

STATE OF NEW HAMPSHIRE

**SITE EVALUATION COMMITTEE**

**June 12, 2014** - 10:25 a.m.  
Concord, New Hampshire

**IN RE: SITE EVALUATION COMMITTEE:  
DOCKET NO. 2014-01: Motion of  
Granite State Gas Transmission  
Company for Declaratory Ruling  
on the Squamscott Replacement  
Project  
(Motion Hearing)**

**SITE EVALUATION COMMITTEE**

**PRESENT:**

Thomas S. Burack, Chrmn. (Presiding Officer)	Dept. of Environ. Svs.
Elizabeth Muzzey, Dir.	Dept. Cultural Resources
Brad Simpkins, Dir.	DRED-Div. Forests & Land
Jeffrey Rose, Designee	DRED
Martin Honigberg, Cmsr.	Public Utilities Comm.
Jeff Brillhart, Designee	Dept. of Transportation
Joseph Vercellotti	Public Utilities Comm.
Gene Forbes, Dir.	DES - Water Division
Craig Wright, Dir.	DES - Air Resources Div.
Philip Bryce, Dir.	DRED - Div. of Parks & Recreation
Glenn Normandeau, Dir.	Fish & Game Department

**COUNSEL FOR THE COMMITTEE:** Michael Iacopino, Esq.

**COUNSEL FOR THE PUBLIC:** Mary E. Maloney, Esq.  
Asst. Atty. Gen  
N.H. Atty. Gen. Office

**COURT REPORTER:** Susan J. Robidas, N.H. LCR No. 44

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**APPEARANCES:**    **Reptg. Granite State Gas  
Transmission Co., Inc.**  
Maureen D. Smith, Esq. (Orr & Reno)

**ALSO PRESENT:**                    Roger Barkham (GSGT)  
  
   Stephen Herzog (GSGT)  
   Iryna Dore, Esq.  
   (Brennan, Caron...)

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to grant the Applicant's request to issue a declaratory ruling finding that the construction and operation of the proposed replacement pipeline does not constitute a sizeable change or addition to an existing energy facility and therefore does not require a certificate of site and facility under RSA 162 H:5, II. Second by Dir. Simpkins	68
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**PROCEEDINGS**

CHAIRMAN BURACK: Good

morning, Ladies and Gentlemen, and welcome to a public meeting of the New Hampshire Site Evaluation Committee. We have before us in Docket No. 2014-01 the Motion of Granite State Gas Transmission Company for declaratory ruling on the Squamscott Replacement Project. My name is Tom Burack. I serve as the Commissioner of the Department of Environmental Services. And in that capacity, by statute, I also serve as Chairman of the Site Evaluation Committee.

I'm going to ask the members of the Committee who are present today, if they would please introduce themselves, starting to my far left.

DIR. MUZZEY: Elizabeth Muzzey, representing the Department of Cultural Resources.

DIR. SIMPKINS: Brad Simpkins, Division of Forests and Lands within the Department of Resources and Economic Development.

1 MR. ROSE: Good morning. Jeff  
2 Rose, the Commissioner of the Department of  
3 Resources and Economic Development.

4 CMSR. HONIGBERG: Martin  
5 Honigberg, one of the commissioners of the  
6 Public Utilities Commission.

7 MR. BRILLHART: Jeff  
8 Brillhart, Assistant Commissioner of the  
9 Department of Transportation.

10 MR. VERCELLOTTI: Joe  
11 Vercellotti with the New Hampshire Public  
12 Utilities Commission.

13 DIR. FORBES: Gene Forbes,  
14 Director of the Water Commission at the  
15 Department of Environmental Services.

16 DIR. WRIGHT: Craig Wright,  
17 Director of the Air Division at the  
18 Department of Environmental Services.

19 DIR. BRYCE: Phil Bryce,  
20 Director of Parks and Recreation in the  
21 Department of Resources and Economic  
22 Development.

23 DIR. NORMANDEAU: Glen  
24 Normandeau, Director of New Hampshire Fish

1 and Game.

2 CHAIRMAN BURACK: Thank you  
3 all very much. I will note for the record  
4 that Joe Vercellotti is an engineer with the  
5 Public Utilities Commission, who was  
6 previously designated in a vote of the  
7 Commissioners of the Public Utilities  
8 Commission to serve as the engineer designee  
9 of the PUC for this particular proceeding.

10 I would also note for the  
11 record that we have a quorum present and are  
12 fully able to transact business of the  
13 Committee here today.

14 I'm going to start by  
15 providing some brief background here, and  
16 then we'll describe how procedurally we will  
17 proceed here today.

18 On February 4, 2014, Granite  
19 State Gas Transmission Company, which we will  
20 likely refer to as "Granite State," filed a  
21 Motion for Declaratory Ruling on the  
22 Squamscott Replacement Project, which we'll  
23 refer to that as "the Motion."

24 Granite State owns and

1 operates an interstate, bidirectional,  
2 86-mile- long, high-pressure, natural gas  
3 transmission pipeline that transports natural  
4 gas between Haverhill, Massachusetts and  
5 Portland, Maine. Granite State constructed  
6 the initial 15.6-mile section of 6-inch  
7 diameter pipeline between Essex Station in  
8 Haverhill, Massachusetts and Newfields Road  
9 in Exeter, New Hampshire in 1955. The  
10 pipeline from Newfields Road in Exeter, New  
11 Hampshire was extended to Pease Air Force  
12 Base in Newington, New Hampshire, using  
13 8-inch- diameter pipe in 1956. Granite State  
14 upgraded some of its original facilities with  
15 10-inch-diameter pipe in 1968. The relevant  
16 portion of the line, however, was not  
17 upgraded and consists of the original 8-inch  
18 pipe that had previously been serviced as an  
19 oil pipeline. As a result, the coating of  
20 the pipeline deteriorated and has become  
21 disbonded from the pipe, making it difficult  
22 to maintain effective cathodic protection.  
23 Granite State plans to replace the 0.9-mile  
24 section of 8-inch-diameter disbonded pipe

1 located between Newfields Road in Exeter, New  
2 Hampshire and Route 101 in Stratham, New  
3 Hampshire in order to allow for continuous  
4 internal pipeline inspection for 24 miles of  
5 10-inch pipeline.

6 Granite State also plans to  
7 realign a portion of the replacement pipeline  
8 by co-locating it with the existing Maritimes  
9 & Northeast Pipeline and Portland Natural Gas  
10 Transmission System 30-inch pipeline through  
11 easements and co-location agreements.

12 Moreover, Granite State plans to relocate the  
13 pipeline, so that instead of intersecting at  
14 the Town of Exeter Wastewater Treatment  
15 Plant, it will go around the treatment plant.

16 Finally, Granite State plans  
17 to adjust the existing pipeline crossing of  
18 the Squamscott River by way of horizontal  
19 directional drilling to parallel the existing  
20 Maritimes & Northeast Pipeline, LLC and  
21 Portland Natural Gas Transmission System  
22 pipeline in order to minimize environmental  
23 impacts on the river, river banks and  
24 shoreland areas.



1 Granite State requests that  
2 the Committee issue a declaratory ruling  
3 pursuant to New Hampshire Code of  
4 Administrative Rules, Cite 203.01 and RSA  
5 541-A:1, V, finding that the construction and  
6 operation of the proposed replacement  
7 pipeline does not constitute a sizeable  
8 change or addition to an existing energy  
9 facility and, therefore, does not require a  
10 certificate of site and facility under RSA  
11 162-H:5, II. In the alternative, Granite  
12 State requests the Committee to treat the  
13 Motion as a request for exemption under RSA  
14 162-H:4, IV, and grant such exemption.

15 On April 15, 2014, in my  
16 capacity as Chairman, I issued an order and  
17 notice of public hearing and meeting. The  
18 order of notice described the proposed  
19 project and the nature of the Motion and  
20 scheduled a public meeting and hearing before  
21 the Committee for today, June 12, 2014. The  
22 notice indicated that the Committee may  
23 consider and deliberate on the relief  
24 requested in the motion at the hearing. The

1 order of notice also set a deadline for the  
2 filing of motions to intervene for May 26,  
3 2014, and notified the public that written  
4 comment would be accepted during the pendency  
5 of the proceeding. The order of notice was  
6 published on the Committee's web site. It  
7 was also published in the Union Leader on  
8 May 5, 2014. No parties sought intervention.  
9 No public comment has been received to date.  
10 Counsel for the Public, Assistant Attorney  
11 General Mary Maloney, has filed an  
12 appearance.

