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1 PROCEEDING

CHAIRMAN HONIGBERG: All right. Good morning, everyone. We're here this morning in SEC docket 2016-01, which is a rulemaking docket required by statute to look at gas pipeline rules. It also includes a review of enforcement provisions at the request of the Joint Legislative Committee on Administrative Rules.

In a moment, I'm going to turn the microphone over to Ms. Hoffman to summarize the process as to how we got where we are and what you all should have to look at. The major purpose of this morning is to receive public comment on the draft rules that were submitted as part of the process.

It is not a morning for deliberations, because we will also be receiving written comments through June 22nd. We will need to have another meeting following the submission of written comments for the Committee to consider all of the comments and to adopt a final version of the rules to submit to JLCAR.

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                   Before we go any further, before I
         turn the microphone over, let's all introduce
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 3
         ourselves, started to my left.
                   CMSR. SCOTT: Good morning. My name
 4
         is Bob Scott. I'm a Commissioner with the New
 5
         Hampshire Public Utilities Commission.
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 7
                   CHAIRMAN HONIGBERG: I'm Martin
         Honigberg. I'm with the Public Utilities
 8
         Commission.
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                   VICE CHRMN. BURACK: Good morning.
11
         Tom Burack, Commissioner of Department of
12
         Environmental Services.
13
                   CMSR. BAILEY: Kate Bailey, with the
14
         Public Utilities Commission.
15
                   CMSR. SHEEHAN: Victoria Sheehan,
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         Commissioner of Department of Transportation.
                   MS. MUZZEY: Elizabeth Muzzey,
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18
         Department of Cultural Resources.
                   MS. WEATHERSBY: Good morning.
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         Patricia Weathersby, public member.
21
                   CHAIRMAN HONIGBERG: Oh, right.
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         we have one member on the phone. Who's on the
23
         phone?
                                        Rachel Whitaker,
24
                                   Hi.
                   MS. WHITAKER:
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1 public member.

CHAIRMAN HONIGBERG: And just to be clear on the process. Under New Hampshire law, it is allowed for a member of a public body to participate by conference, telephone or some other electronic means, as long as there is a quorum of the committee physically present.

And we do have a quorum physically present, so we may proceed with the one member on the phone.

I'll also introduce the -- I used to be able to say "the one SEC employee", but now we have two employees, the Administrator, Pam Monroe, is here, and our brand-new employee, Marissa Schuetz, is here. Counsel to the SEC, Mike Iacopino, is in the front row.

And I'll now turn things over to Barbara Hoffman, who has been helping us with the rules. Ms. Hoffman.

MS. HOFFMAN: Thank you. Thank you.

Good morning, and welcome to this public

hearing on proposed amendments to Site

Evaluation Committee rules -- okay -- 102, 301,

and 302. I'm Barbara Hoffman. And I work for

the Site Evaluation Committee on a contract basis for the purpose of assisting with this rulemaking.

The notice for this hearing on the proposed rules was published in the Rulemaking Register on May 26, 2016. And the notice indicated that written comments would be accepted from that date until 4:00 p.m. on June 22nd, 2016.

I will now give a summary of the proposed rules. The proposed rules being considered by the SEC in this rulemaking are amendments to the existing SEC rules in Site 102, "Definitions", Site 301, "Requirements for Applications for Certificates", and Site 302, "Enforcement of Terms and Conditions".

The proposed amendments to Site 102 define the terms "blowdown event", in Site 102.121; "compressor station" in Site 102.161; and "high pressure gas pipeline", in Site 102.221. These terms are used in the proposed amendments to Site 301 relative to the siting of high pressure gas pipelines.

The amendments to Site 301 are

intended to implement RSA 162-H:10-b. In drafting these rules, the SEC determined that certain areas specified in the law are adequately addressed by existing rules, including rules on impacts to natural, scenic, recreational, visual, and cultural resources, impacts to the environment, air and water quality, plants, animals, and natural communities, and site fire protection plan requirements. These subjects are also addressed by rules adopted by the Federal Energy Regulatory Commission, or FERC, and the U.S. Department of Transportation, DOT.

Proposed new requirements include impact assessments for health and vibration, and standards for sound, vibration, and exterior lighting at compressor stations.

New application requirements include information on blowdown emissions and additional information on construction, operation, and maintenance. These new requirements reflect comments submitted by the public in response to the request for advance public comment, which was published in the

Rulemaking Register on February 4th, 2016.

Finally, the SEC is proposing to amend existing enforcement rules in Site 302, by changing "may" to "shall" in 302.01(f) and 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.

And that concludes my summary, unless you would like me to go through each of the changes to --

CHAIRMAN HONIGBERG: I don't think that's necessary.

MS. HOFFMAN: Okay.

