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August 17, 2015

Jane Murray
Site Evaluation Committee
NH Dept. of Environmental Services
P.O. Box 95
29 Hazen Drive
Concord, NH 03302

Re: Sea-3 Application for Waiver of Requirements for Certification Under
RSA 162-H, SEC Docket No. 2015-01

Dear Ms. Murray:

In accordance with the the Commission's June 18, 2015 Procedural Order, I enclose the following documents for filing with the Commission, and distribution to the Service List:

1. Portsmouth Intervenors' List of Witnesses;
2. Pre-Filed Testimony of Richard Dipentima;
3. Pre-Filed Testimony of Robert Gibbons;
4. Pre-Filed Testimony of Patricia Ford;
5. Pre-Filed Testimony of Erica Nania; and
6. Pre-Filed Testimony of Jane Sutherland.

If you should have any questions, please do not hesitate to call me. My direct line is (603) 627-8223.

Many thanks.

Very truly yours,

Christopher Cole

Cc: Service List
(via e-mail)

**Site Evaluation Committee
of the New Hampshire Public Utilities Commission**

In the Matter of the Application of Sea-3, Inc.

(Request for Exemption)

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SEC Docket No. 2015-01

PORTSMOUTH INTERVENORS' WITNESS LIST

NOW COME the Portsmouth Intervenors,¹ by their counsel, Sheehan Phinney Bass & Green, Professional Association, and respectfully submit this List of Witnesses, along with their pre-filed testimony and exhibits, pursuant to the Committee's Procedural Order dated June 18, 2015.

1. Richard Dipentima
16 Dunlin Way
Portsmouth, NH 03801
2. Robert L. Gibbons
135 Spinnaker Way
Portsmouth, NH 03801
3. Patricia Ford
135 Spinnaker Way
Portsmouth, NH 03801
4. Erica Nania
18 Dunlin Way
Portsmouth, NH 03801
5. Jane Sutherland
8 Dunlin Way
Portsmouth, NH 03801

¹ The Portsmouth Intervenors are Richard and Catherine Dipentima; Robert Gibbons and Patricia Ford; William and Kristina Campbell; John and Jane Sutherland; and Erica and Matthew Nania.

Respectfully submitted,

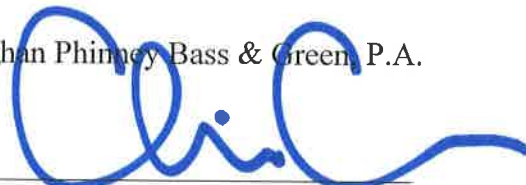
PORTSMOUTH INTERVENORS,

By Their Attorneys,

Sheehan Phinney Bass & Green, P.A.

Dated: August 17, 2015

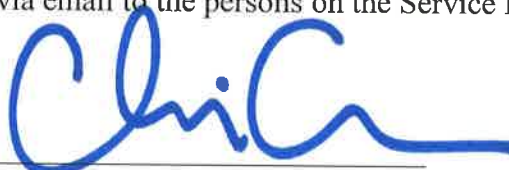
By:



Christopher Cole (Bar No. 8725)
1000 Elm Street
P.O. Box 3701
Manchester, NH 03105-3701
(603) 627-8223
ccole@sheehan.com

Certification

I hereby certify that on this ^{17th} day of August 2015, I caused a copy of the foregoing List of Witnesses and Pre-Filed Testimony to be sent via email to the persons on the Service List on this Docket.



Christopher Cole

New Hampshire Site Evaluation Committee

SEC Docket No. 2015-01

In the Matter of the Application of Sea-3, Inc. for an Exemption from the
Requirements of RSA 162-H

Non-Applicant Testimony of Richard Dipentima

Could you please identify yourself?

I am Richard DiPentima and I reside with my wife Catherine at 16 Dunlin Way, Portsmouth, NH.

Could you tell us about your professional background?

Yes, I am retired after spending over 30 years in public health at the federal, state and local level. I am also a retired Air Force Lieutenant Colonel, having spent 28 years in the Active Air Force (10 years), New Hampshire Air National Guard (12 years), and Air Force Inactive Reserve (6 years). During my civilian public health career, I was involved in a very broad range of public health programs and activities. I was the Assistant Director of Public Health for the New Hampshire Division of Public Health Services (NH DPHS). In this position, I had extensive involvement in the development, training, and implementation of the Seabrook nuclear power plant emergency response plan. This involved radiological monitoring, evacuation planning, decontamination, food supply protection, and recovery operations. I was also involved in preparing for natural disasters, such as hurricanes, floods and other natural and man-made events. As an Air Force Public Health Officer, I was also very much involved in emergency response and planning issues involving a full range of potential natural and man-made emergency situations. My experience in emergency response planning and response gives me a unique perspective and concern with regard to the potential consequences of a significant accident involving the Sea-3 plant and/or the rail transportation of hazardous materials through densely populated communities. I have also had extensive experience in environmental health issue throughout my career. I was Chief of Environmental Health for the Manchester, New Hampshire Health Department, and was supervisor over the Environmental Health and the Radiological Health programs at the NH DPHS.

In relation to the Sea-3 facility in Newington, where is your home?

Our residence sits approximately 2 miles from the Sea-3 Liquefied Petroleum Gas (LPG) storage and distribution facility in Newington, New Hampshire. The rail lines leading to the Sea-3 facility are directly adjacent to our property, about 100 feet beyond our property line and between our property and the Piscataqua River. The Piscataqua River is also adjacent to the Sea-3 property in Newington.

What is the purpose of your testimony?

Sea-3 has received approval from the Town of Newington Planning Board to greatly intensify the receipt of LPG via rail. My wife and I, and other residents of Portsmouth, have serious concerns regarding the safety, environmental and economic impacts of this expansion, which we will outline below. We believe that these concerns were not addressed by the Newington Planning Board, and are not addressed in the official record of fact of the Planning Board proceedings.

Can you summarize your testimony for the Commission?