13 In this docket we will proceed  
14 as follows: First, we will allow the  
15 Applicant to make a presentation through  
16 counsel outlining, first, why construction  
17 and operation of the proposed replacement  
18 pipeline does not constitute a sizeable  
19 change or addition to an existing energy  
20 facility and, therefore, does not require a  
21 certificate of site and facility under RSA  
22 162-H:5, II and/or, secondly, why the project  
23 should be exempt from the Committee's  
24 jurisdiction under RSA 162-H:4, IV. We will

1           then allow Counsel for the Public to explain  
2           her position as to whether the Committee  
3           should grant the Applicant's request to issue  
4           a declaratory ruling finding that the  
5           construction and operation of the proposed  
6           replacement pipeline does not constitute a  
7           sizeable change or addition to an existing  
8           energy facility, and as to whether or not the  
9           project should be exempt from the Committee's  
10          jurisdiction under RSA 162-H:4, IV.

11          Thereafter, we will allow the Applicant to  
12          address Counsel for the Public's statement in  
13          the form of rebuttal. Thereafter, we will  
14          open the floor to Committee questions. Those  
15          questions may be answered by the petition --  
16          sorry -- by the Petitioner or any of the  
17          Petitioner's technical consultants that may  
18          be present. However, before anyone speaks, I  
19          would ask that they identify themselves  
20          clearly and spell their name for the record.  
21          Any witnesses will need to take an oath.

22                           The Petitioner may be ready  
23          today to answer some or all of the  
24          Committee's questions. But to the extent

1           that additional research or time is necessary  
2           to answer a question from the Committee, we  
3           will treat those questions as data requests  
4           and set a deadline for responses.

5                               Finally, we will open the  
6           floor for public comments. I would ask the  
7           party presenting the public comment to  
8           identify himself or herself clearly and spell  
9           his or her name for the record. Once we have  
10          concluded with the public comments, and  
11          provided that data requests are not  
12          necessary, we will proceed to deliberations  
13          and will decide whether to grant or deny the  
14          Applicant's request and issue a declaratory  
15          ruling finding that sizeable -- that a  
16          sizeable change or addition to an existing  
17          energy facility is not occurring and,  
18          therefore, does not require a certificate of  
19          site and facility under RSA 162-H:5, II. If  
20          we decide to deny the Applicant's request to  
21          issue a declaratory ruling, we will proceed  
22          to consider whether the Project is exempt  
23          from the Committee's jurisdiction under  
24          R.S.A. 162-H:4, IV.

1                   That's, again, how we intend  
2                   to proceed on this matter. And at this point  
3                   I would like to take appearances in this  
4                   docket, starting with Counsel for the  
5                   Applicant.

6                   MS. SMITH: Good morning,  
7                   Chairman Burack and Members --

8                   CHAIRMAN BURACK: I think you  
9                   need to push the button there. There should  
10                  be a red light.

11                  MS. SMITH: Can you hear me?

12                  CHAIRMAN BURACK: Yeah.

13                  MS. SMITH: Good morning,  
14                  Chairman Burack and Members of the Committee.  
15                  My name is Maureen Smith, and I am from the  
16                  law firm Orr & Reno in Concord.

17                  CHAIRMAN BURACK: Thank you.  
18                  Would you identify the folks who are with you  
19                  here today, please.

20                  MS. SMITH: I will. Thank  
21                  you.

22                  To my left is Mr. Roger  
23                  Barham, B-A-R-H-A-M, senior gas engineer for  
24                  Granite State. To my right is Stephen

1 Herzog, environmental permitting specialist  
2 from the firm AMEC -- that's capital A, cap  
3 M, cap E, cap C -- based in London and  
4 Chelmsford, Massachusetts. And these  
5 gentlemen are here today to answer any  
6 technical questions on the Project.

7 CHAIRMAN BURACK: Thank you  
8 very much. Counsel for the Public.

9 MS. MALONEY: Mary Maloney  
10 from the New Hampshire Attorney General's  
11 Office, Counsel for the Public.

12 CHAIRMAN BURACK: Very good.  
13 Thank you very much.

14 Attorney Smith, if you'd like  
15 to proceed with your presentation?

16 MS. SMITH: Yes. Thank you.

17 Good morning. We filed this  
18 motion in order to obtain a ruling that the  
19 Squamscott Replacement Project is not a  
20 sizeable change or addition requiring a  
21 certificate of site and facility. And we  
22 have submitted in our papers, filed on  
23 February 4th, basically the reasoning for our  
24 request. And we do rely on those papers, and

1 I do not want to repeat everything that we  
2 have filed with you today in the interest of  
3 time. But it will --

4 CHAIRMAN BURACK: Just if I  
5 could interrupt you for a moment.

6 If any other parties have  
7 their red lights on their speakers, if you  
8 could just turn it off. It might remove that  
9 static in the background.

10 Please proceed. I'm sorry.

11 MS. SMITH: We also filed a  
12 status report with you in May to update you  
13 on the permitting status of the Project, as  
14 well as the property interests that need to  
15 be acquired.

16 We basically argue in all of  
17 our papers that this is a project that  
18 involves replacement of an existing facility.  
19 It is not -- there is a slight change to the  
20 replacement, but it is not sizeable. And  
21 with your permission, I will use a map to  
22 show you the project. It may help you  
23 understand a little bit better exactly what's  
24 being done because pictures are always better

1 than words.

2 CHAIRMAN BURACK: Please do  
3 so.

4 MS. SMITH: This is a map that  
5 you have in your status report. It was filed  
6 as Exhibit 1. And we've just blown it up so  
7 that we can talk from this map. You can  
8 refer back to Exhibit 1 if you choose.

9 Basically, the pipeline comes  
10 up from the south, from Haverhill. And in  
11 Exeter, Newfields Road is right down here at  
12 the bottom of the map.

13 Sorry. Thank you. Can  
14 everyone see this? This is tough.

15 This is where the project would start at  
16 Newfields Road. The existing pipeline -- the  
17 existing pipeline travels up into the Exeter  
18 Wastewater Treatment Plant site, travels  
19 through the -- next to the lagoons -- here  
20 are the wastewater treatment plant lagoons --  
21 within the lagoon berms, across the  
22 Squamscott River -- and the pipe lays on the  
23 bottom of the river, because when these were  
24 built in the 1950s, it was a whole different



1 technology -- through the middle of a private  
2 parcel of land owned by Lionel Labonte, and  
3 then crosses Route 101 in Stratham. So, this  
4 is Stratham, this is Exeter.

5 Now, as we've indicated on our papers,  
6 over the years, because this was an oil  
7 pipeline, a steel pipeline with coating, and  
8 although Granite State recoated the pipeline  
9 when it acquired it in order to use it for  
10 natural gas purposes, over time it just  
11 becomes more of a problem in terms of  
12 cathodic protection.

13 Granite State is a federally regulated  
14 pipeline, FERC-regulated, subject to all the  
15 federal safety standards, including integrity  
16 management plans. Granite State determined  
17 that this segment of pipeline, which is the  
18 8-inch surrounded by 10-inch on each side,  
19 needed to be replaced with new pipeline.

20 Now, you can't just pick up the old pipeline  
21 and plop in the same size and the same  
22 location because of circumstances that have  
23 changed over time.

24 Probably the most important circumstance

1 from the public's perspective is that this  
2 existing pipeline does interfere with the  
3 Exeter Wastewater Treatment Plant in many  
4 ways, not only located within the berms, but  
5 complicating Exeter's plans or potential  
6 plans to expand the wastewater treatment  
7 plant. The pipeline would basically be in  
8 the way. And so the Town of Exeter has asked  
9 for the pipeline to be relocated, and that  
10 began engineering for where else can we put  
11 this pipeline when we need to replace it.  
12 Well, most fortuitously, there is another  
13 interstate pipeline, the M&N/PNGS -- I'm  
14 sorry -- Portland Natural Gas pipeline that  
15 is shown by this dotted line. And this  
16 dotted line would be the new route for the  
17 Granite State pipeline. It would parallel  
18 the existing M & N pipeline right within the  
19 same disturbed pipeline corridor. M & N  
20 travels right across the river up here.  
21 Granite State would follow that. And Granite  
22 State would then reconnect to the existing  
23 Granite State pipeline which comes across  
24 Route 101 here.