CHAIRMAN HONIGBERG: Before going to the blue slips, I will explain them. Some people who are here who wish to speak should

1 fill out one of these blue slips of paper and 2 get it to Ms. Schuetz probably, she's the 3 keeper of the blue sheets, and she'll get them 4 up here. 5 We have already received two written comments. I have them here. I have one from 6 7 Attorney Cunningham and one from Mr. Husband, who is also an attorney, but not serving as 8 9 such, as I understand it. 10 I am not aware of any other written 11 comments. Have we received any other written 12 comments, Ms. Monroe? 13 ADMINISTRATOR MONROE: No. Those are 14 the two that I've received to date. 15 CHAIRMAN HONIGBERG: But, as I noted 16 earlier, we will be accepting written comments 17 through June 22nd. 18 All right. I think we're ready to

begin hearing from the public. I'm going to call them in the order that I have them.

There's no magic to this order, I don't think.

I will ask you to come up to the front table,

where there is a microphone that should be on.

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And our first speaker is Carol

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1
         DiPirro?
                   MS. DiPIRRO: "DiPirro".
 2
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                   CHAIRMAN HONIGBERG: DiPirro, sorry.
 4
         To be followed by John Lewicke and Douglas
 5
         Whitbeck.
 6
                   MS. DiPIRRO: Go ahead? My name is
         Carol DiPirro. I live in Merrimack, New
 7
 8
         Hampshire. I sit here before you today a
9
         working mother, who took time off from work,
10
         unlike so many other people are able to do, to
11
         give you feedback. I am a mother. I work
12
         full-time, and go to school. I took today to
13
         tell you that I think the SEC needs to adopt
14
         much stricter guidelines. The SEC should
15
         require a Comprehensive Health Impact
16
         Assessment. Pipelines and compressor stations
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         put people's health at risk. All gas
18
         infrastructure have health effects, besides
19
         compressor stations.
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                   The recent Kinder Morgan pipeline was
21
         originally proposed to go right through our
22
         town's water supply. If there is a leak, the
23
         town's water is contaminated.
24
                   I request, before any further
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pipelines are ever considered in New Hampshire, that we find every existing leak and fix it.

Plus, I'm not sure if this is appropriate here, but there is no reason that the taxpayer -- the electric ratepayer should ever pay for infrastructure for a gas pipeline.

CHAIRMAN HONIGBERG: Your question was apt, because that is not a matter that is before the SEC in any way.

MS. DiPIRRO: Okay. Thank you. I also just wanted to site an article, a news article, the setback of the pipeline needs much stricter guidelines. They were considering running the compressor station, in a previous — in the Kinder Morgan situation, near an elementary school, and I believe Rindge, but I'll let somebody else address that, and near — the pipeline itself near, only a couple hundred feet from the building, not the playground, in Merrimack, an elementary school that has special needs students.

Just recently, in April, there was an explosion in Westmoreland County that destroyed a house over a quarter a mile away.

So, we must put much stricter language in place to keep the distance of any risk of explosion, pollution away from the people.

That's basically it.

CHAIRMAN HONIGBERG: Thank you. Our next speaker is John Lewicke, to be followed by Douglas Whitbeck, and Terry Silverman.

MR. LEWICKE: I'm John Lewicke, from
Mason. I've spent most of my life working as
an electrical and systems engineer. And the
primary thing I'd like to bring to your
attention is this document from the
International Natural Gas Association
concerning collocation of natural gas pipelines
and high voltage electrical transmission lines.

One of the problems we have with the siting of a natural gas pipeline adjacent to or near to a high voltage electrical transmission line is that there are electrical interactions between the two. If they are parallel and close together, current will be induced in the pipeline, the steel pipeline, by the current from the high voltage transmission line.

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                   Now, I suspect I'm talking to
 2
         lawyers, not engineers. And, so, some of this
 3
         may not be very meaningful.
                   CHAIRMAN HONIGBERG: Would the
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 5
         engineers please raise their hands?
 6
                         (Show of hands.)
 7
                   MR. LEWICKE: Oh. Okay. Great.
                                                      All
         right. So, you do understand.
 8
                   CHAIRMAN HONIGBERG: In fact, I think
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10
         we're a dead split right now, in terms of those
11
         two professions.
12
                   MR. LEWICKE: Okay. So, the
13
         electrical people and the gas people don't
14
         necessarily recognize the interactions. From
15
         the electrical people's point of view: "Fine.
16
         You can put your gas pipeline right next to us.
17
         And, you know, it's no skin off our nose, if
18
         the thing blows up. We'll just string some new
19
         wires and everything will be happy."
20
                   The gas pipeline people, you know,
21
         use standard practices, like cathodic
22
         protection and so forth, to try to prevent any
23
         exposed pipeline from getting to a potential
24
         greater than --
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[Court reporter interruption.]

MR. LEWICKE: -- 0.8 volts, which is the -- I forget whether it's positive or negative, but that is the threshold at which electrolytic corrosion begins to occur. And, so, when you have the two in parallel, any -- and the 60-hertz power going through the thing, some -- if you ever exceed that, even for part of a cycle, you know, at 60 cycles, you know, some part of that cycle, you will have much more rapid corrosion occur than would occur otherwise.

And, so, anyway, the International

Natural Gas Association came up with a set of
standards, which basically says that, if you're
within certain distances, and particularly in
parallel, which would be what they call

"collocation", you have a much greater risk of
a very rapid corrosion of the pipeline due to
the induced currents.