Yes. Sea-3 has requested an exemption from the requirements of RSA 162-H to provide a full application and a review of their proposed expansion. We feel that granting an exemption would be contrary to the intent and mandate of RSA 162-H. According to this statute, The New Hampshire Site Evaluation Committee's (SEC) mandate is to "ensure that the construction and operation of energy facilities is treated as a significant aspect of land-use planning in which all environmental, economic and technical issues are resolved in an integrated fashion." The statute also gives the SEC the authority to determine whether a project is in the "public interest." The SEC overview states; "The introduction of major new energy facility proposals for a site or sites in New Hampshire presents the local community, the state, and often the New England region with fundamental impacts to the environment, energy supply, economy, and the public's health and welfare which must be carefully analyzed before proceeding." "Since such major changes carry with them the potential to influence so many sectors of our daily life, a comprehensive, high-level approach geared toward "balancing" these impacts has been established to ensure that these new facilities are evaluated in the public's best interests. And that they are designed, built and operated in a manner that will protect and preserve the high quality of life by New Hampshire's residents and visitors alike." In the absence of a full application and review by the SEC, we feel that these mandates of the law will not be achieved. We will demonstrate that the Newington Planning Board's official record of fact has failed to address the full range of safety, environmental and economic impacts of this expansion. We feel that the Newington Planning Board did not conduct the necessary "comprehensive, high level approach" necessary to assessing all the safety, environmental and economic impacts created by this expansion, and as such, require a full review by the SEC.

What are your concerns with regard to Sea-3 greatly intensifying their receipt of LPG by rail?

While Sea-3 has been offloading LPG from rail cars since 1975, they have never had the history of offloading as many rail LPG railcars as would be if their expansion is approved. Historically, Sea-3 has received most of their LPG via ships, approximately 13 per year. Sea-3 has stated publically, that during one year in the 1980" they unloaded 300-400 rail cars. During the years, 2013-2009, they offloaded, 42, 0, 20, 0 and 25 railcars respectively. The expansion of their rail terminal from 3 to 8 (166% increase) will allow Sea-3 to offload up to 16 railcars per day up from the current 6. A total of almost 5,000 railcars, each containing 33,000 gallons of LPG will be offloaded per year. As such, this intensification of rail shipments of LPG proportionally increases the risk of a significant accident, caused by human and/or mechanical failure.

Also, according to Sea-3, the LPG received by rail will be unodorized. Therefore, not only will the LPG rail cars coming to Sea-3 be far greater in number, the nature of the propane they contain will be more dangerous, because the heavier than air, colorless gas, will also be odorless-making this cargo undetectable by human senses if a leak or spill occurs during offloading.

What concerns with regard to an accident at the Sea-3 facility were not fully addressed by the Planning Board?

In the event of an accident at Sea-3, which results in a fire involving a LPG railcar, the U.S. Department of Transportation's 2012 Emergency Response Guidebook (Incorporate by reference) requires a 1 mile evacuation in all directions from the emergency site. The 1 mile radius around the Sea-3 site contains numerous businesses, homes, hazardous materials that would be at risk. The Newington Planning Board record of fact does not discuss the potential effects on these facilities in the event of a catastrophic event at Sea-3. (incorporate satellite map of the 1 mile evacuation zone)

In August, 2011 a LPG railcar caught fire during an offloading operation at a Lincoln, California propane storage and distribution facility similar to Sea-3. As a result of the fire, 4,800 homes and businesses were evacuated for two days. The concern was that a buildup of heat could cause an explosion that the Lincoln Fire Chief compared to a "small thermal nuclear bomb" that produces a fireball several hundred yards wide, and an explosion could throw shards of metal up to a mile away. In a February 3, 2014 email from Lincoln, CA Fire Chief Mike Davis to Portsmouth, NH Fire Chief Achilles he describe the incident. He stated, "The Lincoln LPG rail car incident in August 2011 was a near miss for our community. The incident occurred as a result of an employee manually testing LGP rail tank car levels prior to offloading them at the distribution facility and ignited the escaping gas through a static charge. Surface temperatures of the burning rail car were within fifty degrees of what the manufacturer identified as "catastrophic tank failure." In cooling the tank car over the duration of the incident, we prevented a BLEVE, applying more than three million gallons of water. Approximately 10,000 residents and many of our local businesses were displaced for more than two days. In 2013 the City of Lincoln revoked the Conditional Use Permit for the propane distribution facility." In a similar fire in Kingman, Arizona, 11 firefighters and a gas company employee were killed when a rail tank car carrying propane exploded. In the event of a similar accident at Sea-3, the two large LPG storage tanks (400,000 BBL and 160,000 BBL) on site could become involved, causing a catastrophic explosion that would have sever impacts on property and people well beyond the Sea-3 site. There was no discussion regarding the possibility of such an event taking place, or the ability to adequately respond to such an event during the Planning Board deliberations.

There was no consideration given to such an event and the capability to respond during the Planning Board deliberations. Such a violent rupture could also potentially affect other facilities within the 1 mile evacuation zone, including the Fox Run Mall, resulting in a mass casualty incident. The record of the Planning Board is silent on this possibility as well.

The Planning Board never conducted a full hazard identification resulting from the Sea-3 expansion. This would include a list of potential hazards that could impact the facility or

surrounding area including accidental and intentional incidents, devising planning scenarios from moderate to worst case, and an evaluation of critical infrastructure interdependencies that could impact infrastructure, and the implications of cascading failures.

The Planning Board never considered a vulnerability assessment that considered what measures are in place or are being planned that could reduce or increase the potential impacts of an identified hazard on the facility. They never fully identified hazards likely to impact the facility or the surrounding area.

The Planning Board never conducted a comprehensive risk evaluation that looks at threats, vulnerability, likelihood and consequences, which together, an overall value for risk can be calculated. Based on this risk rating, decision makers could rank risks in order of importance, and the decision can be made to determine if this is an acceptable risk to the community, or whether it must be treated. There was not a complete review of potential hazard scenarios identified for which there are existing vulnerabilities. There was no analysis of the probability of each type of incident occurring, no estimate of the scope and geographic extent of each incident, no estimate of the potential impacts under various scenarios, no categorization of each hazard according to probability and severity of impacts or the identification of risks of highest concern.

The Planning Board never conducted a full hazard analysis and technical studies including; a blast analysis, a vapor cloud analysis, or a BTU analysis including the heat levels and the distances and population adversely impacted as determined by superimposing these on local tax maps.

What concerns do you have regarding the local and regional emergency response capabilities that were not addressed by the Planning Board?

The Planning Board never conducted a comprehensive gap analysis of the emergency response capabilities for communities in the region in the event of a worst likely or worst case incident at Sea-3. This would include an analysis of fire department response capabilities, mutual aid parties and regional capabilities; local and Regional EMS capabilities, local and regional hospital trauma center capabilities; a review of current Emergency Operations Plans for the facility, community, and surrounding jurisdictions, including Continuity of Operations and Business Continuity Management; Evaluation of Special Response Units (Search & Rescue, HazMat etc.); Fire, police and EMS services; US Coast Guard Resources and response time; Medical/ambulance/hospital services; evacuation planning; interoperable communications; public works and utilities response capabilities; logistics capabilities; emergency public warning/mass fatality/casualty management capabilities; and sheltering & mass care.

