State of New Hampshire

Site Evaluation Committee

Martin P. Honigberg, Esquire Chairman

Thomas S. Burack, Esquire Vice-Chair

Pamela G. Monroe SEC Administrator

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May 18, 2016

Scott F. Eaton Office of Legislative Services Division of Administrative Rules State House Annex, Room 219 25 Capitol Street Concord, NH 03301

RE: Rulemaking Notice

Site 301, Requirements for Applications for Certificates Site 302, Enforcement of Terms and Conditions SEC Docket No. 2016-01

Dear Mr. Eaton:

Please find enclosed for publication in the Rulemaking Register an Appendix II-C, Rulemaking Notice Form. A copy of the initial proposal as approved by the Site Evaluation Committee and the Fiscal Impact Statement are also attached. The rules apply to the siting of high pressure gas pipelines and are proposed pursuant to authority set forth in RSA 162-H:10-b.

Thank you for your assistance with this matter. If you have any questions regarding this filing, please contact Pamela Monroe, Administrator, as the contact person for the Committee. She can be reached at 271-2435 or via e-mail at pamela.monroe@sec.nh.gov.

Sincerely,

Martin P. Honigberg

Chair

Site Evaluation Committee

RULEMAKING NOTICE FORM

Notice Number	Rule Number	Site 301.03(e); 301.08 intro., (c) & (d); 301.14(f); 302.01(f); 302.02(d); 302.03(d) & (e)
1. Agency Name & Address:	2. RSA Authority:	RSA 162-H:10,VI; RSA 162-H:10-b,II
Site Evaluation Committee	3. Federal Authority:	
Pamela G. Monroe, Administrator	4. Type of Action:	
21 South Fruit Street, Suite 10 Concord, NH 03301-2429	Adoption	(3) 新世 经证券管理 新生
	Amendment	X
	Repeal	
	Readoption	
Party Service (1995)	Readoption w	/amendment
5. Short Title: Enforcement and High Pre	essure Natural Gas Pipeline	e Amendments

6. (a) Summary of what the rule says and of any proposed amendments:

The amendments to Site 301 are intended to add site evaluation criteria for high pressure natural gas pipelines, as authorized by RSA 162-H:10-b. Proposed new requirements include impact assessments for health and vibration, and standards for sound, vibration, and exterior lighting at compressor stations. The existing Site 301.08(c) has been renumbered as Site 301.08(d).

The Site Evaluation Committee (SEC) is proposing also to amend existing enforcement rules in Site 302 by changing "may" to "shall" in Site 302.01(f) and Site 302.02(d), and by adopting new criteria for the suspension and revocation of certificates in both of the aforementioned rules and in Site 302.03(d). These changes were requested by the Joint Legislative Committee on Administrative Rules in a petition for rulemaking to the SEC in December of 2015. The purpose of these changes is to limit the discretion of, and provide clear standards for, the SEC in the suspension or revocation of certificates. The existing Site 302.03(d) has been renumbered as Site 302.03(e).

6. (b) Brief description of the groups affected:

The amendments to Site 301 will affect applicants for certificates to site high pressure natural gas pipelines and associated facilities, such as compressor stations. The amendments to Site 302 will affect holders of site certificates.

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6. (c) Specific section or sections of state statute or federal statute or regulation which the rule is intended to implement:

Proposed Rule	Statute
Site 301.03(e)	RSA 162-H:7,IV and V
Site 301.08 intro. and (c)	RSA 162-H:7,IV and V; 10-b,II
Site 301.14(f)	RSA 162-H:10-b,II
Site 302.01(f)	RSA 162-H:10,VI and VII, 12
Site 302.02(d)	RSA 162-H:10,VI and VII, 12
Site 302.03(d) and (e)	RSA 162-H:10,VI and VII, 12

	Name: Address:	21 South	onroe nation Committee Fruit Street, Suite 10 NH 03301-2429	Title: Phone #: Fax#: E-mail:	Administrator 603-271-2435 603-271-3878 Pamela.monroe@sec.nh.gov Access: Relay NH 1-800-735-2964
				or dial 711	
8.	Deadline specified		of materials in writing of at 4:00 p.m.	r, if practicable for	the agency, in the electronic format
	⊠ Fax		⊠E-mail		Other format (specify):
9.	Public he	aring scheduled	for:		
	L	Date and Time:	June 17, 2016 at 9:00) a.m.	
	P	lace:	NH Public Utilities (21 South Fruit Stree Concord, NH 03301	t, Suite 10	
10.	Fiscal Im	pact Statement (Prepared by Legislative	Budget Assistant)	
	FIS#	16:090	. dated	May 12, 2016	

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11. Statement Relative to Part I, Article 28-a of the N.H. Constitution:

The proposed rules do not mandate or assign any new, expanded, or modified programs or responsibilities to any political subdivision of the State of New Hampshire. They therefore do not violate Part I, Article 28-a of the N.H. Constitution by necessitating additional local expenditures by a political subdivision.