And, so, I would suggest that the SEC adopt a phrase in the rules that says "when a pipeline and a high voltage transmission line are within some number of feet", a thousand

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1
         feet or 5,000 feet, effects can be detected out
         to around 5,000 feet, "best industry practices
 2
 3
         will be followed in terms of siting." Which
         says, you know, if you put them close together,
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 5
         you really don't want to do that. Because, you
         know, when they're in parallel, you will get
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 7
         the induced currents, and it also talks about
         crossing angles and so forth.
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                   So, I'd like to submit this. This is
9
10
         the Executive Summary and introduction to the
11
         document. The whole document is 66 pages and
12
         is, I believe, available online.
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                   CHAIRMAN HONIGBERG: All right.
                                                     So,
14
         why don't you give that to Ms. Schuetz.
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                   MR. LEWICKE:
                                  Okay.
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                   CHAIRMAN HONIGBERG: And I'm going to
17
         go off the record for a second.
18
                         [Brief off-the-record discussion
19
                         ensued.]
                   MR. LEWICKE: And I don't have
20
21
         anything else to add. Thank you.
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                   CHAIRMAN HONIGBERG: Thank you.
         knew you were done. Thank you, Mr. Lewicke.
23
                         [Brief off-the-record discussion
24
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ensued.]

CHAIRMAN HONIGBERG: Back on the record. If you have brought written materials, either if your statement is typed up or written, if you could give that either to Mr. Patnaude or to Ms. Schuetz, that would be helpful. And, obviously, if you have handouts, something you want to submit, give those to Ms. Schuetz.

So, our next speaker is Douglas
Whitbeck, to be followed by Terry Silverman and
Susan Silverman.

MR. WHITBECK: Good morning. My name is Douglas Whitbeck. And I am from Mason, New Hampshire. I've worked most of my life as a technical writer. I don't have anything particularly new to add, except to reinforce the need to consider new information when you're looking at siting one of these pipelines and compressor stations.

It has been -- it seems that the standards, the health standards, are based on an average, which tends to smooth out the numbers and make everything look at a lower

level, when, really, the damage is done by the spikes. And what is needed is hourly monitoring to provide a base of information, and newer standards need to be implemented to take into consideration the studies which are continually -- or, that are coming forth will show that it's the spikes and short-term exposure that causes the most health damage.

In the case of the Temple, New
Hampshire, elementary school, Dr. Nordgard, who
is a pediatric physician in Boston, estimated
that we should anticipate, given the rate of
exposure using Kinder Morgan's own figures, we
should anticipate a yearly increase of
\$2 million in healthcare costs. This would be
borne not by the industry. Then, a Kinder
Morgan representative I believe said that "that
was unfortunate".

Another area for new information is the projected impact radius. Pipelines don't often explode. But, when they do, it would seem, given an analysis of recent explosions, that the impact radius, which has been calculated and is used for a basis for siting,

is two to three times under what has actually been occurring.

That's about all I have.

CHAIRMAN HONIGBERG: Thank you. The next speaker is Terry Silverman, to be followed by Susan Silverman, and Art Cunningham.

And, Ms. Schuetz, if you have other blue slips, why don't you bring them up.

MR. SILVERMAN: Hello. Thank you for letting me speak to you today. The project directly burdens and adversely impacts each of the towns and would irrevocably alter the cultural heritage, community character, and scenic resources of the region.

The town's Master Plan and Vision

Statement in the Town of Fitzwilliam, I'm

Chairman of the Planning Board there, I've been on the Planning Board for 30 years, and a member of the Municipal Pipeline Coalition.

The town's Master Plan and its open space clearly has the responsibility for water, clean air, protection of wildlife habitat, protection of wetlands, peace and quiet from natural

areas -- in natural areas, excuse me, scenic qualities, land and water for recreation, and historic features.

Chapter 110 of our Land Use Code of the Town of Fitzwilliam governs blasting. This would not be followed if a project like Kinder Morgan Project had gone forward.

Chapter 113 of our Code is our Groundwater Protection Overlay District. This would not protect the town if the Project were to go forward.

Chapter 137 covers our Rural

Character, including our Night Skies Ordinance
and our Sound Ordinance. For over 200 -- the

town is 253 years old, and adopted by vote the

best -- highest and best zoning practices.

We would be unprotected if a project go forward. I do think that there needs to be more community control, in terms of projects like this. I think the threat of preeminence does not abrogate our responsibility to make rules that represent our interest as communities and individuals.

Thank you.

CHAIRMAN HONIGBERG: 1 Thank you. 2 seems like you might have a written statement 3 that you were reading from there. 4 MR. SILVERMAN: It's pretty diffuse, 5 but I'll leave it. 6 CHAIRMAN HONIGBERG: Thank you. 7 Susan Silverman, to be followed by Art Cunningham, and Liz Fletcher. 8 Off the record. 9 10 [Brief off-the-record comment.] 11 MS. SILVERMAN: Okay. How to make me 12 My name is Susan Silverman. I serve nervous. 13 on the Board of Selectmen in the Town of 14 Fitzwilliam. I've been a selectman for a 15 little over 20 years. Not continuously, thank 16 God. 17 Following a vote at our town meeting 18 in 2015, we have, as elected officials and as 19 for our taxpayers, on behalf of our taxpayers, 20 we have spent countless hours at meetings and 21 pursuing what we were facing. It was the 22 largest project that our town has ever faced. 23 And, as we, about a little more than a year

ago, joined the Municipal Pipeline Coalition as

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well to help try to protect our town.