What concerns do you have with regard to the environmental impacts of an accident at the Sea-3 facility that were not addressed by the Planning Board?

The Planning Board did not evaluate the environmental or injury impacts resulting from a catastrophic event at Sea-3 that could result in severe damage to adjacent facilities storing hazardous materials, and other populated commercial, retail or private facilities. The National Transportation Safety Board (NTSB) reported that as a result of a violent explosive rupture

involving a fire on 2 LPG railcars in Murdock, IL, $\frac{3}{4}$ of one tank railcar “rocketed a distance of 3,630 feet.” The NTSB reported in the same report that an earlier violent rupture of an LPG railcar resulted in the tank car traveling 4,900 feet. (NTSB Safety Recommendation I-85-15) If such a violent rupture of a LPG railcar were to take place at the Sea-3 facility severe damage and the release of large quantities of hazardous materials from facilities such as Sprague Energy is very possible. Such a scenario could result in serious environmental damage to the Piscataqua River and the Great Bay Estuary.

What are the concerns you have with regard to the potential economic impact on the community and the region resulting from the proposed Sea-3 expansion that were not evaluated by the Planning Board?

The Planning Board never considered the potential economic impacts of the Sea-3 expansion. When introduced to the Planning Board, the Sea-3 proposal was titled, “Proposal by Sea-3 to reconfigure its terminal at 190 Shattuck Way (Tax Map 14 Lot 2; and map 20 Lot 13) in order to accommodate Liquefied Petroleum Gas (LPG) shipments via rail, and export of same via ocean-going ships.” In fact, the title of the Sea-3 application remained the same through the March 10, 2014 Planning Board meeting. At the November 13, 2013 Planning Board hearing, Mr. Paul Bogan, VP Operations for Sea-3 stated, “They were proposing to convert the majority of their operation from importing foreign propane to exporting domestic propane, with a small percentage to the local market in New England.” Only toward the end of the Planning Board deliberations did Sea-3 change its proposal to mostly distribute the propane to the New England market and sending only small amounts overseas. The Planning Board never questioned the reasons behind this major change in operations. It is also noted that at the July 21, Superior Court Hearing regarding the City of Portsmouth’s appeal of the Newington Planning Board’s approval of the Sea-3 expansion, the Sea-3 attorney stated that this was an export facility.

Sea-3 never provided the Planning Board any binding assurances to support their intention to primarily serve the New England region. There are no provisions to prevent Sea-3 from once again changing their business plan to export the majority of their propane overseas. In fact, at a July 21, 2015 Superior Court hearing involving the City of Portsmouth’s appeal of the Newington Planning Board’s approval of the Sea-3 project, the Sea-3 attorney stated that the Sea-3 facility was an export facility.

Mr. Paul Bogan stated in 2015 that propane prices were at “historically low price.” Since propane is obtained during oil and gas drilling, which has dramatically increased in the U.S. , there is plenty of Propane. Any shortages have been due to dramatic increase in exportation to lucrative markets overseas! Despite the very cold 2014-15 winter, propane supplies were abundant and price was low. As such, the economic incentive for Sea-3 is to export most of its propane to Europe where the supply is low and the price is much higher. This would also have the effect of lowering propane supplies domestically and causing an increase in price to domestic consumers. The net effect would reduce New England to a mere conduit for Propane for the world market, and at the same time we would bear the tremendous increase in risk to our homes, businesses and our environment.

Exports of LPG (propane) are not currently under the jurisdiction of the Federal Energy Regulatory Commission (FERC), and thus, FERC authorization is not required for corporations to export LPG supplies. This would open the door for Sea-3 to engage in unrestricted export of LPG from their facility, resulting in shortages and/or increased cost of propane for New Hampshire and the region.

Finally, if Sea3 in fact converts their plant to an Export facility, and if, in the future, there is an actual Propane shortage in the New England region, the ability to import in the needed propane would become difficult if not impossible. Thus, this project could eliminate that "energy safety net" for New England.

The above facts demonstrate a number of major omissions and gaps in the Official Record of the Newington Planning Board's review of the Sea-3 expansion proposal. For these reasons we strongly oppose the site Evaluation Committee granting a waiver To Sea-3 from providing a full application and review of their project. It is clear that the requirements of RSA 162-H and the statutory obligations of the SEC can only be satisfied through a comprehensive analysis and review of all the safety, security, environmental and economic concerns and considerations that to date have not been fully addressed.

Signed:

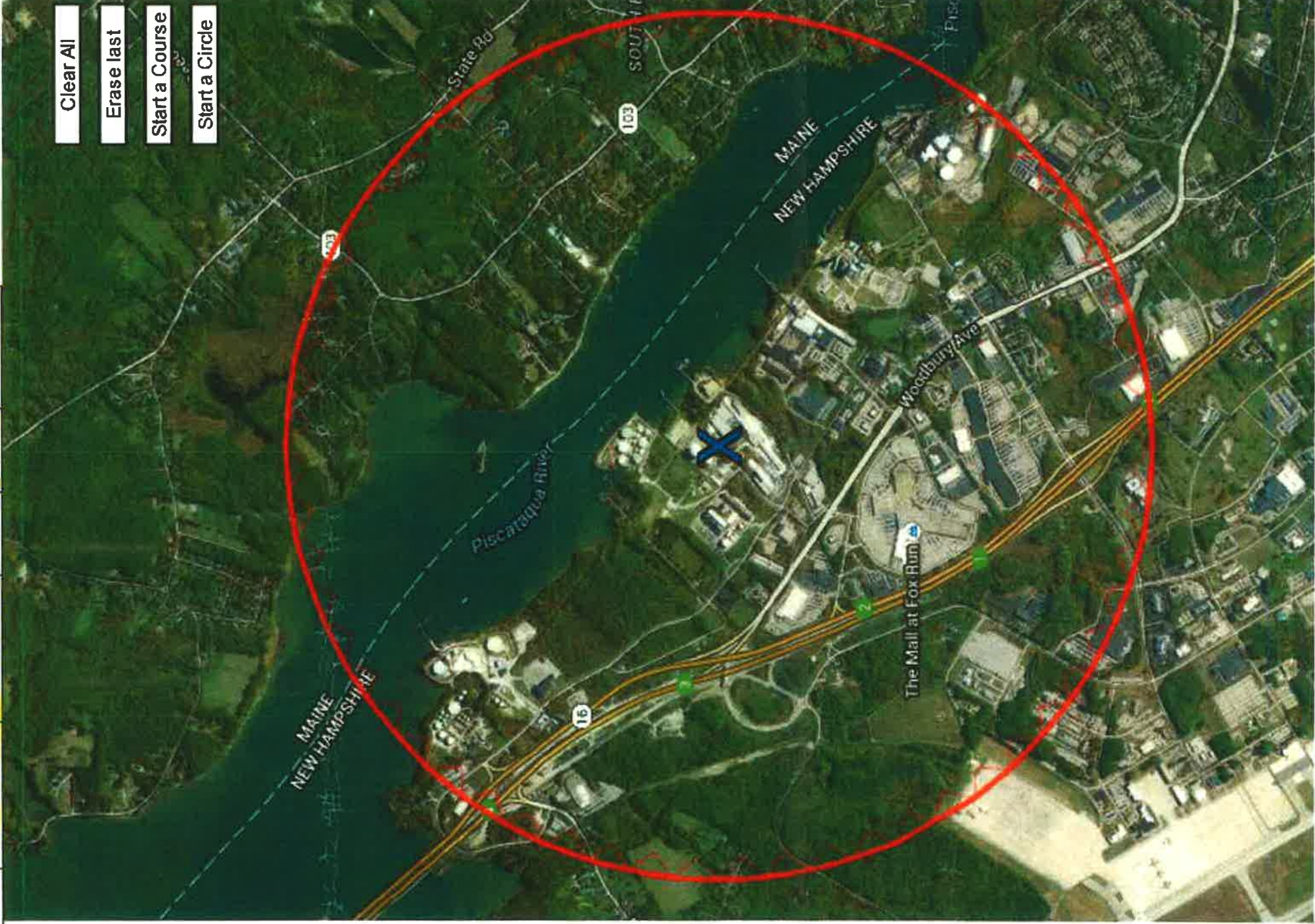
Dated: August 15, 2015



Richard Dipentima

Units: Nautical Miles ▾ Export: KML CSV

Course/ Circle #	Point #	Point/Center Latitude	Point/Center Longitude	Distance/ Radius	Azimuth	Total Distance /Circumference
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1 MILE EVACUATION ZONE FROM SEA-3 (X)

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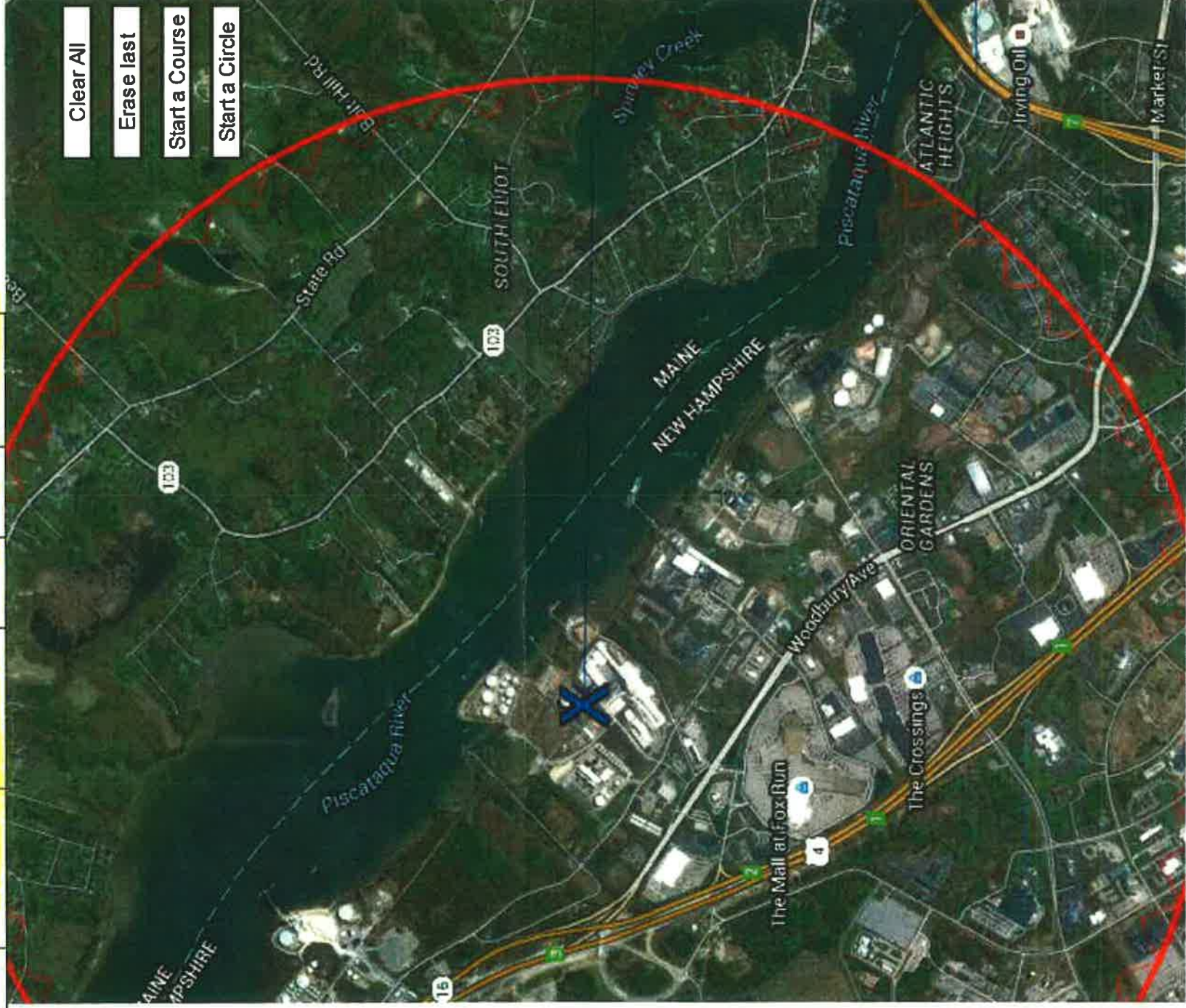
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SEA-3 SITE

16 Dunlap Way
1.4 miles from Sea-3

Map data ©2015 Google Imagery ©2015, Cnes/Spot Image, DigitalGlobe, Landsat, Maine GeoLibrary, U.S. Geological Survey, USNA. For Report a map error.