Amend Site 301.01(e), effective 12-16-15 (Document #10994), cited and to read as follows:

CHAPTER Site 300 CERTIFICATES OF SITE AND FACILITY

PART Site 301 REQUIREMENTS FOR APPLICATIONS FOR CERTIFICATES

Site 301.03 Contents of Application.

- (e) If the application is for an energy facility, including an energy transmission pipeline, that is not an electric generating facility or an electric transmission line, the application shall include:
 - (1) The type of facility being proposed;
 - (2) A description of the process to extract, produce, manufacture, transport or refine the source of energy;
 - (3) The facility's size and configuration, including, for a high pressure gas pipeline, any associated compressor station(s);
 - (4) The ability to increase the capacity of the facility in the future;
 - (5) Raw materials used or transported, as follows:
 - a. An inventory, including amounts and specifications;
 - b. A plan for procurement, describing sources and availability; and
 - c. A description of the means of transportation;
 - (6) Production information, as follows:
 - a. An inventory of products and waste streams, including blowdown emissions from a high pressure gas pipeline and any associated compressor station(s);
 - b. The quantities and specifications of hazardous materials; and
 - c. Waste management plans; and
 - (7) A map showing the entire energy facility, including, in the case of an energy transmission pipeline, the location of each compressor station, pumping station, storage facility, and other ancillary facilities associated with the energy facility, and the corridor width *and length* in the case of a proposed new route or widening along an existing route; *and*
 - (8) For a high pressure gas pipeline, the following information:
 - a. Construction information, including a description of the pipe to be used, depth of pipeline placement, type of fuel to be used to power any associated compressor station, and a description of any compressor station emergency shutdown system;
 - b. Proposed construction schedule, including start date and scheduled completion date;
 - c. Operation and maintenance information, including a description of measures to be taken to notify adjacent landowners and minimize sound during blowdown events at pipelines and compressor stations;

- d. Copy of any proposed plan application or other documentation required to be submitted to the Federal Energy Regulatory Commission in connection with construction and operation of the proposed facility; and
- e. Copy of any environmental report, assessment or impact statement prepared by or on behalf of the Federal Energy Regulatory Commission when it becomes available.

Amend Site 301.08, effective 12-16-15 (Document #10994), by inserting (c), renumbering the existing (c) as (d), so that Site 301.08 intro., (c) and (d) are cited and read as follows:

Site 301.08 Effects on Public Health and Safety. Each application shall include the following information regarding the effects of, and plans for avoiding, minimizing, or mitigating potential adverse effects of, the proposed energy facility on public health and safety:

(c) For high pressure gas pipelines:

- (1) A comprehensive health impact assessment specifically designed to identify and evaluate potential human health impacts by identifying potential pathways for facility-related contaminants to harm human health, quantifying the cumulative risks posed by any contaminants, and recommending necessary avoidance, minimization, or mitigation;
- (2) A sound and vibration impact assessment prepared by an expert in the field, in accordance with ANSI/ASA S12.9-2013 Part 3 for short-term monitoring and with ANSI S12.9-1992 2013 Part 2 for long-term monitoring, which assessment shall include the reports of a preconstruction sound and vibration background study and a sound and vibration modeling study;
- (3) A description of planned setbacks that indicate the distance between:
 - a. The proposed pipeline and existing buildings on, and the boundaries of, abutting properties;
 - b. Any associated compressor station and schools, day-care centers, health care facilities, residences, residential neighborhoods, places of worship, elderly care facilities, and farms within a one mile radius; and
 - c. The proposed pipeline and any overhead or underground electric transmission line within 1/2 mile of the pipeline;
- (4) An explanation of why the setbacks described by the applicant in response to (3), above, are adequate to protect the public from risks associated with the operation of the pipeline and any associated compressor station; and
- (5) A description of all permanently installed exterior lighting at compressor stations and how it complies with Site 301.14(f)(5)c.