The town has -- following that vote, the town has expended a substantial amount of money in legal, for legal funds, and also to investigate and protect some of our bodies of water. The water quality study that we're working on right now is -- has recognized that we have over 5,000 wetlands in our town boundaries. So, it's not a small thing for us.

And, we feel that, you know, the learning curve has been great. The Clean Water Act should protect us. But what we noticed last year was that, when Kinder Morgan came to the State of New Hampshire, our state, and this is not casting any kind of disappointment in our state officials or our state agencies, but I don't think we're really prepared to deal with something on that level. Okay?

And, you know, we -- so, what I really want to say is that we know our town and the surrounding communities. We know where the precious places are. And we should be working together with state agencies, to protect wetlands, to protect water resources, because

those are prominent in my mind.

In my scoping comments last July, I mentioned that, you know, that is our -- a resource that, once it's gone, as people in different parts of the state has discovered, once that's gone or contaminated, it's gone. We have over 600 private wells just in the Town of Fitzwilliam. Those people need to be protected.

And, so, I would -- I was really glad to see that SEC was going to take on rulemaking that would cover a project of this scope. But I also feel that it's very important for us to have local control. Like I said, we have spent over 30 years putting together ordinances and regulations that make sense for us, that have been voted by the taxpayers in the Town of Fitzwilliam, and have -- reflect how we want our community to be.

And I can -- I know also for
Richmond, and Winchester as well, you know, the
towns around us have done the same thing. We
have conservation lands. We have spent
countless volunteer hours putting these things

together. And we can't expect that a state agency that's covering the entire state is going to know all those nuances.

So, I would -- I would like to see us have -- there be an integration between the rulemaking your making and our local controls, that there be some kind of relationship there that benefits the people that live here.

And I think this project -- my last comment is just that this project really brought to the fore that we're a pass-through. You know, we weren't going to see anything from that line. You know, there are a lot of rumors going around. But, you know, we weren't going to see any benefit from it. We were only going to see the lack of.

Oh, and one last thing. In our area, we also know our, you know, our road structures. We have two state highways in the Town of Fitzwilliam. We have Route 119, which is actually a 17th century road that just got paved over. There's a lot of turns in it. And we have Route 12. And many of our other town roads, and even 12 and 119, if there were to

1 be, you know, with the route that they had, if 2 there were to be any kind of an incident at 3 all, there were going to be many large areas that were cut off. You know, there isn't an 4 5 alternate route available, even through using 6 town roads and stuff. So, there's no --7 there's not enough of an infrastructure for us to handle the location of that line that was 8 9 proposed. If another line comes through, you 10 know, who knows? 11 But I would ask you, as I say, to 12 work together with municipalities, to protect 13 our people and our land and our water. 14 Thank you. 15 CHAIRMAN HONIGBERG: All right. Art 16 Cunningham, to be followed by Liz Fletcher, and 17 Richard Husband. 18 And, Mr. Cunningham, we do have your 19 written comments. 20 MR. CUNNINGHAM: Yes. Thank you. 21 will be very brief. My purpose, Mr. Chairman 22 and members of the Committee, was to introduce

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presented, I think, very succinctly their

Terry and Susan Silverman. They have

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concerns from a local point of view.

What I did in my written comments is point out to the Committee that the Natural Gas Act does not preempt local control. What it does is refer to the National Environmental Policy Act, or NEPA. NEPA specifically requires, as part of its provisions, that state and local regulatory bodies have input into these major pipeline decisions.

So, I think it's very important for the Committee and its rule process to ensure that there's language in the rules that both the state and local regulatory regimes are considered in the installation, construction, and operation of these major pipelines.

Susan and Terry have spent years as volunteers in the small priceless Town of Fitzwilliam, putting together a plan to protect the assets in that town for the benefit of that town and the people that visit that town.

Let it not be said that this company comes in and says "We're from Texas, and we have a license from Washington, step aside."

That's not how it should work.

So, I simply repeat, please, in the adoption of these rules, provide for consideration of local -- state and local regulatory authority.

And thank you.

CHAIRMAN HONIGBERG: Liz Fletcher, to be followed by Richard Husband, and George Stolz.

MS. FLETCHER: Hi. I'm Liz Fletcher, from Mason, New Hampshire, a member of the Mason Pipeline Committee. And I'd just like to thank the SEC for listening to New Hampshire citizens in making the rules that have so far emerged, especially for the Comprehensive Health Impact Assessment, the sound and the vibration assessments. So, thank you for the progress. But we'd like to propose further amendments.

And some of this is based upon -- it would be Site 301.08, where, halfway down the page, it calls for a description in the plan of setbacks from buildings and residences, compressor stations and pipelines, as related to power lines. And it's very good to have

these plans, however, SEC needs to set forth some much clearer setback numbers. And, if those setback numbers cannot be maintained by applicants, then certain mitigation measures should be required. And this should be very clear up front to applicants. Because, right now, all that Site 301.08 says is "The applicants should explain why the setbacks protect the public adequately."

