

 **NRPC APPROVED MINUTES**
NRPC ENERGY FACILITIES ADVISORY COMMITTEE MEETING
07/24/15

MEMBERS PRESENT:

Tom Young, Town of Litchfield
Elvis Dhima, Town of Hudson
Kat McGhee, Hollis
Mark Bender, Town of Milford
Tad Putney, Town of Brookline
Tim Thompson, Town of Merrimack

Hal Lynde, Town of Pelham
Kermit Williams, Town of Wilton
Sarah Marchant, City of Nashua

OTHERS PRESENT

John Greene, Representative Kuster's Office
Emily Cashman, Senator Shaheen's Office

STAFF PRESENT

Tim Roache, Executive Director Sara Siskavich, GIS Manager Karen Baker, Program Asst.

CALL TO ORDER

Williams called the meeting to order at 2:13pm.

PRIVILEGE OF THE FLOOR

Member of the public Marilyn Learner introduced herself and said she was there to learn. Emily Cashman informed the EFAC that the delegation sent two letters; one to the US Department of Energy Inspector General requesting a review of the permitting process and the extent to which public comment is considered during the application review; and the second requesting that FERC Chairman Bay travel to New Hampshire to hear directly from citizens about the project.

APPROVAL OF THE MINUTES OF JULY 10, 2015

Williams asked if there were any comments or changes to the minutes of July 10, 2015. Thompson motioned to approve the minutes of July 10, 2015 with a second from McGhee. All were in favor.

PRESENTATION AND QA: KEN HARTLAGE, PIPELINE ACTION NETWORK (PLAN)

Ken Hartlage from the Pipeline Action Network (PLAN) introduced himself and provided a background on himself and PLAN. He explained that he was not about to speak freely about issues being discussed at the NH PUC hearings on Liberty, in which PLAN is participating, so he provided a general presentation about LNG export, and he said he is looking at the relationship between LNG export and KM. He quoted information from Kinder Morgan (KM) materials that says they have no involvement beyond interstate transportation of NED gas, but then went on to make the points that 1) very little of NED gas will benefit NH, and 2) there is widespread speculation that it will be transported to Europe and Canada.

Hartlage discussed that KM subsidiaries have ownership interest in two LNG export projects; Gulf LNG and Elba Island Liquefaction, and that KM and their subsidiaries supply natural gas to five approved LNG export projects. Hartlage quoted from public KM presentations in 2012, 2013, & 2014 on the strategic importance of LNG export and showed projects KM was transporting gas to and the 13.4 bcf potential of LNG export. Other slides from 2015 showed east and west region assets and the east region growth opportunity. He concluded that based on these slides, LNG supply is an area of strategic importance to KM. Hartlage talked about the LNG export projects in the Atlantic, Canada and US Northeast, specifically. He added that Nova Scotia and New Brunswick are export targets for gas also as they are both looking for gas.

Bender asked for clarification on Hartlage's slide describing North American total gas export. Hartlage said the 14 bcf figure represents total liquefied natural gas export.

McGhee asked Hartlage if he thought FERC supports the strategic importance of LNG. Hartlage said his understanding is that FERC usually sticks to the site itself, for the purposes of assessing environmental impacts; FERC won't tell KM to "not do something."

Roache questioned if KM is going to mostly export, why not do it in New Jersey or some other place where they would be closer to the ocean. Hartlage said that while LNG is not the primary driver for NED, the gas is only needed in NE for the winter, and KM will continue to pursue new business in Canada.

Williams referred to Mooiman who said the idea of export is a red herring because of the expense and complications to get the gas up here to New England; furthermore, competing pipelines own assets in Canada and would be better able to supply those markets. William's opinion is the export of LNG sourced from the NED was an unlikely scenario. Hartlage said he is collecting the facts as he sees them and said that once PLAN's expert testifies at the NH PUC hearing, he will come back to the group and speak again.

Wells talked about KM's recent press release to downsize the pipe and asked if this sounded like the right judgement at such a high level. Hartlage said that is a good question for FERC and that it is a guess as to where FERC would be on this.

Williams talked about the Concord Lateral capacity issue which is an independent issue from the ultimate destination of NED gas beyond Dracut, being it Canada or elsewhere. Hartlage said Liberty will choose the cheapest and most reliable source, adding that ironically the price at Dracut will be dropping with additional pipeline sources. He added that the issue will be what role the Concord Lateral will play--Liberty says the cost is too much to build out the Concord Lateral, but keep in mind that cost estimate is coming from KM who owns the Concord Lateral.

Hartlage said he would provide a copy of his presentation once all his references were checked and correct. Roache said EFAC might want to incorporate some of this information into the whitepaper. Hartlage concluded by saying that once the pipeline is in, it's not the end of the story.

