

Tennessee Gas Pipeline Working Group Minutes
August 4, 2014

Present: John Giger, Chairman; Peter Morrison, Vice Chair; Jack Petropoulos; John Llodra; Dennis Eklof; Mark Haddad, Town Manager; Takashi Tada

Absent: Peter Cunningham; Kevin Kelly

Others Present: Dawn Dunbar, Executive Assistant to the Town Manager

Mr. Giger called the meeting to order at 5:36pm and reviewed the agenda and supplemental material.

Mr. Petropoulos said that he had been tasked with researching the FERC website for an outline of important filing dates as well as reaching out to Kinder Morgan to obtain an estimated project schedule. He said that he had also sent the Chair an email with FAQ's provided by Kinder Morgan which had not been received and would resend. He said that 2 important items to focus on were the Open Houses and FERC Scope Meetings. He said that Open Houses were meetings that were attended and viewed by Kinder Morgan so that they can gather more information. The public could also be asked questions at these meetings. He said that the Scoping Meetings were meetings held by FERC to look at the process and the proposal. He said that FERC representatives do not want to go public until the project reaches a certain point and the reason their Scoping Meetings don't occur until sometime in January or February 2015. He said that they have been responsive to phone calls and emails and would come out during the strategic point in the process. He said that the meeting would be open to the public.

Mr. Petropoulos said that the FERC pre-filing was scheduled to occur in September 2014, and Kinder Morgan would be holding their Open Houses in November and December. He said that it would be during the Scoping Meetings in January and February was when they should approach the government and its officials to express concerns. He said that FERC tends to focus on environmental evaluations, costs, impacts to people and impacts to the environment.

Mr. Eklof said that he read an article about a year ago about a suit that had been filed against FERC in federal court. The courts ruled against FERC stating that they hadn't considered the overall project management. He said that they would be proceeding with caution moving forward.

Mr. Eklof said that he also had also compiled an inventory of documents that the multi-town committee had come up with.

Richard Hewitt said that British Columbia was also having trouble with Kinder Morgan. He said that they had submitted 400 questions to Kinder Morgan and more than half went unanswered. He wanted to point out that it wasn't just them that were having difficulty getting answers from Kinder Morgan. Mr. Hewitt said that Kinder Morgan also had a reputation for not providing much information. Mr. Petropoulos said that the accountability should be on FERC's head and it should be up to Kinder Morgan to educate the community. He said that they didn't have the answers to how the environment would be impacted including wetlands, etc.

Mr. Giger asked if they had come up with a list of who the major pipeline stakeholders were. Mr. Llodra said that he thought the gas and distribution companies, the merchant and/or deregulatory sector, the elected or political officials and the public should all be on the list. Mr. Morrison said that the schools and Conservation Commission should be on the list. Mr. Petropoulos suggested that the homeowners who are directly affected and rate payers be added. Mr. Eklof said that New England Energy, Conservation Law Foundation, New England Industrial Group and shale dealers should all be added. Mr. Llodra said that he was responsible for bringing this up at their last meeting in an effort to raise public awareness in the community. Mr. Hewitt thought the Groton Conservation Trust and NRWA should also be added. Mr. Giger said they should work to understand which ones they could influence and those they could not. Mr. Petropoulos said that the stakeholder who has the line in Dracut that runs from the south coast of Maine should also be added. Mr. Giger said that they should thin the list down, focus their efforts on that list and direct questions and opinions to them.

Mr. Giger said that another one of the handouts was from FERC which outlined their organization chart and office representation. Mr. Giger said that 500,000 dekatherms of energy (1 dekatherm = 1M cubic feet) was subscribed for thus far. Mr. Eklof said that they could build up to 2 billion cubic feet a day. Mr. Giger asked if they had serious energy generators signed up yet. Mr. Eklof said that the cost was great but NESCO had proposed that ISO New England sign the contracts themselves to make them the sole generator on power in New England. Mr. Giger said that power generators were not willing to sign long term contracts because the mechanism for them to recoup money was not there adding that the money output was a major factor. Mr. Giger said that the tariff that had been talked about was essentially ISO allowing electrical generators the ability to recover their costs. Mr. Eklof said that ISO will be allowed to sign long term contracts themselves and release the power to the suppliers. Mr. Llodra said they would need approval from the Regulatory Commission to roll the costs into the New England grid. Mr. Llodra said that he wanted to continue to pursue alternative paths. Mr. Eklof said that if they wanted to build 1 billion cubic foot a day they would most likely go the tariff route so that they could do this. He said that if ISO New England signed onto the 500,000 cubic feet per day, they would most likely see an increase on their bills. Mr. Llodra said that this was a stranded costs was a long running problem adding they would see more of it in the future which required proper attention now. Mr. Petropoulos said that they needed to know 2 things about the tariff 1) they needed to understand it and 2) they needed to discuss what they wanted to do about it. He thought this was something that should be discussed by this group.