Well, we have been through the FERC process with Kinder Morgan. And we have seen baseless assertions continually repeated about such adequacy of their plans, with no justification. And we just think that we can't sit back and let them dictate.

And I would be -- I'm so happy to hear Attorney Cunningham's view that the federal preemption is not absolute. So, we can have the courage to set up some guidelines here in New Hampshire.

And what I would like to suggest would be guidelines for residences if a high pressure gas line is less than 250 feet from a residence, the owner of that residence should

have the option to require the applicant to buy their property. And this is what was proposed in the Legislature recently, and, for various public reasons, it's a mysterious process, did not pass. But 250 feet is certainly within the incineration zone, and it's, you know, 400 feet would be better. But, in the recent Pennsylvania blow-up that happened in April, a house, you know, was completely destroyed, and that was, you know, probably around, you know, within the incineration zone, and the man was burned as he was running from his house.

So, if people feel they're not safe, they should have the option to have their property bought. And that would be the mitigation measure for going within 250 feet.

And, then, for the compressor stations, if they are to be located within a mile and a half of the different sensitive receptors that were noted there in 301.08, there should be some technology that should be required of those compressor stations. They should use electric motors to run the compressors, air-operated control valves,

1 rather than gas-operated valves, which vent to
2 the air each time they open or shut.

Sufficient on-site containment for a venting event, such as blowdowns. To continue industry practices of chronically venting gas to the atmosphere is like the days before the Clean Air and Clean Water Acts, where factories dumped their waste into our environment. And the methane, which is the main product of blowdowns, is a very serious greenhouse gas.

And, then, all aboveground pipeline facilities, compressor stations, metering stations, pigging stations, should be housed in structures with equipment to capture and recover fugitive emissions.

Then, coming to the question, which

John Lewicke so well brought up, about

pipelines being too close to electric high

voltage lines, I would definitely recommend

that, if they are within 1,000 feet, which is

anything less than 1,000 feet is considered a

risk, and that would be in that study, there's

a table on Page 4 that shows, you know, what

Kinder Morgan was proposing was a high severity

risk, it was one of the worst.

So, if they do propose that, they
must provide SEC with a pipeline grounding
installation plan and an ongoing maintenance
plan for this grounding, that are reviewed and,
you know, signed off on by independent
engineers at the applicant's expense. And the
independent engineers should be chosen by the
appropriate state agency, and quarterly reports
should be filed on their maintenance with that
agency.

And, regarding the public -- or, actually, the Comprehensive Health Assessment, Richard Husband is going to give testimony, which I would strongly support, to have the consultant chosen for this to be chosen through a combination of affected municipalities and the state agencies. Because there's no mention, even though it is mentioned as something that should be done by the SEC, there is no mention of who should do it, and that is very important. Because we've seen, through the Kinder Morgan process, that they tend to buy up lots of available consultants, and we

would like to see independent ones carry this out.

And one thing we were disappointed about, the Mason Pipeline Committee, is we had numerous recommendations related to standards for construction, which were asked for in the original request for comment, and obligations for maintenance and other pipeline-related public safety issues, and none of that was addressed in the rules that have come out now. So, we'd like to reiterate that.

All I have here is a draft in writing. I guess I could leave the draft, but I'd rather file something, you know, more complete with -- after the Mason Pipeline Committee meets as a whole this coming Monday, which would still be within your deadline.

CHAIRMAN HONIGBERG: Yes, that's fine. If you want to submit something in writing, you have till the 22nd to do it.

MS. FLETCHER: Well, I'll wait on that then, sure. Thank you very much.

CHAIRMAN HONIGBERG: Richard Husband, to be followed by George Stolz, and Julia Steed

1 Mawson. MS. STEED MAWSON: Yes, in indeed. 2 3 Thank you. 4 CHAIRMAN HONIGBERG: Mr. Husband, we 5 do have your written comments. 6 MR. HUSBAND: Yes. Thank you. 7 you, Mr. Chairman. Again, for the record, my 8 name is Richard Hudson. I live in Litchfield, 9 New Hampshire. I am an attorney. But, as you 10 noted at the beginning, I am not here in any 11 representative capacity, I'm just here as a 12 citizen. 13 I have submitted pretty detailed 14 written comments. So, I'm not going to read

I have submitted pretty detailed written comments. So, I'm not going to read them into the record, but will give a hard copy to Ms. Monroe afterwards, so she has that. But there are links to a lot of the materials supporting my comments, so it would be best if you were to look at the pdf version that I emailed this morning.

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I want to start just quickly by echoing some of the comments of Ms. Fletcher, which are, to begin with, I wanted to thank the Committee for all of its probably

brain-straining efforts to try to come up with these rules. This is a very difficult subject matter. I think engineers, lawyers, or anyone looking at these rules and trying to come up with something that's going to work would know how difficult the process is. And I'm glad that the Chair, in particular, has maintained his sense of humor, particularly with all he has before him, not only here, but with the PUC.