1           So, from an engineering perspective, it  
2           was a very good solution. What it does,  
3           however, is take -- require realignment.

4           FERC, the Federal Energy Regulatory  
5           Commission, which is the primary regulator of  
6           this pipeline, has looked at it and approved  
7           this as being covered by Granite State's  
8           "blanket certificate." The size of the  
9           Project is 1.5 million estimated cost to do  
10          this. It's considered "minor rearrangement"  
11          under the FERC rules. And also, FERC has  
12          determined this to be, from an engineering  
13          perspective, a smart thing to do; from an  
14          integrity perspective and from a safety  
15          perspective, necessary, and a smart thing to  
16          do.

17          So, in terms of the impacts of this and  
18          the property rights that are needed, the  
19          impacts are going to be temporary for  
20          construction purposes. The wetlands permit  
21          and alteration of terrain permit is in  
22          process. So, a wetlands permit has been  
23          filed, and the AOT permit is soon to be  
24          filed. We have met with the Department of

1 Environmental Services and have gone through  
2 any issues that will be need to be addressed  
3 in those permits.

4 So that will get us across this area  
5 here. When we cross the river, the new  
6 technology that's used for pipelines is  
7 horizontal directional drilling under the  
8 riverbed. The State owns the submerged lands  
9 and tidal river -- this is a tidal river, the  
10 Squamscott. And so Granite State has sought  
11 an easement from the State, has worked  
12 through the Office of Energy and Planning to  
13 request that easement be approved by the  
14 Long-Range Planning Committee, and that was  
15 approved. And I would like to submit for the  
16 record, you have in your papers a letter from  
17 Long Range indicating that it did approve the  
18 State easement. And we are hoping to meet  
19 before Governor and Council in July for the  
20 final approval of the State easement to  
21 locate the pipeline underneath the riverbed.

22 Granite State is engineering this  
23 pipeline to try to minimize environmental  
24 impacts as best it can. And it has -- it is

1 in the process of designing the horizontal  
2 directional drill so that it can avoid any  
3 shoreland impacts. It has been approved.  
4 The CORD process -- that's the Council on  
5 Resources and Development, which does involve  
6 the Rivers Management Advisory Committee --  
7 and as we indicated in our status report,  
8 there were no concerns raised by either the  
9 local Rivers Management Advisory Committee or  
10 the Rivers Management Advisory Committee.  
11 And the agencies that sit on CORD did  
12 recommend to Long Range that the easement be  
13 approved.

14 Now, coming across, the private parcel  
15 requires that we negotiate with the landowner  
16 on obtaining an easement across the northern  
17 section of the property. And we do have a  
18 tentative agreement with the landlord at this  
19 point to change the existing easement through  
20 the middle of the property and relocate the  
21 easement up to the northern edge of the  
22 property. So we've made a lot of progress in  
23 terms of obtaining all of the property rights  
24 necessary. In fact, we anticipate all those

1 rights, having a memoranda of understanding  
2 with both towns, Stratham and Exeter, which  
3 we've submitted to you in our status report.

4 Now, in terms of the sizeable analysis,  
5 I just want to highlight that this is a  
6 .9-mile section. The entire -- I mean, this  
7 length of new pipeline would be a .9-mile  
8 section of the pipeline. But the existing  
9 section is .89 -- or .8 miles. So the  
10 difference in the length of the pipeline is  
11 .1 miles. It's a tenth of a mile. And the  
12 only reason why that shoreline is happening  
13 is because of having to work around the  
14 wastewater treatment plant.

15 The other fortuitous aspect of this  
16 project is that the towns of Stratham and  
17 Exeter are now discussing the possibility of  
18 the new sewer line between -- that would  
19 cross Squamscott River and extend up to the  
20 Portsmouth wastewater treatment plant. These  
21 discussions are informal at this point. But  
22 Granite State has been involved in  
23 discussions with both towns all the way  
24 through and is working with them so that this

1 project would not interfere with any future  
2 sewer line that the towns may want to  
3 install. In fact, it's willing to design or  
4 redesign its project to try to accommodate  
5 the towns. So, depending on timing, there  
6 may be slight modifications. But at this  
7 point, the location is pretty well set. And  
8 M & N is in agreement, the towns are in  
9 agreement, the private landowner is in  
10 agreement. The State is in the process of  
11 approving an easement across the river. And  
12 we have environmental components in process.

13 So, if I could sit down. The sizeable  
14 analysis I did want to refer -- can you hear  
15 me?

16 CHAIRMAN BURACK: Yes. Thank  
17 you.

18 MS. SMITH: Whether this is a  
19 sizeable change or addition, I've already  
20 mentioned the tenth of a mile addition, which  
21 is a fraction of 1 percent of the entire  
22 pipeline, which is roughly 86 miles. Even if  
23 we just looked at the New Hampshire portion  
24 of the pipeline, it's still under 3 percent

1 of the New Hampshire portion, which is  
2 38 miles. The federal government has  
3 approved it. And we have reserved the right,  
4 by the way, to raise pre-emption issues for  
5 this project. But we don't really think it's  
6 necessary to discuss that today because we  
7 think state law and this Committee's  
8 precedent in previous decisions provide the  
9 opportunity to find that this is not a  
10 sizeable change or addition.

11 In terms of the replacement  
12 pipeline, we have pointed out in our papers  
13 that there is an 8-inch pipeline right now.  
14 That segment, that .9-mile segment, is 8-inch  
15 pipeline. That would be increased to  
16 10-inch- diameter pipeline. And the reason  
17 for that is to allow for what we call  
18 "pigging," which is an internal inspection  
19 procedure, because 10-inch surrounds this  
20 segment, and you cannot do the pigging  
21 through 8-inch pipe; so it has to be 10-inch  
22 pipe. And this is the newest technology in  
23 pipeline safety, to make sure the pipeline  
24 is -- the integrity of the pipeline is good.



1 And FERC, you know, is all for doing this.

2 And we think it's -- when it comes to  
3 replacement, you really need to bring  
4 projects up to snuff with current technology,  
5 and that is the reason for that.

6 There is -- if any change in  
7 capacity, it would be incidental, as  
8 determined by FERC. And as a practical  
9 matter, there is no change of capacity in  
10 terms of delivery. All it does, really, by  
11 increasing the diameter of the pipe, it has  
12 miniscule impact on the drop in pressure that  
13 occurs when you reach the 8-inch portion.  
14 So, virtually no impact in terms of capacity,  
15 and certainly not even an intent to increase  
16 the capacity.

17 This Committee has looked at  
18 various factors, especially in the last  
19 Granite State project. We were before you in  
20 2012 on the Little Bay Bridge Project. Many  
21 of the same issues arose, but, of course,  
22 it's a different project. But the existing  
23 size of the proposed change is probably the  
24 primary factor that you looked at, and the

1 size and proposed change and the reasons for  
2 the change here are very similar. It's just  
3 a project of necessity. It has to be done.  
4 There is no expansion to the existing  
5 pipeline. This really is just a replacement  
6 of a discrete segment.

7 And in terms of -- another  
8 factor that the Committee looked at is  
9 disruption to the existing environment. The  
10 disruption really is temporary during  
11 construction. After that, because the  
12 pipeline is totally buried, it will really be  
13 imperceptible. The public will not even be  
14 aware that it is there. And it's also more  
15 protective to the environment, because if  
16 replacement were to occur as is, it would  
17 actually be more disruptive to the  
18 environment because of the location of the  
19 pipeline. It also removes the pipeline from  
20 the riverbed and puts it in a location where  
21 the pipeline will have much better integrity  
22 over the long term.

23 I have already mentioned that  
24 environmental reviews have not identified any

1 unreasonable impacts. The drill, that  
2 horizontal directional drill, has been  
3 evaluated by CORD and the local group of  
4 advisory committees. Granite State has also  
5 met with the local conservation commissions.  
6 That was done after the filing -- both before  
7 and after the filing with this Committee,  
8 just to let them know of the Project, learn  
9 of any concerns that they may have, and no  
10 concerns were raised at that time. And, of  
11 course, Granite State has met with the  
12 administrators for both towns, as you can see  
13 from the memoranda of understanding, and has  
14 kept them apprised of the project as it has  
15 proceeded.