Mr. Eklof said that gas was cheap and plentiful right now. He said that the rush to build new pipeline could put other under water. He said that the real question was whether they would end up with huge stranded costs or a huge pipeline with nowhere to go. Mr. Llodra said that it was part of their charge to find a solution. He said they needed to reach out to their elected officials adding that more analysis needed and should be done.

Mr. Morrison said that he was concerned about the sensitivity of the area and not the size of the pipeline. He asked if it mattered if it was a 6" or 36" pipe. Mr. Eklof said that the point was well taken adding that it would most likely be a 24" or 36" pipeline which was not a little pipeline. He said that

they would see environmental disruption about 100ft wide as they would be digging and burying the pipe. He said they should be concentrating on pushing to have the pipeline placed where there is already infrastructure. He said that it should be placed somewhere where it was manageable.

Mr. Haddad asked how they should proceed. He asked if they should take a stance to see if the pipeline could be left out of Groton. Mr. Eklof said that a better approach would be to sit down with Spectra adding that they didn't want Kinder Morgan to affect conservation land. Mr. Eklof said that Spectra was waiting for the point at which they could go after the power generator sector.

Mr. Hewitt said that Portland Natural Gas was out there also adding that Martha Coakley was also looking into this. He said it didn't make sense that the electric rate payers would be responsible for paying for this. Mr. Jeffrey said that he heard it wasn't up to Kinder Morgan to come up with alternatives. Mr. Eklof said that that was not completely true adding that as part of the filing, they had to show alternatives. He said they needed to have option to force the government to do further analysis.

Greg Sheldon said that there was so much information out there but there was more misinformation. He congratulated the group for trying to nail down the facts. He encouraged the group to keep digging for information. He said that his intuition was that this was coming adding that FERC was designed to approve any application that came their way. He thought the route through Groton was still open for discussion. He said that the tariff was parallel to the pipeline and that the infrastructure was on the fast track going downhill. He said that the FERC process was the key to this and a draft environmental impact statement was what mattered. He thought that getting alternatives on record was the most important thing they should be focusing on. He said that participating in a chorus of voices in a draft environmental impact statement was critical. He added that Markey, Donoghue and Warren had all come out against the pipeline since the rally the week before.

Mr. Giger said that their next steps should be to encourage support, look into an economic and environmental analysis and determine who the real players were. Mr. Haddad said that they could also look into contacting the representatives from Kinder Morgan to see if they would be willing to meet with the group. He added that they could also explore ways of moving the pipeline out of Groton adding that his focus was Groton and the need to protect Groton. Mr. Eklof said that it needed to be a chorus of voices and not fighting with neighbors. Mr. Morrison said that the least impactful corridor should be looked at. Mr. Petropoulos said that they had exchanged a lot of information but thought they should be defining what the problems were. They should be looking at ways of keeping the pipeline out of Groton and what that best route is, they should be developing impact questions (impacts on homeowners and environmental impacts), education and how they educate, and their relationship with Kinder Morgan if they do end up coming through town. Mr. Giger said that he wasn't opposed to that adding that the conversations were helpful also.

Minutes

Mr. Petropoulos moved to approve the meeting minutes of July 28, 2014. Mr. Llodra seconded the motion. The motion carried unanimously.

Mr. Giger said that he would talk to the IT Department about a common location where documents and information to be shared could be kept. Mr. Petropoulos said that he would resend his email, work on mitigation and work on a focus for the group. Mr. Morrison said that he too would look into possible mitigation as part of the Conservation Commission view. Mr. Eklof said that he would think about the economical study. Mr. Giger said that he would also like to schedule Ms. Swezey to come talk to the group about property tax implications.

The meeting schedule was reviewed and included August 18th at 5:30pm, August 25th at 5:30pm and September 8th at 5:30pm.

Mr. Morrison moved to adjourn at 7:25pm. Mr. Petropoulos seconded the motion. The motion carried unanimously.

Respectfully submitted,

Dawn Dunbar
Executive Assistant to the Town Manager