Also, as Ms. Fletcher noted, I'd just quickly, on the need to have independent -- an independent firm or person involved in the "CHIA", I'll call it, Comprehensive Health Impact Assessment, prepared under the SEC's proposed rules.

I think, as attorneys in particular, we know that all too often, unfortunately, when the state, at least I've noticed, when the state requires an applicant or someone else trying to get something to go out and get an independent study, the client nonetheless considers the one they're having contact with and who pays the bills to be the one that

they're really providing the report for, and I think there is an undue influence in that regard. So, there has to be a separation between the person preparing the CHIA and the applicant to maintain the integrity of that kind of report and analysis.

Just quickly, in terms of the submission I sent this morning, there were four areas that I would propose new rule changes or additional language in these proposed rules.

The first is that the CHIA called for under the proposed rules be clearly applicable to all high pressure gas pipeline infrastructure and facilities, and that includes all compressor stations, pigging stations, venting stations, metering stations.

Because, as was noted earlier, all of these -- all of this infrastructure can result in leakage, emissions or other releases that have harmful health impacts.

And, in particular, we have to monitor or take into account under the CHIA the releases of registered toxic air pollutants under our DES rules to consider the health on

the public from those releases.

And it is also imperative and only fair that municipalities be involved in the CHIA process, affected municipalities. They are, after all, the ones who are trying to protect the health and welfare of their citizens. So, they should be involved in both selecting the preparer of the CHIA and in overseeing its preparation and final submission for consideration.

Secondly, I requested that there would be specific requirements for the proposed applicant decommissioning plan, basically fleshing out what the SEC has proposed in its rules for a decommissioning plan. I think you really have to get into some specificity as to what has to be in a plan, if for no other reason then to ultimately come up with a determination as to how much money or a surety is going to be set aside to make sure that the decommissioning is properly conducted on the dime of the facility owner, and not on the dime of the municipalities or state.

Also, with the decommissioning plan,

again, I think that the affected municipalities should be involved in the process of coming up with that plan. And it's more -- my suggestions in this regard are more fully set out in my written comments.

The third area I commented on in my writing is the -- we really, I think, should eliminate application pre-filings. And I know -- or, at least I believe that the SEC process is still developing. I believe everyone here is still trying to figure out what the statutes and rules are that apply to the SEC.

But I do not understand what happened in the Tennessee Gas pre-application filing, or whatever it was called last year, where we ended up with a docket where things were being filed, including a certificate for a 401 Water Quality Certificate application, which may have detrimental impacts on timing issues under federal law, as well as just ultimately confusing the public. Again, I spelled that out. I just don't think anything should be accepted, no docket open until there's an

actual formal application filed.

And, finally, I propose that there be added to the SEC's siting requirements a requirement that the applicant or the facility owner have to account — or, have to report for all unaccounted gas on a yearly basis, and that they be held to the national average for unaccounted for leaked gas as established by the EPA. And, if they do not meet that standard, within certain warnings and time periods as set forth in my comments, then I think that that failure to comply should be considered a certificate violation under the rules.

And, finally, lastly, I just wanted to support Attorney Cunningham's proposals and comments concerning allowing local ordinances to be factored into the SEC process. Just to make sure it is in the record, he referenced the recent Supreme Court decision, but just so it's on the transcript, I'm not sure whether the writing is there, but may not end up in the transcript. But he referenced the Oneok, Inc. versus Learjet, Inc. case. That's O-n-e-o-k,

Inc. versus Learjet, all one word,

L-e-a-r-j-e-t, Inc., issued by the Supreme

Court I believe at the end of last year, or

beginning of this year. And, at Page 10, it

says "As we have repeatedly stressed, the

Natural Gas Act was drawn with meticulous

regard for the continued exercise of state

power, not to dilute or handicap it in any

way."

And, as far as I could tell, this is the most recent Supreme Court announcement on state involvement and preemption. So, I urge you not to consider any preemption arguments here. I assume that, since there is an SEC Committee, the state and Committee itself believes it has jurisdiction to consider these kind of matters before it and proposals that the public is making, and that it's not preempted from doing so.

But, you know, please sniff carefully the sugar you're fed in that regard by certain people. Thank you.

CHAIRMAN HONIGBERG: We have George Stolz, to be followed by Julia Steed Mawson.

Are there any other blue slips that have been submitted for speakers? Oh, I see one coming.

MR. STOLZ: Mr. Chairman, Committee members, thank you for holding this session this morning. My name is George Stolz. I am from Temple, New Hampshire. I'm a member of the Temple Pipeline Advisory Committee. I'm a retired civil professional engineer. I have 35 years of experience in highway, heavy, and utility construction. The last 20 years of my career I spent building large — large scale electric transmission power plants, solar energy, wind energy, and gas distribution and services.

I'm here this morning, I heartily support everyone who has come before me and spoken. I urge the Committee to not be put off by creating rules that would hold a company to the highest standards of mitigation that are available at the time of construction. A good company who wants to build a project will have no problem meeting these regulations. I worked for several large pipeline companies and

several -- my company worked for several large utilities, and who insisted that we make sure that the highest levels of mitigation were employed. Those companies I considered to be responsible companies.