16 We believe that the statutory  
17 scheme supports granting the Motion for  
18 determining that this is not a sizeable  
19 change or addition. As the Committee noted  
20 in its last decision on the Little Bay Bridge  
21 Project, there's a provision, RSA 162-H:4,  
22 III(a) that allows for delegation to state  
23 agencies, where there are minor route  
24 realignments, for certificate of facilities.

1           Because the facility is so old, it's not  
2           certificated. But the type of project that  
3           we're talking about here is of the nature  
4           that it could be delegated. And so the minor  
5           realignment would basically be subject to all  
6           the environmental and other regulations that  
7           would govern its location and the method of  
8           installation.

9                           An important consideration for  
10           this Committee is the reliability of energy  
11           supplies, and that is brought forth in the  
12           Purpose of RSA 162-H:1. This pipeline  
13           basically needs to be replaced, and it needs  
14           to be replaced at a time when there will be  
15           no disruption to energy supplies. Under the  
16           current schedule, Granite State is hoping to  
17           go out to bid in September, this September of  
18           2014, and to begin construction beginning of  
19           2015, so that the pipeline is -- the new  
20           pipeline, the replacement pipeline, is  
21           completely in place by the summer of 2015  
22           when demand is low and the changeover can be  
23           made from old to new pipe. And we are hoping  
24           that the Committee's deliberations and

1 decision here can accommodate that schedule.

2 In order to bring you up to  
3 date on what any -- what has happened since  
4 we did file the last status report, I did  
5 provide to Attorney Iacopino the filing with  
6 the Public Utilities Commission to obtain a  
7 water crossing license.

8 MR. IACOPINO: You should all  
9 have a copy.

10 MS. SMITH: That is required  
11 under R.S.A. 371:17. And the PUC will  
12 evaluate whether there's any impact on the  
13 public use of the river, among other things.

14 We're in the process of -- we  
15 are in the middle of the wetlands process.  
16 The wetlands application was filed in May,  
17 and DES is currently evaluating the wetlands  
18 permit. We did not bring a copy of the  
19 application, but that is a matter of public  
20 filing at DES. And as I've already  
21 mentioned, you already have the letter that  
22 the Long-Range Planning Committee sent, in  
23 terms of obtaining the property rights  
24 necessary for the river crossing.

1                   To date, in all of the  
2                   meetings that Granite State has had with the  
3                   local government and stakeholders, there have  
4                   been no objections raised, no concerns  
5                   raised -- no serious concerns raised. And  
6                   part of that is probably attributable to  
7                   Granite State's paying careful attention to  
8                   all of the permitting requirements, the state  
9                   permitting requirements, and also paying  
10                  attention to any local ordinances that apply  
11                  and any local approvals that are required.

12                  Chairman Burack, would you  
13                  like me to address the exemption issue now or  
14                  wait on that?

15                  CHAIRMAN BURACK: I think we  
16                  can wait on the exemption issue. I don't  
17                  know that there's a need to address that now.

18                  MS. SMITH: I do want to point  
19                  out that that exemption request is an  
20                  alternative request for relief, so that if  
21                  you decide that this is a sizeable change or  
22                  addition, we would like the opportunity to  
23                  address the exemption issue.

24                  MR. IACOPINO: I would just

1 point out one thing, Mr. Chairman, about that  
2 issue, that if indeed the Committee does  
3 determine that this is a sizeable addition  
4 and then goes on to consider the exemption  
5 issue, it will be necessary to hold a public  
6 hearing in Rockingham County to take public  
7 comment under RSA 162-H:4, IV. So, we would  
8 not be able to reach that issue today. And  
9 in the event that it becomes necessary to  
10 reach it, we would have to maintain a public  
11 hearing before the Committee could  
12 deliberate. The Committee could certainly  
13 ask questions about it today, but we would  
14 have to hold a public hearing in Rockingham  
15 County.

16 CHAIRMAN BURACK: And attorney  
17 Iacopino, could you just clarify also for the  
18 Committee, does the statute require that a  
19 complete application be filed in order for  
20 the Committee to consider a request for  
21 exemption?

22 MR. IACOPINO: Actually, it no  
23 longer does. I looked at it again this  
24 morning after we spoke last night, Mr.

1 Chairman. It just requires a motion, and the  
2 Committee can grant it.

3 MS. SMITH: I believe the  
4 statute just states a request for exemption,  
5 and so that is why we wanted to file the  
6 request.

7 If I could just comment on the  
8 public hearing requirement. I failed to  
9 mention that we did comply with the  
10 Committee's order in terms of publishing  
11 notices in the Portsmouth Herald and Union  
12 Leader about today's hearing, and we've also  
13 had local meetings. And arguably, the spirit  
14 of the statute has been met, in that there  
15 have been local meetings. Certainly not the  
16 official SEC hearing in the county. But  
17 conceivably an argument could be made. But  
18 we believe that we never really need to reach  
19 the question of exemption because we believe  
20 that there is a strong case to be made that  
21 is this not a sizeable change or addition.

22 And just lastly, I'd like to  
23 mention that public counsel -- I'm sorry?

24 CHAIRMAN BURACK: Go ahead.



1 please proceed.

2 MS. SMITH: Public Counsel and  
3 I have had a number of discussions, in terms  
4 of trying to answer any questions that arose.  
5 And I believe that we've been able to satisfy  
6 the concerns that Public Counsel has and to  
7 answer all the questions. This is not an  
8 application, and Public Counsel is appointed  
9 usually in the context of an application for  
10 a certificate. But we certainly respect the  
11 role of the Attorney General's Office, you  
12 know, in reviewing this project. They are  
13 certainly involved in the CORD process and  
14 reviewing easement documents and approving  
15 those. So we're happy to work with Attorney  
16 Maloney to address today any remaining  
17 concerns that she might have. Thank you very  
18 much.

19 CHAIRMAN BURACK: Very good.  
20 Thank you very much, Attorney Smith.  
21 Attorney Maloney.

22 MS. MALONEY: Thank you. I'll  
23 address things pretty succinctly.

24 With regard to the Motion

1           itself for declaratory ruling, just one point  
2           I had is I don't believe that it's  
3           necessary -- I don't believe that it's  
4           necessary for the Committee to decline  
5           jurisdiction of this matter in order to make  
6           a determination, in the event they make a  
7           determination that the Project is not  
8           sizeable. And counsel is correct, that she's  
9           been very cooperative. We've had a number of  
10          discussions. I had a number of questions  
11          regarding safety and how the pipeline would  
12          be co-located with the M & N and  
13          Portsmouth -- Portland Natural Gas pipeline.  
14          And she provided a lot of technical detail  
15          that satisfied me that they were going to be  
16          very careful in this construction,  
17          understandably.

18                                We don't object to the  
19          Committee delegating authority today. I  
20          mean, essentially, we're not going to take a  
21          position as to whether or not this is a  
22          sizeable addition. I have reviewed the prior  
23          decision of this Committee. I've reviewed  
24          the factors. It appears quite similar to the

1 prior Granite State decision, the 2012  
2 decision. This is .9 miles of, I think, new  
3 construction because it's being relocated.  
4 The last project was 2500 feet; this one is  
5 about 4700 feet. After consulting different  
6 state agencies and some of the local  
7 officials, I haven't been apprised of any  
8 facts that would cause Public Counsel to urge  
9 the Committee to determine that this is a  
10 sizeable change. It's really within your  
11 sound discretion. With that said, I haven't  
12 heard from any members of the general public.  
13 And while there have been public notices  
14 issued, I just don't think it's on their  
15 radar. And it may be that it's because it's  
16 not controversial. This is, obviously,  
17 something that Granite State wants to do out  
18 of necessity. It's a safety issue. They're  
19 trying to repair existing pipeline, and they  
20 have to relocate it in order to do that.

21 So, we don't object to the  
22 alternative relief, and we don't object to a  
23 public informational hearing. Sometimes when  
24 a hearing is held down in the locality where

1 construction is going to take place there's a  
2 little bit more attention. I understand  
3 there may have been public hearings with  
4 regard to the Conservation Commission, but I  
5 haven't been able to confirm that. And  
6 that's my fault. I should have made those  
7 calls. But as I said, I think this is a  
8 matter within the sound discretion of the  
9 Committee.

10 CHAIRMAN BURACK: Very good.  
11 Thank you very much.

12 We're now going to just ask  
13 Attorney Smith, do you have anything to say  
14 in response to what we heard from Attorney  
15 Maloney?

