with substantial decision making authority, and who shall return calls within 24 hours to address concerns raised by the Town and its citizens during construction. VGS shall permit Town officials to attend pre-construction meetings and provide Town officials with opportunities to ask questions and address concerns at said meeting(s).

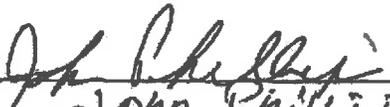
**V. Environmental Protection.**

- A. VGS shall comply with all applicable Project permit conditions relating to the control of invasive species, protection of wetlands, water resources, wildlife habitat and natural communities. And, without limitation to the above, VGS shall:
1. Take all reasonable measures to prevent invasive species transmission especially into sensitive habitat areas including the Huizenga swamp and other wetlands. This shall include, without limitation to other measures, washing all equipment prior to any wetland work consistent with applicable permits.
  2. Take all reasonable measures to prevent adverse impacts upon sensitive wetlands and wildlife habitat consistent with the applicable permits.
- B. Without limiting the general obligations to indemnify and hold harmless set forth in Section IV G(6), VGS shall fully remediate any damage or adverse impact caused by the construction or operation of the transmission pipeline upon any residential wells or septic systems that fall within 300 feet of the transmission pipeline or otherwise impacted by blasting associated with the construction of the transmission pipeline (even if greater than 300').
- C. VGS agrees to refrain from using pesticides, herbicides or other chemicals on property to construct and maintain the pipeline ROW.