(ed) For all energy facilities:

(1) Except as otherwise provided in (a)(1) above, an assessment of operational sound associated with the proposed facility, if the facility would involve use of equipment that might reasonably be

expected to increase sound by 10 decibel A-weighted (dBA) or more over background levels, measured at the L-90 sound level, at the property boundary of the proposed facility site or, in the case of an electric transmission line or an energy transmission pipeline, at the edge of the right-of-way or the edge of the property boundary if the proposed facility, or portion thereof, will be located on land owned, leased or otherwise controlled by the applicant or an affiliate of the applicant;

- (2) A facility decommissioning plan prepared by an independent, qualified person with demonstrated knowledge and experience in similar energy facility projects and cost estimates; the decommissioning plan shall include each of the following:
 - a. A description of sufficient and secure funding to implement the plan, which shall not account for the anticipated salvage value of facility components or materials;
 - b. The provision of financial assurance in the form of an irrevocable standby letter of credit, performance bond, surety bond, or unconditional payment guaranty executed by a parent company of the facility owner maintaining at all times an investment grade credit rating;
 - c. All transformers shall be transported off-site; and
 - d. All underground infrastructure at depths less than four feet below grade shall be removed from the site and all underground infrastructure at depths greater than four feet below finished grade shall be abandoned in place;
- (3) A plan for fire safety prepared by or in consultation with a fire safety expert;
- (4) A plan for emergency response to the proposed facility site; and
- (5) A description of any additional measures taken or planned to avoid, minimize, or mitigate public health and safety impacts that would result from the construction and operation of the proposed facility, and the alternative measures considered but rejected by the applicant.

Amend Site 301.14(f), effective 12-16-15 (Document #10994), cited and to read as follows:

Site 301.14 Criteria Relative to Findings of Unreasonable Adverse Effects.

- (f) In determining whether a proposed energy facility will have an unreasonable adverse effect on public health and safety, the committee shall:
 - (1) For all energy facilities, consider the information submitted pursuant to Site 301.08 and other relevant evidence submitted pursuant to Site 202.24, the potential adverse effects of construction and operation of the proposed facility on public health and safety, the effectiveness of measures undertaken or planned to avoid, minimize, or mitigate such potential adverse effects, and the extent to which such measures represent best practical measures;
 - (2) For wind energy systems, apply the following standards:
 - a. With respect to sound standards, the A-weighted equivalent sound levels produced by the applicant's energy facility during operations shall not exceed the greater of 45 dBA or 5 dBA above background levels, measured at the L-90 sound level, between the hours of 8:00 a.m. and 8:00 p.m. each day, and the greater of 40 dBA or 5 dBA above background levels,

measured at the L-90 sound level, at all other times during each day, as measured using microphone placement at least 7.5 meters from any surface where reflections may influence measured sound pressure levels, on property that is used in whole or in part for permanent or temporary residential purposes, at a location between the nearest building on the property used for such purposes and the closest wind turbine; and

- b. With respect to shadow flicker, the shadow flicker created by the applicant's energy facility during operations shall not occur more than 8 hours per year at or within any residence, learning space, workplace, health care setting, outdoor or indoor public gathering area, or other occupied building;
- (3) For wind energy systems, consider the proximity and use of buildings, property lines, public roads, and overhead and underground energy infrastructure and energy transmission pipelines, the risks of ice throw, blade shear, tower collapse, and other potential adverse effects of facility operation, and the effectiveness of measures undertaken or planned to avoid, minimize, or mitigate such potential adverse effects, and the extent to which such measures represent best practical measures; and
- (4) For electric transmission lines, consider the proximity and use of buildings, property lines, and public roads, the risks of collapse of towers, poles, or other supporting structures, the potential impacts on public health and safety of electric and magnetic fields generated by the proposed facility, and the effectiveness of measures undertaken or planned to avoid, minimize, or mitigate such potential adverse effects, and the extent to which such measures represent best practical measures;
- (5) For high pressure gas pipelines, apply the following standards:
 - a. With respect to sound standards for interstate pipelines, the noise attributable to any new compressor station, compression added to an existing station, or any modification, upgrade or update of an existing station, shall not exceed a day-night sound level (Ldn) of 55 dBA at any pre-existing noise-sensitive area, such as schools, hospitals, or residences, as provided in 18 CFR §380.12(k);
 - b. With respect to sound standards for intrastate pipelines, the noise attributable to any new compressor station, compression added to an existing station, or any modification, upgrade or update of an existing station, shall not exceed the standards set forth in (2)a., above, regarding wind energy systems;
 - c. With respect to vibration, compressor stations or modifications of existing compressor stations shall not result in a perceptible increase in vibration at any pre-existing noise-sensitive area, such as schools, hospitals, or residences, as provided in 18 CFR §380.12(k), or a level of 2.0 peak particle velocity, whichever is less;
 - d. With respect to exterior lighting at compressor stations, no light shall be projected above the horizontal plane or projected beyond the property lines;
 - e. With respect to pipeline construction and safety, the requirements in Puc 506 and Puc 508 for a class 4 location in a high consequence area, as those terms are defined in 49 CFR §192.5(b)(4) and 49 CFR §192.903, respectively; and