New Hampshire Site Evaluation Committee

SEC Docket No. 2015-01

In the Matter of the Application of Sea-3, Inc. for an Exemption from the
Requirements of RSA 162-H

Non-Applicant Testimony of Robert L. Gibbons

Could you please identify yourself?

I am Robert L. Gibbons and I reside at 135 Spinnaker Way, Portsmouth, NH with my wife Patricia M. Ford.

In relation to the SEA-3 facility in Newington, where is your home?

My home is approximately 1.8 miles from the SEA-3 facility. The rail lines leading to SEA-3 from Rockingham Junction are approximately 100 yards from my home. The trains travelling to and from SEA-3 are audible, and seasonally visible while transiting near my home.

What if any knowledge or experience do you have in the field of fuel gas distribution and storage?

My experience in the field of gas distribution started with my role as a pipefitter during the initial construction of the Distrigas LNG facility in Everett, Massachusetts in 1971, and continued during many phases of improvements to the operating systems as a welder and pipefitter during these projects. I have worked in a supervisory capacity during the construction and startup phase of numerous combined source powerplants in the New England area and I am very familiar with the transmission of LNG and natural gas in vapor form, both high and low pressure, on these projects. I have personally overseen the installation of numerous fuelgas piping systems providing energy to boilers, burners, and ovens of various capacities and designs for many industrial and commercial uses, and have operated portable explosive atmosphere testers during the testing and startup of many systems. I am a retired member of Pipefitters Local #537 Boston, and have been a member in good standing since 1970.

What is the purpose of your testimony?

SEA-3 was granted approval of their request for permission to expand the facilities at 190 Shattuck Way by the Town of Newington Planning Board. In the course of that process, I believe that the Planning Board failed to address all current safety issues and environmental and economic impacts of the proposed expansion. My testimony is aimed at encouraging the Site Evaluation Committee to deny the current request for an exemption and ensure that a comprehensive review of the SEA-3 expansion is conducted in a manner that ensures the health and welfare of people living adjacent to the project.

Can you summarize your testimony for the Commission?

Yes. SEA-3 has requested an exemption from the requirements of RSA 162-H to provide a full application and review of their proposed expansion. I believe that granting an exemption would

be contrary to the intent of RSA 162-H which mandates the SEC to “ensure that the construction and operation of energy facilities is treated as a significant aspect of land-use planning in which all environmental, economic and technical issues are resolved in an integrated fashion.”

I believe that during preparation for the previous expansion in 1995, SEA-3 was granted an exemption from a full evaluation, which, in all likelihood resulted in the improper placement of the 160,000 bbl LPG storage tank, which straddles two separate industrial zones, only one of which allows for the storage of hazardous materials. The result of this oversight is that the facility has been operating in non-compliance since the completion of that expansion. If a miscalculation of that magnitude could be missed by the Newington town officials in charge of overseeing the project at that time, my faith in their ability to comply with the plans and specifications of a project of this importance is shaken. The applicable statute also gives the SEC the authority to determine whether a project is in the “public interest” and I question why a facility which is slated to be an export terminal for overseas shipments of domestic LPG could possibly be in the public interest. The SEC overview states; “the introduction of major new energy facility proposals for a site or sites in New Hampshire presents the local community, the state, and often the New England region with fundamental impacts to the environment, energy supply, economy, and the public’s health and welfare must be carefully analyzed before proceeding.”

What are your concerns with regard to SEA-3 greatly intensifying their receipt of LPG by rail?

While SEA-3 has been offloading railcars of LPG since 1975, they have never handled the number of railcars that the proposed expansion would bring. Historically, SEA-3 has received the bulk of their LPG by ships, approximately 12-13 per year, as stated by SEA-3 management. Paul Bogan, Vice President of Operations for SEA-3 has indicated that in one year during the 1980’s, SEA-3 unloaded 300-400 railcars, averaging slightly more than one railcar per day for that year, the busiest year on record. During the years 2013, 2012, 2011, 2010 and 2009, SEA-3 offloaded 42, 0, 20, and 25 railcars respectively.

The proposed expansion will expand their offloading capacity by 266%, from a maximum of 6 railcars per shipment to 16 railcars. The number 16 doesn’t seem alarming until the annual totals are calculated, $16 \times 312 \text{ days} = 4992$ railcars full of LPG. As such, the potential for an accident by human or mechanical failure will be proportionally increased. Mr. Bogan has stated that during the railcar unloading process, remote explosive atmosphere detectors are utilized in order to identify any leaking that may occur, but will rely on one individual onsite to inspect the connections between the railcars and the hoses leading to the offloading platforms, and one individual in the control building in charge of monitoring remotely the transfer of 16 railcars of propane, there is no mention of the use of portable atmospheric testers being operated by the individuals responsible for the connection integrity. This, in my opinion, allows critical time and opportunities for problems to pass before any leak is recognized by the remote detectors.

What, if any, concerns do you have regarding the local and regional emergency response capabilities?

During the many and lengthy planning board meetings which I attended, there was never a mention of any comprehensive plan of response to any possible fire, leak, or explosion at the SEA-3 plant except to stress that adequate safety systems are in place which will automatically quench the problem area with water using deluge nozzles, and if the need arises, utilizing the adjacent water tank, owned by Sprague Energy to supplement available water supply sources. In my recollection there was never a mention of the DOT Emergency Response Guidebook, which requires a 1 mile radius evacuation of all personnel, in this case, including, but not limited to the Fox Run Mall, The Crossings shopping center, and all homes and businesses and roadways within that radius. If personal safety is to be considered, there needs to be a plan of action including the cities of Portsmouth and Dover, and all suppliers of mutual aid. If there is ever a leak, fire, or explosion at or nearby the SEA-3 site, there needs to be consideration of the numerous sources of energy situated at nearby facilities. There was no meaningful mention or discussion of these concerns during the Planning Board meetings I attended.

What are your concerns with regard to the potential economic impact on the community if the SEA-3 project is approved?

