

Orr&Reno

May 12, 2014

William L. Chapman
George W. Roussos
James E. Morris
John A. Malmberg
Douglas L. Patch
Steven L. Winer
Peter F. Burger
Lisa Snow Wade
Susan S. Geiger
Jennifer A. Eber
Jeffrey C. Spear
Connie Boyles Lane
Judith A. Fairclough
Maureen D. Smith
Todd C. Fahey
James F. Laboc
Robert S. Carey
John M. Zaremba
Caroline K. Brown
Heidi S. Cole
Jeremy D. Eggleton
Rachel A. Goldwasser
Rebecca E. Perkins
Andrew D. Grosvenor

Via Hand-Delivery and Electronic Mail
New Hampshire Site Evaluation Committee
c/o Jane Murray, Secretary
29 Hazen Drive, P.O. Box 95
Concord, NH 03302-0095

Re: Docket No. 2014-01, Granite State Gas Transmission, Inc.

Dear Ms. Murray:

Enclosed for filing with the Site Evaluation Committee in the above-captioned docket, please find an original and 2 copies of a Status Report with attached Exhibits submitted on behalf of Granite State Gas Transmission, Inc.

Please contact me if there are any questions. Thank you for your assistance.

Very truly yours,



Maureen D. Smith

Lawrence A. Kelly
(Of Counsel)

Neil F. Castaldo
(Of Counsel)

MDS:lbr
Enclosures

cc: Michael J. Iacopino, Esq.
Gary Epler, Esq.
Mary Maloney, Esq. (*via hand-delivery*)

1146466_1.DOC

STATE OF NEW HAMPSHIRE
SITE EVALUATION COMMITTEE

IN RE: GRANITE STATE GAS TRANSMISSION COMPANY
MOTION FOR DELARATORY RULING

DOCKET NO. 2014-01

STATUS REPORT ON SQUAMSCOTT REPLACEMENT PROJECT

NOW COMES Granite State Gas Transmission Company, Inc. (“GSGT”), by and through its attorneys, Orr & Reno, P.A., and respectfully submits to the New Hampshire Site Evaluation Committee (“Committee”) the following Status Report to update the Committee on property and regulatory developments since the filing of the February 4, 2014 Motion for Declaratory Ruling, in preparation for the June 12, 2014 hearing:

1. GSGT has confirmed the location of the proposed replacement pipeline with affected property owners, as depicted in the attached map showing the location of the Existing and Proposed Gas Pipeline. *See* Exhibit 1. In particular, GSGT has reached tentative agreement with the Towns of Exeter and Stratham, the owners of the Maritime & Northeast/Portland Natural Gas Transmission (M&N/PNGTS) pipeline and a private property owner in Stratham with regard to the proposed relocation, as set forth below.

2. On January 6, 2014, GSGT confirmed a Memorandum of Understanding with the Town of Exeter and the owners of the existing M&N/PNGTS 30-inch pipeline regarding realignment and co-location of the GSGT pipeline within the existing M&N/PNGTS pipeline corridor, which would allow GSGT to replace the pipeline without interfering with potential future expansion of the Town’s wastewater treatment plant facilities. *See* Exhibit 2.

2. On March 12, 2014, GSGT confirmed a Memorandum of Understanding with the Town of Stratham on GSGT's commitment to make reasonable efforts to accommodate potential future sewer line connections between the Towns of Exeter and Stratham. *See Exhibit 3.*

3. On May 6, 2014, GSGT confirmed a Memorandum of Understanding on the pipeline realignment with the Stratham property owner on whose land GSGT would realign the existing pipeline and co-locate with the M&N/PNGTS pipeline. *See Exhibit 4.*

4. On March 12, 2014, the New Hampshire Natural Heritage Bureau determined that there were no expected impacts to the exemplary subtidal system. *See Exhibit 5.*

5. GSGT has met with representatives of the Department of Environmental Services to discuss details and timing of permits and approvals needed before pipeline replacement. In particular, pre-application discussions with the Wetlands, Alteration of Terrain and Dam Bureaus have taken place and necessary permit applications will be filed at the appropriate time. GSGT has also confirmed that no additional state permitting would be required with regard to wastewater and coastal zone management.

6. GSGT has met with the Conservation Commissions for the Towns of Exeter and Stratham to provide information relating to the proposed pipeline relocation.