I also built a 194-acre solar farm on the eastern end of Long Island for British

Petroleum. British Petroleum was, without a doubt, the worst company I ever had to work for. They brought out-of-state engineers in to engineer their project. Their project fell short in -- over in drainage, it fell short in maintenance, and it fell short in many other ways.

However, National Grid, who we did gas pipelines for and we did electric transmission for, insisted that we make sure that our restoration employed only the area — employed the local fauna that needed to be replaced. In fact, there was a specific type of grass that was native to one specific area in Eastern Long Island that we had to cut, remove, and keep alive for three months prior to restoring it.

Now, to some people that may sound like it's an onerous thing to do. But, for a company that's responsible, it's not. They're willing to spend the money to make sure that that happens.

And that's what we want to see in the State of New Hampshire, at least I do. I want to see a company that's responsible, that's going to come in and say "Yes. We're going to provide you with the most up-to-date mitigations possible to protect your life, your livelihood, and your people."

I'm not interested in somebody who comes into the state and proposes a plan initially that says "TBD", "to be determined", "to be determined", which is initially misleading in the amount of area that they're disturbing. It's initially misleading in the engines they plan to use in the compressor station. It's initially misleading in telling you that they're not going to be responsible to control emissions.

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I built a power plant on the east end

of Long Island, in Greenport, the Greenport

Power Authority were the ones, the agency
involved. And they insisted that the only
thing coming out of the stack was water vapor.

To do that, we installed a CEMS system, a

Continuous Emissions Monitoring System. That
plant still works today. It's in the
day-to-day energy market. And it is not
producing anything more than some heat coming
out of the stack and water vapor.

There is no reason in the world that a compressor station powered by a gas turbine can't be doing the same thing. And that's what we need to -- we need to have that sort of information in your rules. We need to make sure that, when they pull out millions of gallons of water to do hydrostatic testing, that the water -- that the water removed is not endangering the water systems of the local residents. If it requires that the Company needs to bring their water from somewhere else and reuse it and refilter it, and store it in tanks and keep reusing that for the system of hydrostatic testing, that's what needs to be

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done. That's what a responsible company would do. And that's what we need -- you know, I'm not opposed to energy. I spent my life building it.

But I am opposed, really opposed to companies coming in and riding roughshod over the local communities that don't have rules in place to protect themselves. And that's what I need -- we need the state to do. We need that to be a statewide thing that protects the local communities. We also need to have some information in your rules I believe as far as decommissioning goes. It's one thing to say "Okay, let's have a plan to decommission that." But who pays for it? Somewhere there needs to be a bond set by -- I don't know who would hold that bond within the State Legislature or within the state organizations, but somebody has to have that, so that the Company just doesn't say "See ya" in twenty years. Suppose that company goes out of business. Now what? Now you're stuck with an infrastructure that's in place, and who removes it? So, those are some of the things I think are really important

to be included.

The other thing I see in your notes is requiring a professional -- an individual professional to oversee it who has experience in the field. Well, that's true. I agree with that. However, that person should be a registered New Hampshire professional, whether a profession engineer, a professional land surveyor, but someone who is a registered New Hampshire professional, not an out-of-state professional. I have suffered through that in my construction experience.

And, so, I thank you for letting me speak this morning. And I hope you'll take these comments to heart.

CHAIRMAN HONIGBERG: Thank you,
Mr. Stolz. We have Julia Steed Mawson, and a
player-to-be-named-later. Here we are. And
Jeffrey Scott.

MS. STEED MAWSON: Good morning,
everyone. Thank you very much for taking my
comments today. My name is Julia Steed Mawson.
And I'm a member of the Pelham Pipeline
Awareness Outreach Subcommittee serving over

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400 residents of Pelham. I am a trained biologist and also an Emeritus with UNH Cooperative Extension. Which, to anyone who knows what that means, knows that I now have a lifetime parking permit at the University.

And the first thing I wanted to say to you all was to thank you so much for this very difficult work that you're doing developing these rules. As you know, because of the advances in fracking technology over the last few years, we are now in a gas rush, and that is affecting our nation because of the massive proliferation of gas pipelines. So, the work that you're doing is very important. Because, when situations like this occur, historically, what we've seen, and we are seeing it, unfortunately, now in our country, that folks are in a hurry. And, when they are in a hurry, they make mistakes and they cut corners. So, having some really good analysis is extremely important for a whole variety of reasons, and many of those reasons have been articulated by some of the speakers before.

I am very much appreciative of your

willingness to include language concerning
CHIA, the Comprehensive Health Impact
Assessments. I also am very grateful for your
enlarged attention to the information relative
to starting to think about setbacks and some of
the more technical aspects.

I did see -- or, I should say I did not see, and it may be because of my inexperience in reading this type of technical information, with no pictures and no illustrations, that I didn't see specific language relative to metering stations, pigging stations, valve stations, take stations. And I want to make sure that there is oversight of all of those technical devices that are part of an industrialized high pressure pipeline system.