When introduced to the planning board, the SEA-3 proposal was titled "Proposal by SEA-3 reconfigure it's terminal at 190 Shattuck Way (Tax Map 14 Lot 2; and map20 Lot13) in order to accommodate Liquid Petroleum Gas (LPG) shipments via rail, and export of same via ocean going ships". During the planning board meeting on November 13, 2013, Mr. Bogan stated "they were proposing to convert the majority of their operation from importing foreign propane to exporting domestic propane, with a small percentage to the local market in New England" Mr. Bogan also stated that once the conversion was completed, SEA-3 would no longer be able to import propane via ocean going ships, as the system as proposed would not allow for that transfer, as has been the history at SEA-3.

I understand that businesses exist to provide products for consumption in the marketplace, but I also understand that once SEA-3 begins exporting propane to overseas markets, the local consumers will be faced with escalating prices for propane, essentially competing with foreign customers for gas at world market prices, thereby eliminating any advantage to having domestic propane received and shipped nearby. We, as nearby residents will be expected to assume the risk, noise, diesel fumes and higher fuel gas prices in order to essentially subsidize the SEA-3 facility.

If, in the future, there is an actual propane shortage, SEA-3 cannot be compelled to supply the domestic market as a priority, as their foreign customers will be by then, established recipients and rightly expect deliveries as scheduled. SeA-3 has even been referred to as an export facility by their council during a recent appearance at Rockingham Superior Court.

The above testimony demonstrates that the Newington Planning Board neglected to conduct a full and comprehensive study of the many effects this expansions approval will create, and should be required to allow for a full SEC evaluation in order to arrive at a balanced decision regarding the risks and benefits of such an expansion as SEA-3 has proposed.

Signed:



Robert L. Gibbons

Dated:

Aug 10, 2015

New Hampshire Site Evaluation Committee

SEC Docket No. 2015-01

In the Matter of the Application of Sea-3, Inc. for an Exemption from the Requirements of RSA 162-H

Non-Applicant Testimony of Patricia M. Ford

Would you identify yourself?

I am Patricia M. Ford and I reside at 135 Spinnaker Way, Portsmouth NH with my husband, Robert L. Gibbons. I am a Family Nurse Practitioner and work at Whole Life Health Care, 100 Shattuck Way, Newington, NH.

What is the purpose of your testimony?

We live at Spinnaker Point, a condominium development approximately 2 miles from the Sea-3 LPG storage and distribution facility in Newington, NH. The rail tracks that will be transporting propane tank cars to the Sea-3 facility, if the expansion is approved, run parallel along 50% of the 136 condominium dwellings and are 100 yards from our residence. With my close proximity to the Sea-3 facility for both my work site and home, I have serious concerns regarding the safety, environmental and economic impacts this expansion will bring and the effect it will have on the well-being of our community.

Can you summarize your testimony for the Commission?

I am strongly opposed to the SEC granting a waiver to Sea-3 allowing them to bypass the full application and review of the proposed expansion of their propane storage facility based on the fact this expansion will change Sea-3's entire business model. The nature of their business operation will change from an import to an export business. Their product will change from imported propane to domestic propane. Their method of receiving propane will change from ship to railroad and they have never received 5000 railcars a year of propane before. Their last full safety study was done in 1995 and it is now 2015. Despite the Newington Planning Board declaring this proposed expansion a matter of regional importance, they refused to order a comprehensive safety study when repeatedly asked to do so by the neighboring towns thereby showing their indifference to public safety outside of their own community.

What concerns with regard to an accident at the Sea-3 facility do you believe were not fully addressed by the Planning Board?

Although Sea-3 has an excellent safety record for 40 years off loading propane from 700 foot tankers coming up the Piscataqua River approximately once a month, this operating process will change dramatically when the propane comes by railway. We will be reliant on Sea-3 running a perfect operation with their daily repetitive unloading of 33,000 gallons of un-odorized propane from rail car after rail car, night after night. Under the proposed expansion their unloading capacity will grow exponentially from a recent

average of approximately 25 rail cars a year to close to 5,000. With this significant change in operations, a comprehensive safety study should have been ordered by the Planning Board based on this fact alone. Instead they chose to rely on an outdated 1995 engineering study to grant approval for the expansion.

What concerns do you have regarding the local and regional emergency response capabilities that were not addressed by the Planning Board?

There has never been this much proposed domestic propane coming through Portsmouth, Greenland and surrounding communities by rail in the past. In the possible event of a BLEVE

(Boiling Liquid Expanding Vessel Explosion) such as occurred in Lac Magantic, Quebec, a fire of this magnitude would immediately overwhelm Sea-3's onsite fire suppression system as well as any local town emergency response capabilities, including Newington's. As a nurse and health care professional, I question the present availability of emergency personnel/equipment including what could quickly be mustered, needed to combat a BLEVE and carry out an orderly evacuation of the danger zone within what I understand is a required 1 mile radius. It is rather presumptuous of the Town of Newington to make a decision allowing Sea-3 to further expand knowing they will have to rely on regional mutual aid in the event of a serious emergency situation. In my and others' judgment, the issues concerning emergency access/egress was not thoroughly evaluated by the Newington Planning Board. Local fire departments have not tested their large rescue equipment to demonstrate ability to navigate through present residential areas built up along previously minimally used rail lines. A comprehensive safety study encompassing these factors was repeatedly requested by local citizens which the Planning Board repeatedly refused to order.

What concerns do you have with regard to the environmental impacts of an accident at the Sea-3 facility that were not addressed by the Planning Board?

Adequate consideration of the present industrial corridor along the working Port of Portsmouth and the Piscataqua River regarding the potential for widespread fire, explosion and catastrophic damage in the event of a propane fire was not done by the Planning Board. Adjacent to Sea-3 facility is Newington Energy, Sprague Energy and Eversource (formally PSNH); all storage facilities with their own hazardous and flammable material to include fuel, heavy oil, #2 oil, gasoline and diesel. If there is a Sea-3 site propane fire, there will be no way to avoid the domino effect of keeping fire from spreading to these other energy facilities.

What are the concerns you have with regard to the potential economic impact on the community and the region resulting from the proposed Sea-3 expansion that were not evaluated by the Planning Board?

This proposed expansion allows Sea-3 to greatly profit from their export business, allows Pam Am Railways to profit more with daily train runs, allows the Town of Newington to profit by further enlarging their tax base, while the citizens of Portsmouth and other neighboring communities end up subsidizing these 2 corporations and a municipality that is

not even their own. We will pay higher taxes to upgrade railway crossings and have to assume the safety risk of hazardous material traversing our back yards without any remuneration or consideration of residential needs. This likely will result in lower property values with a high probability our homes will not be saleable in the future. Sea-3 has admitted they will be exporting domestic propane and will only have a small portion available for New England's use. Paul Bogan, Vice President of Operations was quoted as saying at the November 13, 2013 Planning Board public hearing only 10% would be for New England. The SEC needs to recognize that despite more propane storage availability, the price of domestic propane will rise for New England use reflecting Sea-3's ability to command higher prices selling propane both overseas and domestically. This clearly ends up being a winning proposition for them and a losing proposition for everyone else.