7. With regard to the RSA 4:40 process for Governor & Council approval of a state easement to allow for the pipeline installation within submerged lands under the Squamscott River, the Rivers Management Advisory Committee provided the attached record of approval to the Council on Resources and Development. *See Exhibit 6.*

8. With regard to the same RSA 4:40 process, the Council on Resources and Development has voted to recommend approval of the proposed state easement to the Long Range Capital Planning and Utilization Committee. See Exhibit 7. The Long Range Committee will consider and decide on the recommendation during its May 13, 2014 meeting. See Exhibit 8.

9. GSGT is preparing to file with the Public Utilities Commission a petition for a license to allow for the Squamscott River crossing by way of Horizontal Directional Drill.

Respectfully submitted,

Granite State Gas Transmission Co., Inc.
By Its Attorneys,

Dated: *May 12, 2014*

Maureen D. Smith

Maureen D. Smith, NH Bar # 4857
Orr & Reno, P.A.
45 South Main St.
P.O. Box 3550
Concord, NH 03302-3550
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Gary Epler, NH Bar # 15271
Chief Regulatory Counsel
Unitil Service Corp
6 Liberty Lane
Hampton, NH 03842-1720
Telephone: (603) 773-6440
Email: Epler@unitil.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above Status Report was hand delivered on the above date to Counsel for the Public, Mary Maloney, Esq.

Maureen D. Smith

Maureen D. Smith



Existing and Proposed Gas Pipeline

Unitil
 Granite State Gas Transmission
 Squamscott Replacement Project

Exeter and Stratham,
 New Hampshire



FIGURE 1

- Existing Pipeline
- Proposed Pipeline
- Town Boundary



N

amec

AMEC Environment & Infrastructure, Inc.
 271 Mill Road
 Chelmsford, MA 01824
 (978) 692-9090



Christopher M. Drummey
M&N Operating Company, LLC
547 Lincoln Street
Richmond, ME 04357

Jennifer R. Perry, P.E.
Director, Department of Public Works
13 Newfields Road
Exeter, NH 03833

January 6, 2014

Dear Mr. Drummey and Ms. Perry:

**Granite State Gas Transmission Co., Inc.
Memorandum of Understanding on Pipeline Realignment/Colocation**

This letter is intended to summarize the principal terms of the understanding reached among representatives for Granite State Gas Transmission Co., Inc. ("GSGT"), Spectra Energy, Inc., by and through M&N Operating Company, LLC ("M&N") and the Town of Exeter ("Town") (collectively referred to as "Parties") regarding replacement, realignment and colocation of a segment of disbonded GSGT interstate natural gas pipeline in Exeter, NH. The proposed project would realign the pipeline on Town and private property and colocate with the M&N 30-inch pipeline on either side of the Squamscott River. The Parties agree that the route has been sufficiently described and generally deemed to be acceptable. The Parties also agree that GSGT should proceed with preparation of a draft agreement for execution by the Parties' authorized representatives, should submit federal, state and local permit applications for approval of the project and prepare any necessary ancillary agreements and easements necessary to consummate the relocation.

The proposed route for realignment and colocation is described in Exhibit 1, which is keyed to plans previously provided to you. GSGT will provide detailed plans confirming the route described in Exhibit 1, as discussed and agreed by the Parties.

The Parties' general agreement to the route and colocation is subject to several conditions requested by M&N and Town representatives. First, with regard to the Horizontal Directional Drill (HDD) portion of the route, GSGT will revisit the extent of separation between the GSGT and M&N pipelines in order to ensure adequate separation from the M&N pipeline. If GSGT determines that additional separation from that described in Exhibit 1 is not possible, GSGT will provide a detailed contractor plan on how the joint facilities will be protected.

Second, GSGT will ensure that the HDD will maintain 40-50' separation from the boundary line of the NHDOT LAROW and will be located no more than 50' south of the boundary line in order to leave adequate space for a potential sewer main that the Town might install by HDD in the future. Third, GSGT will grout all abandoned pipe within the Town boundaries and will remove approximately 20' of pipe in the vicinity of the culvert at the plant entrance. Fourth, GSGT will conduct additional survey work to precisely locate the elevation of the M&N pipeline and will design the GSGT pipeline to follow the same elevation in order to minimize potential conflict with future wastewater treatment plant expansion. The Town will also have the

325 West Road
Portsmouth, NH 03801



opportunity to review and approve profile drawings of the proposed pipeline at the rear of the wastewater treatment plant buildings.

The Parties intend to proceed in good faith in the drafting and execution of all agreements necessary to effectuate the realignment and collocation of the GSGT pipeline, including any new or amended easement agreements. GSGT will provide draft agreements for review and comment, with each of the Parties bearing its own expenses. Until such time as a formal access agreement is drafted, the Town has agreed to allow reasonable access for purposes of GSGT preparation of agreements, plans and permit applications.