**VI. Easement and Other Miscellaneous Items.**

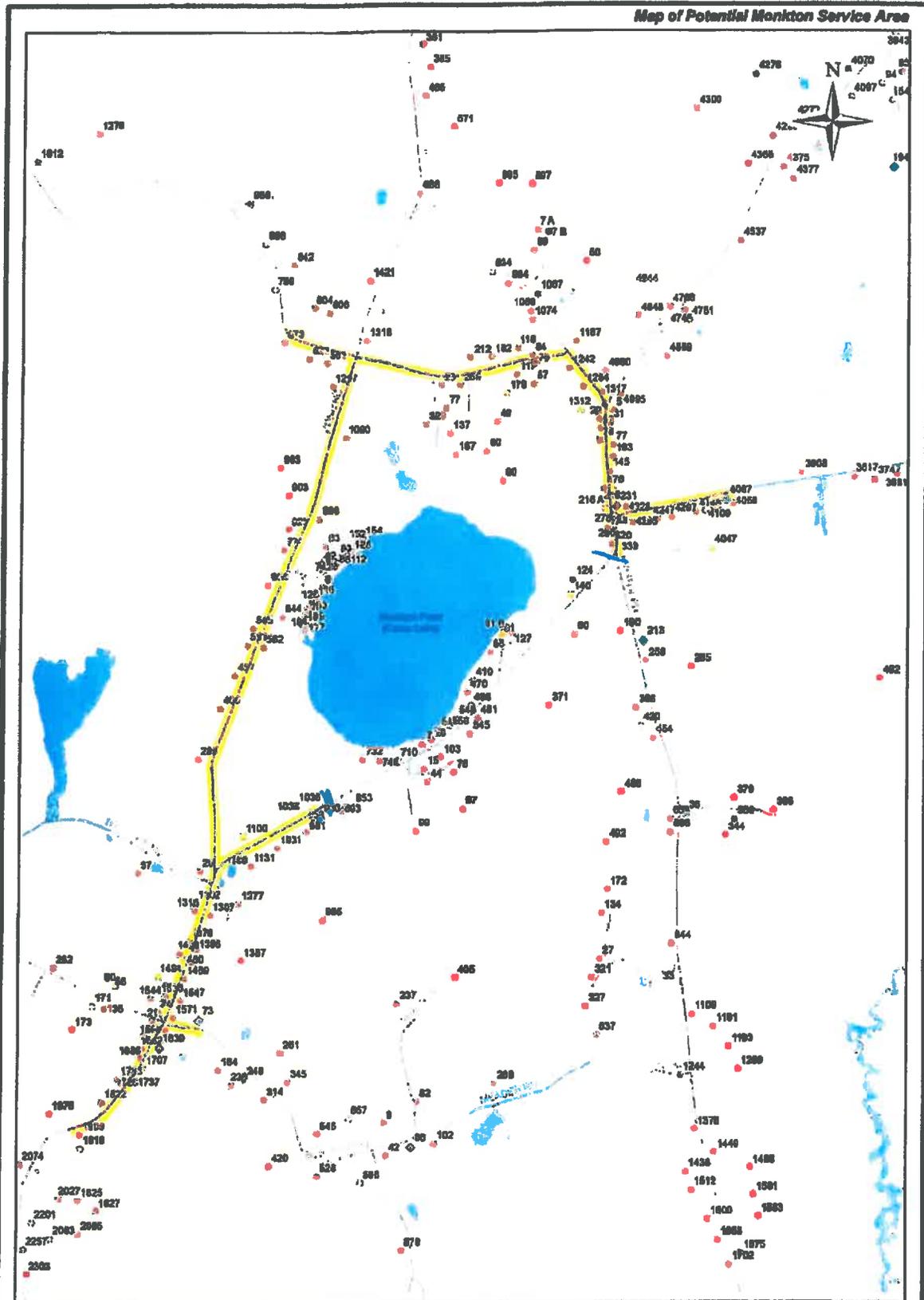
- A. VGS shall provide funding, not to exceed \$2,000.00, for the Town to hire legal counsel for the purpose of providing informational session(s) to Town residents on utility easements and the takings process.
- B. VGS shall provide natural gas training for the Town's volunteer fire department.
- C. VGS shall comport with those conditions necessary to safely monitor and repair the transmission pipeline as described in the prefiled testimony of John Heintz and any additional requirements set forth by the Vermont Department of Public Service.
- D. VGS shall sign up the Monkton Central School and pay any the membership fee in the School Pipeline Safety Partnership for a period of three years. Information about the Partnership can be found at [www.partnershipawareness.org](http://www.partnershipawareness.org).
- E. VGS shall negotiate in good faith with the Town's residents with respect to the acquisition of easements. VGS agrees to commence takings litigation and use of eminent domain only as a last resort.
- F. The Parties hereby request that the terms and conditions set forth herein be incorporated in the Public Service Board's Order granting VGS a certificate of public good and that the certificate of public good be conditioned upon compliance of the terms and conditions set forth herein.
- G. The Parties agree that this Memorandum of Understanding relates only to these Parties and should not be construed by any party or tribunal as having precedential or any other impact on any other proceedings involving a different project, different subject matter, other utilities, or other parties. The Parties further agree that this Memorandum of Understanding applies only to VGS and the Town of Monkton. It does not bind or otherwise obligate any other individual resident in the Town of Monkton or intervening party in this docket.

TOWN OF MONKTON

  
By: John Phillips  
Its Duly Authorized Representative  
Date: 6-12-13

VERMONT GAS SYSTEMS, INC.

  
By: Eileen Smillie  
Its Duly Authorized Representative - VP - Supply & Regulatory Affairs  
Date: 6-12-13



0 500 1,000 2,000 3,000 4,000 Feet

**Monkton**  
Addison Natural Gas Project

LEGEND	Geographical Features	Other
<ul style="list-style-type: none"> <li>Proposed Distribution Network</li> <li>High Priority</li> <li>Medium Priority</li> <li>General</li> <li>Clear Area</li> </ul>	<ul style="list-style-type: none"> <li>Residential</li> <li>Commercial/Industrial</li> <li>Loggia</li> <li>Demolished Piers</li> <li>Utility</li> <li>Other Demolished</li> <li>Industrial</li> </ul>	<ul style="list-style-type: none"> <li>Overhead</li> <li>Underground</li> <li>Fire Station</li> </ul>

  
Sheet No.  
**1**

**Vermont Gas Systems, Inc.**  
Drawn By: J. Acampora  
Checked by: C. Lefore  
Date: 01/2/19