16 MS. SMITH: Thank you,  
17 Chairman. The only point that I would like  
18 to address is that Attorney Maloney and I had  
19 a short discussion before the hearing today  
20 about whether there should be a hearing or  
21 meeting within the county. And I  
22 respectfully suggest that the Committee  
23 consider that there have been many local  
24 discussions already. This project has not

1           fallen under the radar. The towns have been  
2           very closely involved in those discussions.  
3           And quite frankly, if a meeting is scheduled,  
4           it may delay the Project, which we would hate  
5           to see that happen, because this really needs  
6           to be done. And there may not be anybody at  
7           the hearing or meeting because, as we've  
8           seen, there really hasn't been a lot of  
9           interest in the Project. We assume it's  
10          because Granite State has done a good job in  
11          trying to coordinate with all the interested  
12          parties and so far has been able to work with  
13          all the parties, private, public agencies. I  
14          think there's been a very grueling regulatory  
15          process and a very grueling public outreach,  
16          in terms of this project, just because there  
17          is a lot of good information. And once  
18          questions are asked, like Attorney Maloney's  
19          questions, there's usually a good answer and  
20          then people are satisfied.

21                        So, Granite State has done a  
22          good job in answering all the questions that  
23          have been asked, and there have been local  
24          paper publications. This meeting was

1 noticed. There is, as far as I know, no one  
2 from the public here. It's really not a  
3 controversial project. If it were, there may  
4 be an argument that we need additional  
5 meetings. But we believe that today's  
6 proceeding should result in a finding. This  
7 is not a sizeable change or addition, and  
8 we'd respectfully request the Committee to  
9 rule, if not in a timely matter, in an  
10 expedited manner, so that we can proceed with  
11 bidding in September. Thank you.

12 CHAIRMAN BURACK: Thank you  
13 very much, Attorney Smith.

14 We're now going to open this  
15 up to members of the Committee to ask  
16 questions. And just to keep this orderly,  
17 I'm just going to suggest that perhaps we  
18 just make our way around the horseshoe here  
19 and see if people have questions as we go  
20 around.

21 Director Muzzey, we'll start  
22 with you. Do you have any questions for the  
23 parties?

24 DIR. MUZZEY: Yes, I do. I

1 have two questions.

2 CHAIRMAN BURACK: Please  
3 proceed. Is it likely that -- why don't you  
4 go ahead and ask your questions, and we'll  
5 see if we need to swear the witnesses in  
6 here, okay.

7 DIR. MUZZEY: Could you  
8 describe the treatment of the abandoned  
9 section of pipeline? Will that be left in  
10 place? Will it be removed? What will happen  
11 there?

12 MS. SMITH: That's a very good  
13 question. The pipeline that exists now will  
14 be abandoned in place and fully grouted with  
15 inert material. That is the standard  
16 operating procedure. My understanding is  
17 that DOT, for example, requires that, for any  
18 abandoned pipe crossing roadways, it is  
19 actually less disruptive than trying to  
20 remove the existing pipe. But this entire  
21 length of pipe will be abandoned and grouted.

22 DIR. MUZZEY: Thank you.  
23 Could you also provide the Committee an  
24 explanation of the archeological

1 investigations that were requested for the  
2 project and their status?

3 MS. SMITH: I'll provide a  
4 general answer. If there are any more  
5 specifics needed, I can refer to -- defer to  
6 Mr. Herzog.

7 Historic Resource -- the  
8 Division of Historic Resources did ask for an  
9 archeological Phase I for the Stratham  
10 portion of the pipeline. Because the Exeter  
11 portion had been previously disturbed in full  
12 by the M & N pipeline, it did not request  
13 anything there. A Phase I was conducted by,  
14 I believe, Victoria Bunker, and a report has  
15 been filed or is about to be filed with  
16 Historic Resources, with the results of that  
17 recommending that no further investigation be  
18 conducted because there were no concerns of  
19 an archeological nature.

20 DIR. MUZZEY: Thank you very  
21 much.

22 CHAIRMAN BURACK: Thank you.  
23 Any further questions?

24 DIR. MUZZEY: No, thank you.



1                   CHAIRMAN BURACK: Director  
2                   Simpkins.

3                   DIR. SIMPKINS: My question  
4                   was answered. I have no further questions.

5                   CHAIRMAN BURACK: Thank you.  
6                   Commissioner Rose?

7                   MR. ROSE: I have no questions  
8                   at this time. Thank you.

9                   CMSR. HONIGBERG: I have no  
10                  questions. Thank you.

11                  MR. BRILLHART: I have one  
12                  question. I am with the Department of  
13                  Transportation. I was curious as to whether  
14                  you talked with our utility people at the  
15                  Department to deal with -- I mean, I know  
16                  you're not on our property, but you're right  
17                  next to it. I'm trying to find out whether  
18                  they met with the utilities, our utilities  
19                  folks at the Department of Transportation, to  
20                  discuss close alignment to the road.

21                  MS. SMITH: Yes, sir, we did  
22                  have early contact with the Department of  
23                  Transportation, and the meetings were  
24                  deferred until this spring. And recently

1           there were some on-site meetings with utility  
2           engineers, and the follow-up will be an  
3           excavation permit that will be filed with  
4           DOT. But the utility engineers have approved  
5           Granite State's plans to date.

6                         MR. BRILLHART: Thank you.

7                         CHAIRMAN BURACK: Anything  
8           further?

9                         MR. BRILLHART: No.

10                        CHAIRMAN BURACK: Thank you.  
11           Mr. Vercellotti, any questions?

12                        MR. VERCELLOTTI: I have no  
13           questions.

14                        CHAIRMAN BURACK: Thank you.  
15           Director Forbes.

16                        MR. FORBES: I was just  
17           curious. If you could elaborate a little  
18           more about some of the permits that might be  
19           required from the Department of Environmental  
20           Services alteration of terrain or wetlands  
21           permits.

22                        MS. SMITH: Right. The  
23           wetlands permit, we had pre-application  
24           meetings with the Department of Environmental

1 Services. The attendees included the  
2 Wetlands Bureau, Alteration of Terrain and  
3 the Dam Bureau, because we wanted to make  
4 certain that any work within the wastewater  
5 treatment plant, lagoon berms, you know, were  
6 in line with the DES rules and would be  
7 approved if necessary.

8 So, in terms of the permitting  
9 requirements, wetlands has been filed, the  
10 alteration of trains is about to be filed.  
11 And we learned from the Dam Bureau that there  
12 will be filings required and approvals  
13 required. So when the design and engineering  
14 gets to the point where we can submit those  
15 papers, they will be submitted. Does that  
16 answer your question?

17 DIR. FORBES: Yes. Thank you.

18 MS. SMITH: Oh, and one more  
19 thing. We did check with the Water Division  
20 as well to make sure there wouldn't be any  
21 water-related permits and learned from the  
22 bureau division director that the only  
23 permits that would be required would be the  
24 EPA NPDES-related permits. So, no additional

1 state water permits would be necessary. So  
2 the wetlands permit will involve the CORD,  
3 Fish and Game and other agencies and the New  
4 Hampshire -- I always get this wrong. The  
5 Heritage Bureau has already looked at the  
6 application. So we believe that we have  
7 everything covered at this point.

8 DIR. FORBES: Thank you.

9 That's all I have.

10 CHAIRMAN BURACK: If I may,  
11 just to build a question on that. Could you  
12 just clarify for us what the nature is of the  
13 Dam Bureau's concern is here. Is it because  
14 the existing pipeline runs through the berm,  
15 which technically is a dam, I would imagine?  
16 Is that why the Dam Bureau's involved, or is  
17 there some other issue?

18 MS. SMITH: Yes, it's because  
19 it's technically a dam under the definition  
20 within the statute. So, although there won't  
21 be a permit, as such, required, there will be  
22 a need for approval of the plans for work  
23 within the berms.

24 CHAIRMAN BURACK: And just to

1 clarify further for us, will the proposed  
2 location for the replacement line, will that  
3 go through any of the berms, or will that  
4 then be entirely outside of the berm area?

5 MS. SMITH: No, that would be  
6 outside of the berms, and that was one of the  
7 reasons for moving it up to the north side of  
8 the property.