As GSGT intends to rely upon this preliminary agreement in principle as it proceeds to draft the necessary documents and plans, we will assume that this letter accurately reflects the understanding of the parties. If there is a need for modification or clarification, please contact me immediately.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger A. Barham".

Roger A Barham
Senior Gas Engineer
Unitil Corporation
T 603.294.5191
Barham@unitil.com

cc ~~John Davis~~ Senior Land Agent
Maureen Smith Orr & Reno

325 West Road
Portsmouth, NH 03801

T 866.933.3820 www.unitil.com



March 12, 2014

Paul R Deschaine
Town Administrator
Town of Stratham
10 Bunker Hill Avenue
Stratham NH 03885

**MEMORANDUM OF UNDERSTANDING BETWEEN
GRANITE STATE GAS TRANSMISSION, INC. AND TOWN OF STRATHAM**

Dear Mr. Deschaines:

This is to confirm the understanding that Granite State Gas Transmission, Inc. (GSGT) has reached with the Town of Stratham as a result of our March 11, 2014 meeting to discuss GSGT's proposed pipeline realignment adjacent to the Exeter WWTP and across the Squamscott River. The Town has raised concerns that the GSGT realignment might impact the Town's future ability to construct new sewer lines between the WWTP and Stratham. As a result of our meeting, the parties have reached an understanding that the two projects are not mutually exclusive and can be coordinated to achieve our respective goals.

GSGT has a history of working cooperatively with the Town of Exeter on the realignment and, as indicated during our meeting, we think that adequate accommodations can be made to the Town of Stratham. Our design has already taken into account the Town of Exeter WWTP future expansion potential, as described in our pending applications to regulatory agencies. We consider the possibility of a sewer connection to the Town of Stratham to be equally important in planning and design. For this reason, GSGT will make reasonable and good faith efforts to amend the current design to accommodate the Town of Stratham's interests in retaining the option of constructing a new sewer line from the Exeter WWTP to Stratham.

In the meantime, we have agreed to provide you with geotechnical and cost information currently being gathered for the proposed HDD. We will keep you apprised of the status of regulatory approvals. GSGT will also consider coordinating construction of the HDD with a new sewer line to

save the Towns time and expense, to the extent that it can do so under current schedules and cost constraints.

Based upon these commitments, we understand that the Town will continue to work cooperatively with GSGT as it moves forward to obtain necessary approvals for the pipeline realignment. We look forward to working with you.

Sincerely,



Roger A Barham

Senior Gas Engineer

T 603.294.5191 C 603.944.2454

barham@unitil.com

Cc: David Canada	Town of Stratham
Jennifer Royce Perry	Town of Exeter
Russell Dean	Town of Exeter
Steve Herzog	AMEC

Orr&Reno

Maureen D. Smith

msmith@orr-reno.com

Direct Dial 603.223.9166

Direct Fax 603.223.9066

Admitted in NH, MD and select Federal Courts

May 6, 2014

VIA EMAIL AND FIRST CLASS MAIL

Scott LaPointe, Esq.

Brown & LaPointe

128 Main Street

Epping, NH 03042

Re: *Memorandum of Understanding – Lionel Labonte/Granite State Gas Transmission*

Dear Attorney LaPointe:

This is to confirm the understanding that Granite State Gas Transmission, Inc. (“GSGT”) has reached with your client, Lionel Labonte (“Labonte”), with regard to the proposed relocation of an existing interstate gas transmission pipeline extending easterly from the Squamscott River, under and across the Labonte property. The parties wish to allow for relocation of the GSGT pipeline on the Labonte property by amending existing easement rights granted under a Right of Way agreement between the parties’ predecessors, among other things. *See* Attachment A, Right of Way dated September 13, 1955 and recorded in the Rockingham County Registry of Deeds in Book 1372, Page 193.

In particular, it is our understanding that Labonte has agreed to GSGT’s proposed relocation to allow the pipeline to run easterly from a Horizontal Directional Drill beneath the Squamscott River extending under and across the northerly portion of the Labonte property. The existing pipeline would be abandoned in place. The proposed location of the GSGT replacement pipeline is depicted in Attachment B, North Easterly Surveying, Inc. Preliminary Plan Showing Existing & Proposed Easements, March 11, 2014. The GSGT pipeline relocation would allow for co-location of the replacement pipeline with the M&N/PNGTS pipeline, which also crosses the Labonte property, while avoiding interference with future development of the Labonte property, as contemplated in the existing Right of Way Agreement.