SIGNED: Patricia M. Ford DATE: 8/12/15
Patricia M. Ford

New Hampshire Site Evaluation Committee

SEC Docket No. 2015-01

**In the Matter of the Application of Sea-3, Inc. for an
Exemption from the Requirements of RSA 162-H**

Non-Applicant Testimony of Erica Nania

Could you please identify yourself?

My name is Erica Nania and I reside with my husband Matthew Nania at 18 Dunlin Way, Portsmouth, NH. We have lived there since June 2013. My husband moved to Portsmouth eleven years ago. We met six years ago and have lived together in Portsmouth four out of those six years.

Where is your home located in relation to the Sea-3 facility?

Our home on Dunlin Way is about 2 miles from the Sea-3, Inc. facility in Newington, New Hampshire. The rail lines leading to the Sea-3 facility are immediately behind our property, about 100 feet beyond our property line and between our property and the Piscataqua River.

How are you employed?

I am a Physician Assistant in the Emergency Department at Portsmouth Regional Hospital and have been employed there since April, 2013.

My husband is a Senior Financial Analyst at Medtronic Advanced Energy in Portsmouth. He has worked there since December 2014. Prior to that, he worked for Lindt & Sprungli in Stratham, NH for seven years and Westinghouse Electric Company in Newington, NH for three years.

What is the purpose of your testimony?

In being granted approval for expansion by the Town of Newington Planning Board, my husband and I believe there are safety, environmental, and economic concerns related to the increased activity at the Sea-3 facility and increased rail delivery of Liquefied

Petroleum Gas (LPG) that were not adequately or comprehensively addressed by the Planning Board.

Can you summarize your testimony for the Commission?

Sea-3 has requested an exemption from a full review by the Site Evaluation Committee ("SEC") that is otherwise required by the relevant statute, RSA 162-H. I, along with other residents, feel that the SEC's full review is warranted, and necessary to provide an unbiased safety, environmental, and economic evaluation and study to ensure that the proposed expansion meets the objectives set forth by the SEC. Without this evaluation, there can be no assurance that Sea-3 meets these objectives or that parties involved in a potential disaster response would be able to adequately manage the situation. As property owners who are directly impacted by the proposed expansion of the facility and increased rail traffic, we believe that we are entitled to the full review contemplated by the statute.

What are your concerns with regard to Sea-3 greatly intensifying their receipt of LPG by rail?

This would be an exponential increase in the amount of LPG offloaded from rail cars. Right now, Sea-3 receives only 10-30 cars of propane per week. With the expansion, we understand that it would receive 72-96 cars of propane per week. Put another way, current traffic on an annual basis is 120 to 360 propane cars. The facility expansion at Sea-3 will increase this to a range from 864 to 1,150 cars annually. This increase carries with it a greater risk for human or mechanical error due to the more frequent connections and disconnections made between the rail cars and the storage units while offloading the LPG.

This increase also means that a far greater number of rail cars carrying LPG will be traveling through densely populated areas and that would carry greater risk for derailments and potential catastrophic events.

What concerns do you have regarding safety, environmental, and economic impacts that were not addressed by the Newington Planning Board?

Should there be an explosion or other catastrophic event at the Sea-3 facility, there would need to be an evacuation of the surrounding area within a 1-mile radius. This would include multiple businesses including a mall and large shopping center, homes, and other facilities nearby that house hazardous materials. The Newington Planning Board did not address the potential effects an evacuation would have on these facilities, and did not direct or require that a comprehensive study be completed in advance of the implementation of the expansion plan to ensure the town of Newington and mutual-aid towns have the capacity and training to handle an emergency of this nature.

An event at the Sea-3 facility or along the rail could also potentially damage the Piscataqua River, Great Bay estuary, or multiple wetlands. The Planning Board has not fully evaluated the potential risks to these areas.

Finally, it has been disclosed by Sea-3 that it will be exporting a large volume of LPG over the summer months when need in New Hampshire is minimal. With the increased risk involved with transporting large amounts of LPG by rail only to export it, it does not seem the local economy will benefit much from this expansion.

Signed:

A handwritten signature in black ink, appearing to read "Erica Nania", written over a faint, illegible stamp or background.

Erica Nania

New Hampshire Site Evaluation Committee

SEC Docket No. 2015-01

In the Matter of the Application of Sea-3, Inc. for an Exemption from the Requirements of RSA
162-H

Non Applicant Testimony of Jane Sutherland

Could you please identify yourself?

I am Jane Sutherland residing at 8 Dunlin Way, Portsmouth, NH. I reside with my husband John at this home. I am making this testimony on behalf of both of us.

In relation to the Sea-3 facility in Newington, where is your home?

Our residence is approximately two miles from the Sea-3 Liquefied Petroleum Gas storage and distribution Facility in Newington, NH. It is approximately 140 feet from the Pan Am Railroad tracks leading to the Sea-3 facility.

What is the purpose of your testimony?

The approval by the Town of Newington for the large expansion at the Sea3 facility has raised serious concerns regarding the environmental, economic, and safety of the citizens of the surrounding area as well as the environment. We have advocated for a year and a half for a comprehensive, impartial study of the economic, environmental, and safety impact of this application by Sea3 for expansion. The Town of Newington refused to authorize such an impartial study, when in fact, it is actually required as a part of obtaining the necessary permits to expand. The mandate of the SEC, contained in RSA 162-H, is "to ensure that the construction...is treated as a significant aspect of land use planning in which all environmental, economic, and technical issues are resolved in an integrated fashion" Sea3 has requested an exemption from such a study, and we urge the committee to deny their request. We believe that Sea3 should be subject to the full application process.

Can you summarize your testimony for the Commission?