9 CHAIRMAN BURACK: Thank you.  
10 And again, if I may here, the grouting would  
11 be of the entire 0.9-mile length of pipe; is  
12 that correct?

13 MS. SMITH: Yes, that's  
14 correct.

15 CHAIRMAN BURACK: And when you  
16 described "grouting," you're essentially  
17 talking about filling the entire volume of  
18 the pipe with a concrete-type material?

19 MS. SMITH: Yes, sir. It's  
20 inert -- I'm not sure what the material is,  
21 but it's an inert material.

22 CHAIRMAN BURACK: Thank you.  
23 I'm going to turn things to Director Wright  
24 for any questions.

1 DIR. WRIGHT: Thank you, Mr.  
2 Chairman. Actually, my two questions have  
3 been asked and answered.

4 CHAIRMAN BURACK: Thank you.  
5 Please proceed.

6 DIR. BRYCE: Thank you.  
7 Thank you for your  
8 presentation. Two questions. The first is,  
9 will the existing easements be extinguished?

10 MS. SMITH: Well, we are in  
11 the process of drafting changes to the  
12 existing easements. But as a legal matter,  
13 we may need to retain some easement rights,  
14 just to retain the abandoned pipeline. But  
15 that would be the only retention of rights,  
16 just to keep it there. But yes, there are  
17 new easements being created to cover the new  
18 route.

19 DIR. BRYCE: Okay. Thank you.  
20 The second question is, I don't really know  
21 anything about how pipeline capacity is  
22 determined. But going from an 8-inch  
23 diameter to a 10-inch diameter is like a  
24 50-percent increase in the area of a circle

1 of those two sizes. So my question is -- I'm  
2 trying to get through my mind regarding the  
3 capacity increase question, which is the main  
4 one before us -- does that really make any  
5 difference? Because both ends are already  
6 10 inches, so it's not like you're replacing  
7 the entire length of the pipeline, if I  
8 understand that correctly.

9 MS. SMITH: Right.

10 DIR. BRYCE: Are both -- at  
11 either end, those are already 10-inch pipes.

12 MS. SMITH: That's absolutely  
13 right. And I think you've hit it on the  
14 head, because all the 8-inch pipe is doing is  
15 just creating this pressure difference. It's  
16 not really affecting the volume in any kind  
17 of perceptible way.

18 DIR. BRYCE: And then, as a  
19 follow-up to that, the only thing I can think  
20 of is that that was a bottleneck because you  
21 couldn't -- I would think the pressure would  
22 increase going through the 8-inch pipe  
23 because you're putting more volume through in  
24 a smaller area. But I don't know how natural

1 gas works.

2 But is that a bottleneck? And  
3 if you were to -- if you are able to, if the  
4 pipeline can now handle it, would you require  
5 a permit if you were to increase the amount  
6 of volume of gas going through that pipeline  
7 in the future by, let's say, 30 to  
8 50 percent, because now you don't have this  
9 area of bottleneck? And would that require  
10 further permitting, or could you just do  
11 that?

12 MS. SMITH: I believe that  
13 that would have to be worked through FERC.  
14 But I'll be honest. I don't think that we've  
15 actually looked at that issue because here  
16 there is no chance of increasing the  
17 capacity.

18 DIR. BRYCE: But there's -- I  
19 guess what I would get at is, there's  
20 another -- if you're going to increase the  
21 amount of gas through the pipeline in the  
22 future, I mean, that's just like a separate  
23 issue.

24 MS. SMITH: It is, totally,



1           because in order to increase the capacity  
2           here, the pipe would have to be increased to  
3           a 12-inch pipe, at the very least.

4                     DIR. BRYCE:  Yeah, okay.

5                     MS. SMITH:  Going from 8 to 10  
6           is not going to change the supply or the  
7           capacity.

8                     DIR. BRYCE:  Okay.  I just --  
9           thank you very much.  I just wanted to run  
10          that stuff through my mind.  Thank you.

11                    MS. SMITH:  Thank you.

12                    CHAIRMAN BURACK:  Thank you,  
13          Director Bryce, for those questions.  We'll  
14          turn to Director Normandeau.

15                    DIR. NORMANDEAU:  No  
16          questions.  Thanks.

17                    CHAIRMAN BURACK:  No  
18          questions.  Okay.

19                    Then we'll turn things now to  
20          Attorney Iacopino.

21                    MR. IACOPINO:  Thank you.

22                    In Docket No. 2012-02, the  
23          Little Bay Bridge Project, there was a  
24          reference during that to some concern about

1 potential frack-out during the horizontal  
2 directional drilling process. Is that a  
3 concern in this project as well; and if it  
4 is, how are you addressing it?

5 MS. SMITH: Yes, the concern  
6 has certainly been raised. It was raised by  
7 the Rivers Management Advisory Committee.  
8 And the way it's being addressed is the way  
9 it is always addressed in horizontal  
10 directional drill projects. And the way it  
11 was addressed in the wetlands permit for the  
12 Little Bay Bridge project, essentially there  
13 is a contingency plan that is submitted and  
14 actually required as a condition of the  
15 permit, so that if there is a frack-out,  
16 there's specific steps that have to be taken.  
17 And that provided enough comfort to the  
18 Rivers Management Advisory Committee -- this  
19 is a matter of course, that this is always an  
20 issue, always needs to be dealt with -- that  
21 there's a plan to address it.

22 MR. IACOPINO: Is the Little  
23 Bay Bridge, is that project completed now?

24 MS. SMITH: That has been

1 completed.

2 MR. IACOPINO: Did they run  
3 into any frack-out problems?

4 MS. SMITH: Not to our  
5 knowledge.

6 MR. IACOPINO: The other  
7 question I have involves this particular  
8 river. I didn't see anything in the papers  
9 about anything -- any correspondence or  
10 mention of the Coast Guard or Marine Patrol  
11 or any other type of navigation issues. Are  
12 any of those issues present here during the  
13 time of construction or permanently?

14 MS. SMITH: Thank you for that  
15 question. We actually considered that and  
16 may have put it in our papers, that if  
17 necessary we will contact them.

18 But in the Little Bay Bridge  
19 Project, for example, all the Coast Guard  
20 wanted was notice, 30 days' notice before  
21 construction began. So, before we got to  
22 that point here before your determination, we  
23 have not contacted them because we don't know  
24 when construction will commence. But it is

1 on the radar. There may not be an issue  
2 because we're not in a harbor like we were  
3 with Little Bay. It's up the river, and it's  
4 actually fairly shallow in this area. It's a  
5 navigable river, but we're not sure the Coast  
6 Guard will have an issue.

7 In terms of CORD, there have  
8 been direct contacts with the Corps of  
9 Engineers. So, yeah, we'll plan to work  
10 through all of those issues and make certain  
11 that all the folks that require notice or  
12 would even consider obtaining notice before  
13 construction began, or that are part of the  
14 permitting process for the wetlands  
15 permitting process, we will make sure that  
16 everyone is contacted and is aware.

17 MR. IACOPINO: This project is  
18 a little bit larger than the Little Bay  
19 Bridge Project, at least in the length of  
20 pipeline, as I understand it. In the Little  
21 Bay project, did the company run into any  
22 difficulties at all with any violations of  
23 permits or any -- did you receive any  
24 cease-and-desist orders or any type of issues

1 where you had to stop construction or  
2 undertake to change your plans in response to  
3 any state or federal agency?

4 MS. SMITH: No, sir, we did  
5 not.

6 MR. IACOPINO: And finally,  
7 how about industrial accidents? Did any of  
8 those occur in the Little Bay Bridge project?

9 MS. SMITH: No, sir, none.

10 MR. IACOPINO: Finally, you  
11 indicated that you have FERC approval. Is  
12 this considered a "minor realignment" under  
13 FERC? I know that's a term of art in the  
14 FERC world. But is that what this is  
15 considered, or is it something even less than  
16 that?

17 MS. SMITH: This is  
18 considered, I believe it's called a "minor  
19 rearrangement," and it falls within the  
20 "blanket certificate" because it is under a  
21 \$10 million threshold, in terms of cost. But  
22 even so, even though there is this blanket  
23 approval to conduct this type of project,  
24 Granite State did go the extra step to make

1 certain that FERC would, you know, consider  
2 this to be a project that it would, you know,  
3 give their nod. And FERC said, We don't need  
4 to review the specifics; this does fall  
5 within your "blanket certificate" at this  
6 point. And at this point, the estimated cost  
7 is still roughly \$1.5 million. It may creep  
8 up to \$2 million, but it will certainly be  
9 within the threshold of the FERC's rules.