This understanding with regard to relocation of the GSGT pipeline is subject to execution of an Agreement for Exchange of Easement Rights (“Agreement”) by and among GSGT, Labonte and Unutil Energy Systems, Inc., as well as execution of a co-location agreement with the owners of the M&N/PNGTS pipeline. The Agreement would set forth the terms and conditions of the negotiated purchase of new easement rights on the Labonte property. The GSGT replacement pipeline project would proceed upon closing and execution of new easements, the aforementioned co-location agreement and a joint use agreement by and among GSGT, Labonte and Unutil (for that portion of the relocated pipeline which would lie within a transmission line

Scott LaPointe, Esq.
May 6, 2014
Page 2

right of way to be granted by Labonte to Unitol). Please note that the GSGT pipeline relocation is also subject to state and local easements and federal, state and local regulatory approvals.

GSGT appreciates your cooperation in reaching tentative agreement on the location of the replacement pipeline on the Labonte property.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink that reads "Maureen D. Smith". The signature is written in a cursive style with a large, looped initial "M".

Maureen D. Smith

Enclosures

cc (email):
Roger Barham, Senior Gas Engineer
Paul MacDonald, Esq.

1142670_1



NEW HAMPSHIRE NATURAL HERITAGE BUREAU

DRED - DIVISION OF FORESTS & LANDS

PO Box 1856 -- 172 PEMBROKE ROAD, CONCORD, NH 03302-1856
(603) 271-2214

To: Sarah Benoit, AMEC
From: Melissa Coppola, NHB-Environmental Information Specialist
Date: March 12, 2014
Subject: NHB14-0169

This memo is a follow-up to NHB14-0169 which had indicated an exemplary subtidal system near the proposed project. The Natural Heritage Bureau (NHB) requested further details about the project to: 1) determine the potential for impacts and 2) provide appropriate recommendations to avoid impacts if necessary.

Based on the information provided (project narrative and site imposed on aerial photo, NHB does not expect impacts to the exemplary subtidal system listed in the initial review memo. Critical to this determination is the fact that the project proposes no impacts the tidal Squamscott River or its immediate surrounding because Unitil will conduct the work in this area using horizontal directional drilling method beneath the river.

Should you have any further questions, contact me at 603-271-2215 ext. 323 or at Melissa.Coppola@dred.nh.gov.

Slack, Susan

From: Colburn, Jacquie <Jacquie.Colburn@des.nh.gov>
Sent: Tuesday, April 08, 2014 10:55 AM
To: Slack, Susan
Cc: Ken Kimball; Michele L. Tremblay, naturesource communications; Sales, Tracie; Theresa Walker; Drew, Tim; Thomas Quarles
Subject: CORD SLR 14-021, Towns of Exeter and Stratham
Attachments: MOU TofS Signed.pdf

Dear Susan –

On behalf of the Rivers and Lakes Management Advisory Committees, thank you for the opportunity to comment on CORD Surplus Land Review 14-021 Exeter and Stratham, regarding a submerged easement underneath the Squamscott River to replace a pipeline. Based on the information provided, at its March 19, 2014 meeting the Rivers Management Advisory Committee approved the following motion:

- ***Michele L. Tremblay made a motion that the RMAC vote on this conditionally contingent upon hearing from the Exeter-Squamscott LAC. If the LAC does not have other concerns or conditions, upon their acceptance we are in full acceptance. If LAC has issues we would address them at the next meeting. Second by Larry Spencer. Discussion was held. Motion passed unanimously.***

On March 31st, the Exeter/Squamscott LAC submitted this email and the attachment to the Rivers Program:

- ***The Exeter-Squamscott River Local Advisory Committee (ESRLAC) has met with engineers working on the GSGT project and has consulted with Town Administrators in Exeter and Stratham. ESRLAC supports the project as proposed and as described in the attached Memorandum of Understanding between the Town of Stratham and Unittl.***

CORD SLR 14-021 Exeter and Stratham does not fall within the jurisdiction of the Lakes Management Advisory Committee.