Yes. There are at least three main categories which we believe still need to be addressed in regard to Sea-3's expansion plans and this application to be exempt from the requirements of State law. These will be discussed in detail in the following paragraphs. They are:

1. The Railroad;
2. The Sea-3 site itself; and
3. The economic impact of Sea-3's plans.

THE RAILROAD

We are aware of the federal “pre-emption” provision in the law, but point out that this entire project would not be possible without the propane being delivered by Pan Am Railroad. So although federal supposedly pre-emption prohibits any “interference with interstate commerce,” this particular railroad is involved because some of the land on which Sea-3 plans to expand is actually owned by Pan Am. Any discussion about the legality of this arrangement has been met with disdain by the attorneys for the applicant and in particular the railroad, and the public has been told that there was to be a legal lease of the property. It is our understanding that there is no legal lease on file anywhere.

According to a report by the Federal Railway Administration-Region 1, in the year 2013-14, since the application was made by Sea-3, Pan Am Railways has had eleven train accidents, six of them “track caused”. There have been eight derailments, an increase of 166.67% over the previous year, and 4 accidents on yard track. A derailment on the site of this propane facility could result in leakage of non-odorized propane, affecting a large number of people, houses, and businesses within the wider area. We are naturally and I think reasonably concerned about this track record, which in our judgment has gone largely unnoticed by regulators evaluating the Sea-3 expansion plan.

The FRA’s record relating to Pan Am strongly suggests that a possible derailment or other accident is not an exaggerated concern. A recent derailment happened six houses from our residence, and it took three days, February 23, 24 and 25, 2015, to right it. Photos of this derailment are available. The land along the tracks is virtually inaccessible for emergency vehicles. While no rail car was tipped in this accident, it appears to us that a loaded tank car would be extremely difficult to right, increasing the possibility of leakage. The same sorts of conditions exist in areas close to the Great Bay in Greenland.

According to David Freidman of the American Fuel and Petrochemical manufacturers, “These tank cars don’t breed unless they’ve gone off the tracks, so our message continues to be that we’ve got to keep the cars on the tracks.”

SEA-3 SITE

No one is perfect. Accidents occur on site as well as in transit, and the potential ramifications or implications of such an accident should be studied in detail, made public, and any recommendations made in the course of such a study should be implemented. Although Sea-3 appears to have a good safety record, it has never handled the type of traffic and quantities of hazardous materials before, and there have been many such accidents nationwide. One serious accident occurred at a similar facility in Kingman, Arizona in July 1973 in which 11 firefighters died. It was caused by a run-of-the-mill human error: an employee trying to loosen a valve by hitting it with a wrench. It was loosened, but hitting it caused sparks, and that caused an

explosion. A comprehensive evaluation by this Committee, rather than a short form exemption would provide information about how many employees will be handling these various operations, what their ongoing training will be, methods of preventing human and mechanical error, and preparedness in the event of a problem.

The public has a right to know in detail whether or not the Sea-3 expansion will trigger a reassessment of whether or not Sea-3 will be a CFAT (Chemical Facilities Anti-Terrorism) regulated facility, and if so, complies with the regulations including perimeter barriers, entrance gates, and fences high enough to be an impediment to “non-geriatric attackers” (their words), and specifically what provisions will be made to deter a terrorist attack. The profile of Sea-3 will be raised significantly, and it will be an interesting target for those who lash out against American industry. The CFAT website lists propane as a “chemical of interest”.

In the event of an explosion or fire, the federal government requires the evacuation of a one mile radius from the emergency site. This would include a wide swath of populated, residential areas and commercial areas, including the Fox Run Mall, The Crossings Mall, the Spaulding Turnpike and the bridge across to Dover Point, and numerous homes and businesses. No information has been made public by the Town of Newington regarding the implementation of this requirement. In our judgment, the questions that still need answering (and which will not be answered if this Committee grants the requested exemption) include these: Who is responsible? What is the chain of command? How will these people and businesses be evacuated? Where will they be placed while they are displaced by emergency response? What method or methods of communication are in place to tell residents and businesses about the need for evacuation in the first place?

Despite the assurances of the Fire Marshal of the Town of Newington, it is not possible that a small fire department could possibly handle a catastrophic explosion at the Sea-3 Site, even assuming a prompt response from adjacent communities.

ECONOMIC IMPACT

Sea-3 has claimed that they would be supplying significant amounts of propane to the region, but in fact their objective from the beginning has been to export the LPG that arrives by rail to places abroad where prices have been higher. This was their stated objective in the original application, altered when public opposition became known. If, in fact, the propane is shipped abroad there will may well be less available in the region, causing prices to rise. In his representations to the Superior Court on July 21, 2015, Sea-3’s counsel, Attorney Alec McEachern, confirmed that Sea-3 anticipated making substantial exports of LPG.

The costs to the cities of Portsmouth and Dover to provide the emergency response needed in the case of an accident on the site of Sea-3 will be high and borne by the taxpayers of those cities. In our judgment, it is simply not rational to think that the small town of Newington, population about 900, could plan for, manage and actually handle all aspects of an explosion with their fire/response force of 23 individuals, and what appear to be three vehicles. Again, the federal requirement of evacuation requires a one mile radius from the site of an explosions; this reaches out of Newington and into Dover and Portsmouth, and onto the Piscataqua River waterway, and even across the River to Maine. In the event of an explosion or fire, the evacuation radius will

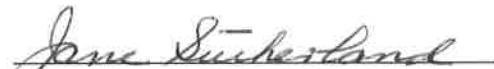
my judgment, it is simply not rational to think that the small town of Newington, population about 900, could plan for, manage and actually handle all aspects of an explosion with their fire/response force of 23 individuals, and what appear to be three vehicles. Again, the federal requirement of evacuation requires a one mile radius from the site of an explosions; this reaches out of Newington and into Dover and Portsmouth, and onto the Piscataqua River waterway, and even across the River to Maine. In the event of an explosion or fire, the evacuation radius will require extensive advance planning, public knowledge and awareness of the plans, and a substantial number of personnel to implement the plan, none of which has been provided by either Sea3 or the Town of Newington. An impartial evaluation by this Committee would properly and reasonably explore these problems.

Upgrading the railroad crossings in the City of Portsmouth will cost in the vicinity of 1.5 million dollars according to the City of Portsmouth estimates, and that figure does not include the significant crossing on Market St, adjacent to both the Port and the City of Portsmouth. The final figure will be higher, much of it also paid by the taxpayers.

These and many additional questions must be answered by the comprehensive evaluation available under RSA 162-H. This application has been designated as one of regional interest, and in the interest of responsive, open government as well as the well-being and safety of the area citizens, we strongly urge you to deny the request of Sea-3 for an exemption from this study and the full application process.

Signed,

Dated: August 15, 2015


Jane Sutherland