(6) For high pressure gas pipelines, consider the results of the comprehensive health impact assessment, the proximity of electric transmission lines to the pipeline, and the proximity of any compressor station to schools, day-care centers, health care facilities, residences, residential neighborhoods, places of worship, elderly care facilities, and farms, and the effectiveness of measures undertaken or planned to avoid, minimize, or mitigate such potential adverse effects, and the extent to which such measures represent best practical measures.

Amend Site 302.01(f) and Site 302.02(d), effective 12-16-15 (Document #10994), cited and to read as follows:

PART Site 302 ENFORCEMENT OF TERMS AND CONDITIONS

Site 302.01 Determination of Certificate Violation.

- (f) Pursuant to RSA 162-H:12, I, iIf the committee determines following the adjudicative hearing proceeding that a certificate violation has occurred and is continuing, the committee shall may issue an order that suspends the holder's certificate until such time as the violation has been corrected if the committee determines that the following criteria have been met:
 - (1) The violation will not be terminated within 30 days from the date of the committee's decision; and
 - (2) The violation will have an unreasonable adverse effect on aesthetics, historic sites, air and water quality, the natural environment, or public health and safety.

Site 302.02 <u>Determination of Misrepresentation or Non-Compliance</u>.

- (d) Pursuant to RSA 162 H:12, II, iIf the committee determines following the adjudicative hearing proceeding that a material misrepresentation or violation of RSA 162-H or its rules has occurred, the committee shall may issue an order that suspends the holder's certificate until such time as the holder has corrected and mitigated the consequences of such misrepresentation or violation if the committee determines that the following criteria have been met:
 - (1) The violation will not be terminated within 30 days from the date of the committee's decision; and
 - (2) The violation will have an unreasonable adverse effect on aesthetics, historic sites, air and water quality, the natural environment, or public health and safety.

Amend Site 302.03, effective 12-16-15 (Document #10994), by inserting (d) and renumbering the existing (d) as (e), so that Site 302.03(d) and (e) are cited and read as follows:

Site 302.03 Revocation of Certificate.

- (d) Following the adjudicative proceeding, the committee shall revoke the holder's certificate if the committee determines, after due consideration of any mitigating circumstances and a determination of whether revocation is in the best interests of the public, or would result in an inability to assure that the state has an adequate and reliable supply of energy in conformance with sound environmental principles, that one or more of the following criteria have been met:
 - (1) The certificate holder obtained the certificate through fraud, deceit, or falsification;
 - (2) The certificate holder knowingly violated the rules of the committee, the conditions of the holder's certificate, or the rules or permits of any agency that participated in the holder's certificate proceeding;
 - (3) The certificate holder failed to comply with an order of the committee or an order imposed as a result of a judicial action taken to enforce any statute or rule implemented by the

committee, unless the certificate holder is complying in accordance with a compliance schedule and is current with all items; or

(4) The certificate holder is a chronic non-complier.

(ed) If the holder's certificate is revoked by order of the committee, then the holder shall permanently cease construction or operation of the energy facility subject to the certificate as of the time specified in the order and shall commence and complete decommissioning of the facility within the time period specified in the order.

APPENDIX

Proposed Rule	Statute
Site 301.03(e)	RSA 162-H:7,IV and V
Site 301.08 intro., (c) and (d)	RSA 162-H:7,IV and V; 10-b,II
Site 301.14(f)	RSA 162-H:10-b,II
Site 302.01(f)	RSA 162-H:10,VI and VII, 12
Site 302.02(d)	RSA 162-H:10,VI and VII, 12
Site 302.03(d) and (e)	RSA 162-H:10,VI and VII, 12