Roache briefly discussed the joint effort between NH and MA RPA's regarding drafting requests for FERC for additional scoping studies. Roache said he was unsure if there was discussion of export in the studies, but he felt Hartlage's presentation raised important questions that could be addressed in the context of these requests.

McGhee had concerns on what we were doing in regards to a bridging strategy. She questioned the path that overinvestment in gas will put us on, and will we be able to control it in the future.

Williams said we have to be able to compete with other states on energy costs and talked about other energy sources and renewables such as wind. Marchant said that from her vantage point, the challenge is making long-term planning decisions during such a volatile period in the overall energy sector. She also pointed out that energy companies are subject to the market forces that shape to their individual industries and are not necessarily in the business of diversifying their own energy portfolios.

PERTINENT LOCAL TASK FORCE AND WORKGROUP UPDATES

Putney informed the group that the NH Municipal Pipeline Coalition is preparing to speak on behalf of 15 member communities at the FERC scoping meetings, and they will be submitting written comments and will see what happens with the PUC.

Bender said Milford looked at the issue of alternative routes in response to Amherst's re-routing discussion with KM. None of the Amherst alternatives were attractive to the Town of Milford, and in general any alternatives (other than no build) generally represent Milford bearing the burden of more overall miles of pipe.

Thompson stated that the School Board is out in opposition to the Amherst alternative route that re-routed the pipeline near a Merrimack school.

Marchant said Nashua is just watching and are thinking more along the lines of the emergency response aspect and being prepared if needed.

Wells commented that the lateral going south through Mason is close to an aquifer which is a potential future source of public water for Mason. He asked where to go for information on the aquifer. Both Dhima and Marchant suggested he reach out to the NHDES to make sure they have information on aquifer characteristics, and Dhima suggested the Town think about spending a modest amount of resources on potential impacts to the aquifer. Dhima said they have a similar concern in Hudson relative to existing water supplies, and they had an analysis done relative to impacts from contamination, the facility and supply. McGhee suggested Mason take into consideration the land use constraints posed by the pipeline in siting new PWS wellheads. Thompson pointed out one of the Amherst route alternatives is very close to an area of planned infrastructure expansion for the MVD. Roache said he would like to get the information related to the aquifers from Merrimack, Mason and anyone else to include in the EIS. He added that he would do a collective response to FERC and was waiting for the okay to share after the comment period in MA on August 6th & 7th as well as any additional information.

Roache referred to the EFAC statement brought to the Executive Committee (EC) and talked about the changes recommended by the EC. Also, he informed the group that the EC would like the EFAC to gather information from those who would potentially benefit from the pipeline. Also, a decision will need to be made about what the group's future should be. Roache said that the NRPC can provide technical support on mapping and land use regulations. Roache said the draft resolution should be wrapped up and ready for the Commission to act on in September.

Wells asked if there was any information on over supply. Roache said he did not include that information and felt the white paper could provide specifics.

Roache reported that the EC had a discussion relative to the idea of "If not the pipeline, then what?" Roache's point then prompted discussion amongst EFAC on renewables, specifically solar and on the abundance of wind in NH. Marchant felt that solar was going to be big in the next year and referred to the 80 permits that the City received in 15 days for solar on houses since Solar City came to Nashua. Dhima said they had a similar increase in Hudson about a month ago. Roache questioned how much energy is dumping back by converting to solar. There was further discussion between Marchant and Williams on the assessed value of homes by putting solar rays on houses. Marchant said it does not increase the assessed value and is like having a propane tank. Other energy sources were also discussed. There was discussion on wind energy amongst the EFAC. Roache felt that there should be a statewide discussion with the other RPC's because the wind is different in different RPC regions.

Roache reminded the group that Eric Tomasi from FERC would be here on Wednesday, July 29th at 1:00pm to do a presentation and answer questions from EFAC. He added that it is open to the public. Putney informed the group that the Coalition was meeting with Tomasi on Tuesday. Roache said the BIA would be in on August 7th to meet with EFAC. After this, he will work on written comments to FERC. Additionally, he

would bring the resolution statement back to the EC in August and then to the full Commission in September.

Learner asked if the Commission was going to be an intervener. Roache said no. She commented on the window of time and the paperwork that has to be done prior. Roache said there is no budget to support being an intervener. Williams felt the Coalition was the intervener and they have a lawyer.

Siskavich suggested the Resolution should be completed in anticipation of a docket being opened at the NH SEC, ahead of an October application with FERC. Siskavich suggested the resolution could likely be submitted unedited in its entirety.

Young informed the group that KM just issued a second draft of the RR reports a few hours prior to the EFAC convening.

Motion to adjourn came from Thompson with a second from Bender. The meeting ended at 3:31pm. There next meeting would be on August 7, 2015 at 2:00pm.