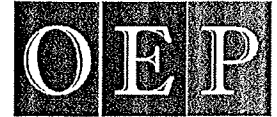
Please contact me or Tracie Sales if you have any questions about the RMAC's response to this Surplus Land Review.
 Thank you,
 - Jacquie

Jacquie Colburn, Coordinator
 NH Rivers Management and Protection Program
 NH Lakes Management and Protection Program
 NH Department of Environmental Services
 29 Hazen Drive, P.O. Box 95
 Concord, NH 03302-0095
 Phone: 603-271-2959
 Fax: 603-271-7894
jacquie.colburn@des.nh.gov
<http://www.des.nh.gov/organization/divisions/water/wmb/rivers/index.htm>
<http://www.des.nh.gov/organization/divisions/water/wmb/lakes/index.htm>



MARGARET WOOD HASSAN
GOVERNOR

STATE OF NEW HAMPSHIRE
OFFICE OF ENERGY AND PLANNING
107 Pleasant Street, Johnson Hall
Concord, NH 03301-3834
Telephone: (603) 271-2155
Fax: (603) 271-2615



www.nh.gov/oep

MEMORANDUM

TO: Long Range Capital Planning and Utilization Committee
FROM: Meredith A. Hatfield, Director
NH Office of Energy and Planning
DATE: May 6, 2014

RE: 50-Foot Easement – Exeter-Stratham

Pursuant to RSA 4:40, the Office of Energy and Planning (OEP) requests approval to convey a 50-foot wide submerged easement within the Squamscott River between Exeter and Stratham, at no cost to the State, to Granite State Gas Transmission, Inc. (GSGT) of Hampton, NH for a segment of an interstate natural gas pipeline, and to assess an administrative fee of \$1,100.00. OEP requests approval of this easement on behalf of GSGT for the following reasons:

- GSGT has an existing 8-inch natural gas pipeline located on the river bed between Exeter and Stratham. The pipeline was constructed in 1956 and, due to its age, the coating has become disbonded, requiring replacement of the pipeline.
- Replacement of the pipeline will be installed via horizontal directional drilling (HDD) underneath and across the Squamscott River. It will connect to the existing pipeline at tie-in points on private property in Stratham and on Town of Exeter Wastewater Treatment Plant property in Exeter.
- Approval of this easement request will retain an existing interstate energy supply. This segment of pipeline is part of the 86-mile interstate natural gas pipeline between Haverhill, MA and Portland, ME.
- SLR 14-021-Exeter-Stratham (easement request) was recommended for approval by the Council on Resources and Development (CORD) on April 10, 2014 (see attached memo). No objections to the proposal were received during CORD's public comment period, which closed March 12, 2014.
- GSGT will obtain necessary licenses and permits from the NH Public Utilities Commission, the NH Department of Environmental Services and other approvals necessary for the pipeline project.

- The NH Rivers Management Advisory Committee (RMAC) commented to
CORD that it did not object to the proposed submerged easement within the
Squamscott River as long as the Exeter-Squamscott River Local Advisory
Committee had no concerns. The Local Advisory Committee commented that it
supports the project as described in the Memorandum of Understanding reached
between the Town of Stratham and GSGT, in which the parties commit to
cooperation in coordinating the natural gas pipeline replacement with expansion
of the wastewater treatment plant pipeline to the Town of Stratham.
- The towns of Exeter and Stratham have no objection to the proposed easement,
based on their cooperative understandings reached with GSGT.

Thank you for your timely consideration of this important project. Please feel free to call
me if you have any questions at 271-2155.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE
AGENDA

Tuesday, May 13, 2014 at 2:30 p.m. in Room 201 of the Legislative Office Building

(1) **Acceptance of Minutes** of the April 21, 2014 meeting

(2) **Old Business:**

(3) **New Business:**

RSA 4:39-c Disposal of Highway or Turnpike Funded Real Estate:

LRCP 14-013 Department of Transportation – request authorization to sell an access point through the Controlled Access Right-of-Way (CAROW) of New Durham Road in the Town of Alton directly to T&M Fitzgerald Family Revocable Trust for \$66,100, which includes a \$1,100 Administrative Fee, subject to the conditions as specified in the request dated April 25, 2014

RSA 4:40 Disposal of Real Estate:

LRCP 14-015 Office of Energy and Planning – request authorization to convey a 50-foot wide submerged easement within the Squamscott River between Exeter and Stratham, at no cost to the State, to Granite State Gas Transmission, Inc. (GSGT) of Hampton, NH for a segment of an interstate natural gas pipeline, and to assess an Administrative Fee of \$1,100, subject to the conditions as specified in the request dated May 6, 2014

(4) **Miscellaneous:**

(5) **Informational:**

LRCP 14-014 New Hampshire Council on Resources and Development – One (1) Memorandum regarding Surplus Land Review for; Towns of Exeter and Stratham SLR 14-021

(6) **Date of Next Meeting and Adjournment**