



TOWN OF GROTON

173 Main Street
Groton, Massachusetts 01450-1237
Tel: (978) 448-1111
Fax: (978) 448-1115

TENNESSEE GAS PIPELINE WORKING GROUP COMMITTEE

Members

Chair John Giger, G-D School Committee
Vice Chair Peter Morrison, Cons. Comm.
Secretary John Llodra, Citizen at Large
Peter Cunningham, Selectman
John Petropoulos, Selectman
Kevin Kelly, GELD Manager
Dennis Eklof, Citizen at Large

Advisors

Mark Haddad, Town Manager
Steele McCurdy, Fire Chief
Takashi Tada (Cons. Comm. Alternate)

Meeting Date: November 3, 2014
Location: Town Hall, First Floor Meeting Room, 173 Main Street, Groton
Members: John Petropoulos, Kevin Kelly, Dennis Eklof, John Llodra, John Giger,
Peter Morrison, Peter Cunningham
Advising Members: Mark Haddad, Takashi Tada, Steele McCurdy
Handouts: Agenda
Draft minutes October 6, 2014
"New Pipeline Promotion Organization" by Dennis Eklof, October 28, 2014
Draft notice regarding KM/TG Pipeline Open House, Nov. 13th in Pepperell

Meeting convened at 5:34 pm. John Giger asked for review of the October 6, 2014 draft minutes.

Kevin Kelly moved to approve the October 6, 2014 minutes. Peter Morrison seconded and motion carried 6:0 (John Petropoulos abstained).

The group agreed to meet on an every other week basis. Looking ahead to the pipeline events occurring in the broader community as well as member availability, future Pipeline Working Group meetings will be held on:

November 24, 2014,
December 1, 2014,
December 15, 2014, and
January 5, 2015.

John Petropoulos and Dennis Eklof will attend the November 13th Kinder Morgan open house in Pepperell. John Giger may attend as well. For the November 15 statewide summit, John Llodra and John Giger plan to attend.

Focus Team Reports

For the EVALUATE focus team, Dennis Eklof reported on the Commonwealth study ordered by Governor Deval Patrick. The deadline for the study is December 23, 2014. In order to meet this short deadline, the scope of the study was narrowed to calculate how much gas is needed in New England. The presumption is that there will not be volatility in price if there is sufficient demand. Dennis Eklof criticized this assumption as there will be inherent price volatility for the region should New England rely heavily on natural gas for its energy (say 60 percent or more) since natural gas is a globally traded commodity.

John Llodra pointed out that while ISO-NE rules, by design, don't allow merchant power plants to explicitly pass on costs for firm pipeline capacity; this doesn't mean they have zero opportunity to cover these costs through market mechanisms. John Llodra used the analogy of a manufacturer which must make capital investments in plant and equipment, even though there is no guarantee that these costs will be fully covered in a free

market. John pointed out that in deregulated electricity markets, power generators are essentially manufacturers of electricity, and similarly don't have guarantees. The free market laws of supply and demand, not explicit cost pass-through, determine whether or not these costs get covered. A discussion ensued primarily between John Llodra and Kevin Kelly in which it was acknowledged that market mechanisms in ISO-NE, such as capacity payments and marginal energy revenues, theoretically provide generators a potential means to cover fixed pipeline costs, but actual market conditions have caused generators to be reluctant to sign up for fixed pipeline commitments. Kevin Kelly noted that a high percentage of generators went bankrupt 6-8 years ago as a result of the overbuilding of generating capacity that ensued when markets were deregulated.

The group discussed the Spectra proposal and wondered if their project is progressing. Kevin Kelly noted that details have not been released and the details will be key to assessing their plan. Dennis Eklof will reach out to Spectra and ask if they can provide further details.

Dennis Eklof alerted the group to the Coalition for Low Energy Costs which is headed by Tony Buxton (www.energycostcrisis.com). This entity appears to be a pro Kinder Morgan pipeline group that is well funded enough to have placed a number of advertisements in support of the pipeline. Dennis Eklof shared an October 24, 2014 letter that he wrote to Mr. Buxton questioning several of the Coalition for Low Energy Costs' premises but especially the group's slighting of the Spectra proposal as a 'small bite' and the claim that the new pipeline would 'reverse' recent utility cost increases.