10 MR. IACOPINO: Thank you. I  
11 don't have any further questions, Mr.  
12 Chairman.

13 CHAIRMAN BURACK: Thank you.  
14 Just a question of clarification here. The  
15 term "frack-out" was used. Could you just --

16 MS. SMITH: That is when the  
17 drill -- the bores that are created on one  
18 side of the river, the drill has to go under  
19 the river, and a material called bentonite --  
20 it's a clay-like material -- is coursing  
21 through. And sometimes it may hit a crack in  
22 bedrock, and some of the material may travel  
23 up into the river. And there is concern  
24 about effects on species within the river

1           because this is a heavy kind of inert clay  
2           material.  It doesn't pollute, but it can sit  
3           on the bottom of the river and affect the  
4           species.  So, that frack-out is basically  
5           traveling up through the cracks, getting into  
6           the river.  And normally, if that does  
7           happen, all the work will stop and the  
8           frack-out will be dealt with and any remedial  
9           actions taken.  And it may pull back and then  
10          go into a different spot so there's no  
11          further issue.  So it's something that the  
12          company is very aware of with the horizontal  
13          directional drill, and they have the  
14          contingency plans in place.  The frack-out,  
15          fracking -- I think that "frack" is that  
16          whole idea of, you know, the force pushing  
17          things up.

18                           CHAIRMAN BURACK:  Thank you.  
19          And again, the horizontal drilling process,  
20          typically, how deep below the bed of the  
21          river is the channel or the circular cut  
22          being made?

23                           MS. SMITH:  That will depend  
24          on the circumstances and the materials.  For

1           example: In Little Bay, the depth was  
2           30 feet or so below the bed of the river. In  
3           the case of the Squamscott River, that design  
4           is still being done. There needs to be test  
5           borings so they can determine the optimum  
6           depths to minimize potential for frack-out  
7           and other factors. So we can't really say at  
8           this point exactly what the depth will be,  
9           but it will be, from an engineering  
10          perspective, the optimal depth.

11                           CHAIRMAN BURACK: And the  
12          diameter of the boring is obviously larger  
13          than the actual 10-inch pipe itself but just  
14          enough to enable you to then be able to pull  
15          or push the pipe through after the boring has  
16          been cut; is that right?

17                           MS. SMITH: That's absolutely  
18          right.

19                           CHAIRMAN BURACK: Thank you.  
20                           Are there any other questions  
21          regarding this matter from members of the  
22          Committee? Mr. Vercellotti.

23                           MR. VERCELLOTTI: The project  
24          addresses disbonded -- the replacement of



1 pipe that has disbonded coating. Is there  
2 like a long-term plan to address the rest of  
3 the pipeline that remains disbonded, or is  
4 this the only section left or --

5 MS. SMITH: This is the only  
6 section left in New Hampshire, so this will  
7 likely not come before you again in the  
8 future. And once this is replaced, which is  
9 part of Granite State's integrity management  
10 plan filed with FERC, hopefully we'll be done  
11 for a long while.

12 CHAIRMAN BURACK: Thank you.

13 We would routinely now take  
14 comments from the public, but I'm not sure  
15 that I see any members of the public here who  
16 would wish to comment. But anybody here wish  
17 to make any further comments?

18 (No response)

19 CHAIRMAN BURACK: All right.  
20 Attorney Maloney, do you have anything  
21 further that you'd like to share with us  
22 before we proceed?

23 MS. MALONEY: No. I'm not  
24 sure that I heard Attorney Smith correctly,

1 but she had -- when she initially spoke, she  
2 had talked about delegating authority to an  
3 agency or an official to monitor. I'm not  
4 sure if that's what she was suggesting, that  
5 the Committee go that route or not. We would  
6 not object to that. I mean, this is the  
7 first time I've been appointed Public  
8 Counsel, so I'm not used to this kind of  
9 thing. But when reviewing the motion and  
10 listening to the presentation, there's a lot  
11 of permits and a lot of approvals that are in  
12 the air, and there's not really one agency or  
13 body that's monitoring the entire project.  
14 And I guess that is part of the Committee's  
15 determination, as to whether or not this is a  
16 sizeable project. But certainly, as Counsel  
17 for the Public, we would not object to the  
18 agency choosing to have -- or the Committee  
19 choosing to have an agency monitor or an  
20 official from an agency monitor the project.

21 CHAIRMAN BURACK: Thank you.

22 I'm going to ask Attorney Iacopino just to  
23 address this.

24 MR. IACOPINO: I think that

1 the difficulty with that is that, in either  
2 case, if the Committee either determines that  
3 this is not a sizeable addition and therefore  
4 does not require a certificate of site and  
5 facility, or even if we completed an  
6 exemption process and granted an exemption,  
7 in either case, the Committee does not have  
8 the authority at that point to delegate.

9 I believe that what Ms. Smith  
10 was advising the Committee of was that, had  
11 this been -- this is an old pipeline. Had  
12 this pipeline been originally certificated,  
13 this is the type of change that the Committee  
14 could have made arrangements for in the body  
15 of the certificate, to delegate any minor  
16 realignments to be overseen by the Department  
17 of Environmental Services or some other state  
18 agency. So I think that was the purpose of  
19 her explanation before. But in either case,  
20 whether a -- if the Committee determines that  
21 this is not a sizeable addition, or if the  
22 Committee determines it is, but grants it an  
23 exemption, the Committee no longer has any  
24 authority to delegate anything. Nonetheless,

1 the Applicant is still subject to obtaining  
2 all of those permits that are required and  
3 fails to do so at their own risk, the same as  
4 if you were building a shopping center or  
5 something that wasn't an energy facility. So  
6 that's, I think, the long answer to your  
7 short question. Sorry.

8 MS. MALONEY: Thank you.

9 MS. SMITH: If I could just  
10 say quickly that I was making the argument  
11 that it was just consistent with the spirit  
12 of the statute, not that there would be a  
13 need to delegate. And because there are so  
14 many different agencies involved, it may be  
15 problematic to delegate one agency. But yes,  
16 we are subject to many different laws. Thank  
17 you.

18 CHAIRMAN BURACK: Thank you.  
19 Attorney Smith, is there anything further  
20 you'd like to share with the Committee before  
21 we conclude this portion of the proceeding?

22 MS. SMITH: No, thank you.

23 CHAIRMAN BURACK: Very good.  
24 Thank you very much.

1                   At this point, we will proceed  
2                   to deliberate and decide whether to grant the  
3                   Applicant's request to issue a declaratory  
4                   ruling, finding that the construction and  
5                   operation of the proposed replacement  
6                   pipeline does not constitute a sizeable  
7                   change or addition to an existing energy  
8                   facility and, therefore, does not require a  
9                   certificate of site and facility under RSA  
10                  162-H:5, II. Again, I would just point out  
11                  that we have not identified any data requests  
12                  that would need to be fulfilled, so I do  
13                  think that we are at a point where we could  
14                  deliberate on this matter. And for those who  
15                  have not necessarily participated in these  
16                  proceedings in the past, what I would suggest  
17                  we do is just go around and have a general  
18                  conversation about this and see if there are  
19                  any particular points that people would like  
20                  to make bearing upon this issue of whether or  
21                  not this is a sizeable change or addition,  
22                  and then we could entertain a motion and  
23                  determine if there are any additional pieces  
24                  of information that people would like to put

1 on the record relating to that. Once we have  
2 had that conversation, had a motion and a  
3 vote on that motion, we would then, if the  
4 decision is to -- well, regardless of what  
5 the decision is, we would ask counsel to  
6 prepare a draft decision for us to review, to  
7 document the decision that we actually make  
8 today, and then we would eventually all sign  
9 that document, again, to formally document  
10 what the course of action we choose to take  
11 here today.

12 So, having said that, I now  
13 open it up for any discussion generally about  
14 this matter. And again, perhaps we can just  
15 work our way around the horseshoe here.

16 Would you like to start,  
17 Director Muzzey?

18 DIR. MUZZEY: Yes. Thank you.

19 Thank you for all the  
20 information presented today. It was very  
21 helpful. My feeling is that this does follow  
22 precedent set by the Committee with  
23 comparable projects, that it's not a sizeable  
24 addition. I have no further questions about

1 the project and would be comfortable with  
2 that type of discussion and potential  
3 decision.