I also didn't see, and this may be, you know, outside of the bounds of the SEC, so you can correct me if this is not appropriate, but I didn't see any mention of coatings and coating thicknesses. And that is something that I think is extremely important, because we know that corrosion is one of the banes of the

existence of any metal. And, if corrosion occurs, you have pitting, and that then leads to the potential for leaks in pipelines, and also for, of course, explosions in pipelines.

We have been advised by one of our engineers that's on our committee that, in the United States, a standard for coatings is about 0.3 millimeters; where, in Europe, the standard for coatings is also three-quarters of an inch thick. And that seems to make a lot of sense to me, in terms of the fact that, when we're putting pipelines now and pipeline infrastructure in areas that are much more heavily populated, and we know that there is a gas rush to export our fossil fuels, that, of course, it has to get to the coast, and the coastlines are our more populated areas.

So, looking at some of the technology relative to pipeline coatings I think is a really important component that needs to be thought about.

I also didn't see, but it may be in there or may be expressed in another way, information relative to analysis of the risks

bodies. Because, in New Hampshire and New England, we've had a long history of mills and technology along our riverways, we do have heavy metals that are now trapped in the sediments. And we know that there is a strong risk that, when vibration occurs or a disturbance, that these heavy metals can be released into the water column, which could then endanger drinking water supplies of communities that are downstream, and, of course, outside our borders into Massachusetts.

The last thing that I'd like to mention is that, in light of the massive increase in accidents and incidents with gas pipelines nationwide, we have actually seen that the number of these rates of accidents and incidents are now equivalent to the rate of accidents and incidents prior to 1940. Because of that, because of that national concern, PHMSA, Pipeline Hazardous Material Safety Administration, in conjunction with the Pipeline Safety Trust, has been working for perhaps half a year now on gaining public

1 comments relative to reviewing the standards 2 and rules of PHMSA that have not been altered 3 since 1977. 4 I do know that these new rules are 5 now under public comment, and the comment 6 period for that ends on July 7th. So, I am 7 interested in asking if indeed there will be some interface between you folks being able to 8 9 review those new rules and potential 10 application to our SEC rules? 11 So, I, obviously, would like to see 12 if those rules from PHMSA could be somehow 13 articulated in this new ruling with the SEC, to 14 make sure that the safety considerations are of 15 the highest quality that we are looking for 16 here in New Hampshire.

So, I thank you very much. And I will be providing these written comments to you before the 22nd.

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CHAIRMAN HONIGBERG: Thank you.

MS. STEED MAWSON: Thank you kindly.

CHAIRMAN HONIGBERG: Jeffrey Scott.

I believe that's the last blue slip we have.

MR. J. SCOTT: Thank you. There's a

lot of smart people in this room, and I have nothing new to add to their comments.

But I would like to offer a different comment. I live in Chesterfield, New
Hampshire. I'm about twenty miles away from where the proposed pipeline would be going through. We've heard the term "NIMBY" often used by Kinder Morgan and Tennessee Gas. I'm not a NIMBY. I'm twenty miles away. And there are many of us in this state and the surrounding area who are not affected directly by this pipeline who are opposed to this pipeline.

Again, this is not relative, but I want the SEC to understand that there are many of us that are opposed to this pipeline. And I stand right here or sit here right now in concert with everybody that spoke today, in agreement with everything that they said.

Thank you.

CHAIRMAN HONIGBERG: All right. That is the end of the public comments for this public comment hearing. As a number of people have noted, as I noted at the beginning, and

1 Ms. Hoffman said as well, we'll be accepting 2 written comments through June 22nd.

Before we leave this room, we're going to see if we can identify a date and time when we can meet to consider the oral and written comments that we have received. So, we're going to go off the record to do that, to have everybody pull out their calendars and do that. Let's go off the record.

[Off-the-record discussion ensued.]

CHAIRMAN HONIGBERG: All right.

Let's go back on the record. All right. We've had an off-the-record discussion about availability of both the facility and people to be here. And we've settled on Thursday,

June 30th, at 10:00 a.m. It will either be in this room or some other room in this building, but we'll see what we -- where we can arrange that.

Between now and then, we will receive written comments. Everybody will have an opportunity to review them. We'll have a transcript of this. We'll have whatever other

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         comments were submitted that people can review,
         because I know some people alluded to earlier
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         submissions. And, at that meeting, we will
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         need to agree on -- agree and vote on specific
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         language to submit to the rules folks on the
 6
         other side of the hill to comply with our
 7
         statutory obligation.
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                    Is there any other business we need
         to transact this morning, Ms. Monroe?
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                    ADMINISTRATOR MONROE: No.
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                    CHAIRMAN HONIGBERG: All right.
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         entertain a motion to adjourn.
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                    CMSR. SCOTT: So moved.
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                    CMSR. BAILEY: Second.
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                    CHAIRMAN HONIGBERG: All in favor say
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         "aye"?
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                         [Multiple members indicating
                         "aye".]
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                    CHAIRMAN HONIGBERG: Any opposed?
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                         [No verbal response.]
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                    CHAIRMAN HONIGBERG: We are
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         adjourned.
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                         (Whereupon the Public Hearing
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                         was adjourned at 10:15 a.m.)
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