For the EDUCATE focus team, John Giger has updated the group on website updates and meeting announcements.

John Petropoulos said that the next step he has planned for the education agenda is to schedule a visit Hopkinton, a town that has a natural gas pipeline passing through it. Once in Hopkinton, John Petropoulos would ask residents, realtors, industry reps and Town officials for their perspectives on what it is like to live near the pipeline.

For the MITIGATE focus team, recent FERC comments submitted by the Wampanoag Tribe interested observers. That group is organized and well represented. This sovereign entity cannot have its issues preempted by federal action. Peter Morrison was aware that certain native groups in the Western part of Massachusetts are impacted by the NED path. Members asked whether the Town of Groton contains native burial grounds. John Giger commented that the Community Preservation Committee funded a study of Groton sites that may have artifacts in the ground. The result of the study was a report marked confidential. This report is not released in order to preserve existing sites from pot hunters.

The group agreed to ask Bob DeGroot, chair of the Historical Commission, about this angle and see if someone can compare the proposed pipeline paths to the known/suspected archaeological sites. Awareness of possible issues may allow for mitigation of the harm. If useful for the group's understanding of the issues, Bob DeGroot may help arrange for a subject matter expert (such as an archaeologist) to address this committee on the matter.

Peter Cunningham and John Petropoulos leave the meeting at 6:15 pm.

The group discussed the Pepperell location for the Kinder Morgan open house. Why Pepperell when the Town of Groton also has affected residents, institutions and raised many questions? As Kevin Kelly noted, Pepperell not only has the main line but it also has a lateral branching off from the main pipeline.

John Giger asked Fire Chief Steele McCurdy about his impressions and investigations into public safety responses. Chief McCurdy said that if you look at the pipeline service records you will see that they are generally quite safe. If there is a leak, then appropriate monitoring equipment is needed to figure out size of the plume in order to figure out the scale of the evacuation. The on-site generation of a notification list is needed for areas impacted by the plume of natural gas. If there is a fire, then the fire department is prepared to address the fire with its own resources and those available through mutual aid from other municipalities.

Peter Morrison asked if there is any problem with earthquakes as we are on a minor earthquake belt. Chief McCurdy said he hasn't researched this particular question yet, but that he will look again. Chief McCurdy assumed that some seismic protection has been built into to the pipeline by design. Both Chief McCurdy and Dennis Eklof have researched the specifics of big pipeline accidents that caused multiple fatalities. Those pipes

were as much as fifty years old. One of the pipes was seam welded, a construction method that is no longer used. The qualities of the coatings for modern pipelines are much improved. Some older pipelines lacked protective coatings altogether. Finally, the safety records for more modern pipelines sited alongside interstate pipelines are quite good.

John Llodra asked about any specific apparatus needed. The active leak of a high pressure line that can't be turned off would need an on-site plume propagation generation. Some held gas monitoring units would be needed. Training for staff to use the CAMEO suites (Computer-Aided Management of Emergency Operations) is perhaps a more significant cost than the software itself.

John Giger asked about planning for risk mitigation for the high school if the pipeline runs across School District property. The evacuation plan would need to be different from a fire drill because the people would need to be completely moved off site as opposed to moving students and staff out of a building. The School District has access to busses, but the busses are not parked on site and bus drivers are not standing by in the event of this sort of emergency.

The group discussed the fact that extra natural gas monitoring devices sound comforting but that such devices are not particularly durable. Such devices can go bad and either stop working altogether or emit false positives. A false positive for a natural gas leak could be particularly trying for the high school as the scare factor for a non-visible harm can be high and invite panicked responses. Chief McCurdy will keep researching the issues.

Peter Morrison moved to adjourn the meeting at 6:34 pm. Kevin Kelly seconded and the motion carried 5:0 (John Petropoulos and Peter Cunningham absent).

Notes by Fran Stanley.