4 CHAIRMAN BURACK: Okay. Thank  
5 you very much for that. And I would  
6 encourage, as folks are going around the  
7 table here, if there are particular facts  
8 that stick out in your mind that support, in  
9 your mind, the basis for a finding that this  
10 is not a sizeable addition, if we could all  
11 articulate those thoughts, it would be  
12 helpful.

13 Director Simpkins.

14 DIR. SIMPKINS: Yeah, thank  
15 you. I also agree that, based on the  
16 presentation, that this would not constitute  
17 a sizeable change or addition. I feel from  
18 the evidence presented, both today and in the  
19 motion, that this is a fairly straightforward  
20 project; it's necessary for maintenance and  
21 safety. And with all the permitting that's  
22 already required, both state, local and  
23 federal, that all the concerns would be  
24 covered. But again, I don't feel this is a

1 sizeable change or addition.

2 CHAIRMAN BURACK: Thank you.  
3 Commissioner Rose.

4 MR. ROSE: Yes. Thank you.

5 I, too, am comfortable with  
6 where we are with regards to this not being a  
7 sizeable change to the pipeline. The fact  
8 that this was primarily due to trying to  
9 improve the safety and the integrity of the  
10 pipeline I felt very relevant, that it was  
11 not an increase in the capacity, and at the  
12 same time it was an opportunity to bring  
13 better alignment for interests within the  
14 community, as well as improving the impacts  
15 that this could potentially have in that  
16 region. And that it's been cooperatively  
17 worked through with the various landowners  
18 and municipalities I find very relevant to  
19 that. So I am comfortable proceeding forward  
20 in saying that this is not a sizeable change  
21 to that pipeline.

22 CHAIRMAN BURACK: Thank you.  
23 Commissioner Honigberg.

24 CMSR. HONIGBERG: I agree with



1 the previous comments. I am also struck by  
2 how small the physical change is in  
3 relationship to the entire pipeline and the  
4 entire pipeline in New Hampshire. Had we  
5 been given that map, that would have shown a  
6 tiny little portion of the star that was on  
7 the legend of the larger map that Attorney  
8 Smith was referring to earlier. I think the  
9 .8 to .9 change is insignificant. I think  
10 without a volume change in the amount of gas  
11 that can pass through, there's every reason  
12 to agree that this is not a sizeable change  
13 or addition.

14 CHAIRMAN BURACK: Thank you.  
15 Assistant Commissioner Brillhart.

16 MR. BRILLHART: I would agree  
17 with the previous speakers. This project  
18 seems to have merit and is similar to what we  
19 did --

20 (Court Reporter interjects.)

21 MR. BRILLHART: This is fairly  
22 similar to the project that we did for the  
23 Little Bay Bridge, and we should just move  
24 forward with it.

1                   CHAIRMAN BURACK: Thank you  
2 very much. Mr. Vercellotti.

3                   MR. VERCELLOTTI: I agree with  
4 the previous comments, and I don't see this  
5 as a sizeable change, and it will improve  
6 pipeline safety.

7                   CHAIRMAN BURACK: Thank you.  
8 Director Forbes.

9                   DIR. FORBES: Yes, I also  
10 agree with others. I will point out that the  
11 board or division will have some permitting  
12 that we'll keep tabs on, and I'm very  
13 encouraged of getting it away from underneath  
14 the berm or the wastewater plant. I think  
15 that's a step in the right direction.

16                  CHAIRMAN BURACK: Thank you  
17 very much. Director Wright.

18                  DIR. WRIGHT: I agree with all  
19 the comments. I think a tenth-of-a-mile  
20 increase certainly is not what the statute  
21 envisioned when they talked about sizeable  
22 additions. I think the issue of the  
23 capacity -- or the potential for no capacity  
24 increase has been addressed. So I would be

1 very comfortable moving forward.

2 CHAIRMAN BURACK: Thank you  
3 Director Bryce.

4 DIR. BRYCE: Yes, I also agree  
5 that it's not a sizeable addition, based on  
6 its length and also on the size of the pipe  
7 that it's connecting into.

8 CHAIRMAN BURACK: Director  
9 Normandeau.

10 DIR. NORMANDEAU: I think it's  
11 all been said.

12 CHAIRMAN BURACK: Thank you,  
13 and I would concur that it's all been said as  
14 well.

15 I'm going to ask if someone  
16 would like to make a motion to grant the  
17 Applicant's request to issue a declaratory  
18 ruling finding that the construction and  
19 operation of the proposed replacement  
20 pipeline does not constitute a sizeable  
21 change or addition to an existing energy  
22 facility and therefore does not require a  
23 certificate of site and facility under RSA  
24 162-H:5, II.

1 DIR. NORMANDEAU: I'll make  
2 that motion, Mr. Chairman.

3 CHAIRMAN BURACK: Thank you  
4 very much. Director Normandeau has made that  
5 motion. Is there a second to that motion?

6 DIR. SIMPKINS: I'll second  
7 the motion.

8 CHAIRMAN BURACK: Seconded by  
9 Director Simpkins.

10 Is there any discussion of the  
11 motion?

12 (No response)

13 CHAIRMAN BURACK: Seeing and  
14 hearing none, all in favor please signify by  
15 saying "aye."

16 (Committee Members respond.)

17 CHAIRMAN BURACK: Any opposed?

18 (No response)

19 CHAIRMAN BURACK: Any  
20 abstentions?

21 (No response)

22 CHAIRMAN BURACK: Thank you.

23 It is a unanimous decision of the Committee  
24 to grant the Applicant's request pursuant to

1 the motion and based upon the factors that  
2 were discussed by the Committee prior to the  
3 vote on that motion.

4 We will request Counsel for  
5 the Committee to prepare a written decision  
6 to, again, formally state our decision, and  
7 we will see that in due course once the  
8 transcript has been completed and he then has  
9 an opportunity to provide a draft to us and  
10 we all have a chance to review it.

11 I would like to finalize this  
12 by thanking Attorney Smith and  
13 representatives here today of the Applicant  
14 for your participation in this matter and for  
15 your forthright answers to our questions.

16 I want to thank Attorney  
17 Maloney, in her capacity as Counsel for the  
18 Public, and welcome you to this forum, and  
19 we'll look forward to seeing you perhaps  
20 again at future meetings of the Site  
21 Evaluation Committee.

22 I want to thank our attorney  
23 and stenographer.

24 And finally, I want to thank

1 the members of the Committee for their  
2 attentiveness and participation throughout  
3 today's proceedings.

4 And unless there's anything  
5 further that anyone has, Attorney Iacopino  
6 would like to share something with us.

7 MR. IACOPINO: Just one thing,  
8 just a reminder to those of you who are lucky  
9 enough to be appointed to the New England  
10 Power Tap Line Subcommittee. We do -- we  
11 have scheduled that adjudicatory hearing in  
12 that case for the 26th of this month, and I  
13 believe it's at 9 a.m. So that doesn't  
14 affect everybody on the dais, but it affects  
15 some of you.

16 CHAIRMAN BURACK: Very good.  
17 Any other matters that the Committee has that  
18 they'd like to raise at this time?

19 (No response)

20 CHAIRMAN BURACK: Seeing and  
21 hearing none, I thank you all again very  
22 much, and we will stand adjourned.

23 **(Whereupon the hearing was adjourned at**  
24 **11:41 a.m.)**

**C E R T I F I C A T E**

1  
2 I, Susan J. Robidas, a Licensed  
3 Shorthand Court Reporter and Notary Public  
4 of the State of New Hampshire, do hereby  
5 certify that the foregoing is a true and  
6 accurate transcript of my stenographic  
7 notes of these proceedings taken at the  
8 place and on the date hereinbefore set  
9 forth, to the best of my skill and ability  
10 under the conditions present at the time.

11 I further certify that I am neither  
12 attorney or counsel for, nor related to or  
13 employed by any of the parties to the  
14 action; and further, that I am not a  
15 relative or employee of any attorney or  
16 counsel employed in this case, nor am I  
17 financially interested in this action.  
18

19 \_\_\_\_\_  
20 Susan J. Robidas, LCR/RPR  
21 Licensed Shorthand Court Reporter  
22 Registered Professional Reporter  
23 N.H. LCR No. 44 (RSA 310-A:173)  
24