

STATE OF VERMONT
PUBLIC SERVICE BOARD

Petition of Vermont Gas Systems, Inc.,)
requesting a Certificate of Public Good pursuant)
to 30 V.S.A. § 248, authorizing the construction)
of the "Addison Natural Gas Project" consisting)
of approximately 43 miles of new natural gas)
transmission pipeline in Chittenden and Addison)
Counties, approximately 5 miles of new)
distribution mainlines in Addison County,)
together with three new gate stations in)
Williston, New Haven and Middlebury,)
Vermont)

Docket No. 7970

RESPONSE OF PETITIONER TO CONSERVATION LAW FOUNDATION'S
SECOND SET OF INFORMATION REQUESTS ON PETITIONER

This is the response of Vermont Gas Systems, Inc. ("VGS" or "Petitioner") to the Second Set of Discovery Requests ("Discovery Requests") of Conservation Law Foundation ("CLF"). Petitioner is filing one complete hard copy of its responses with the Public Service Board ("Board"), with two copies served on CLF and a copy served on each other party of record.

General Objections:

1. Petitioner objects to any instructions contained in the Discovery Requests to the extent such instructions purport to place on Petitioner greater requirements or reserve greater rights to CLF than are permitted by the Vermont Rules of Civil Procedure as made applicable to Board proceedings through Board Rule 2.214 (A).
2. Petitioner objects to any request for information or production of document(s) that is (or are) subject to the attorney-client privilege, constitute work product, are protected under state or federal law or are proprietary, competitively sensitive or confidential.
3. Petitioner objects to requests to the extent that they (a) are overbroad or unduly burdensome; (b) are cumulative; (c) call for the production of documents not in the possession, custody or control of Petitioner; (d) call for the review, compilation, or production of publicly-available documents that could be obtained by the requesting party in a less burdensome manner; (e) are vague and/or ambiguous; (f) seek information not reasonably calculated to lead to the discovery of admissible evidence; or (g) call for the review, compilation, or production of a voluminous number of documents at great expense to Petitioner.

4. Petitioner does not hereby waive any objections, and it reserves the right to later raise any additional, available objections.

5. Responses and objections indicated herein reflect the position of the individual specified by Petitioner and not the other respondents unless specifically stated otherwise.

Q.CLF:VGS.2-1: Identify how many years VGS expects the proposed pipeline to be in service.
a. Identify all facts and produce all documents on which VGS relies to support its response.

A.CLF:VGS.2-1: Objection to the extent the request is vague, overly broad, and unduly burdensome. Notwithstanding this objection, VGS responds: VGS expects the proposed pipeline to be in service for as long as there is a need to supply natural gas to customers. The physical plant is not designed with a termination or planned obsolescence date. With proper maintenance it is possible for the physical plant to be in service for well over 50 years.

Person Responsible for Response: Jean-Marc Teixeira
Title: Vice President of Operations, Vermont Gas Systems, Inc.
Date: May 30, 2013

Q.CLF:VGS.2-2:

Admit that it is consistent with industry practice for a project such as the one proposed to be in service for fifty to one hundred years.

- a. If denied identify all facts and produce all documents on which VGS relies to support its denial.

A.CLF:VGS.2-2: Admit.

Person Responsible for Response: Jean-Marc Teixeira
Title: Vice President of Operations, Vermont Gas Systems, Inc.
Date: May 30, 2013

Q.CLF:VGS.2-3: Produce any and all analysis of GHG emissions resulting from the project. Kindly provide the requested documents in machine-readable spreadsheets if they exist.

A.CLF:VGS.2-3: Objection, the request is overly broad and unduly burdensome. Without waiving the objection, refer to **Attachment A.CLF:VGS.2-3.1**, **Attachment A.CLF:VGS.2-3.2**, and **A.DPS:VGS.2-33(e)**.

Person Responsible for Response: Eileen Simollardes
Title: Vice President, Supply and Regulatory Affairs, Vermont Gas Systems, Inc.
Date: May 30, 2013

Q.CLF:VGS.2-4: Produce any and all analysis of GHG emissions provided as part of any National Environmental Policy Act (NEPA) review for the project. Kindly provide any responsive documents in machine-readable spreadsheets if they exist.

A.CLF:VGS.2-4: No such analysis has been completed as part of the NEPA review.

Person Responsible for Response: Jeffrey A. Nelson
Title: Director of Energy and Environmental Services, Vanasse Hangen Brustlin, Inc.
Date: May 30, 2013

Q.CLF:VGS.2-5: Produce all documents submitted to support any claim that the proposed project is eligible for any categorical exclusion under the National Environmental Policy Act.

A.CLF:VGS.2-5: Objection, the request is overly broad and unduly burdensome. Objection to the extent the question calls for attorney-client communications or attorney-client work product. Without waiving the objection, see **Attachments A.CLF:VGS.1-1b.1 and 1-1b.2**. See also emails attached as **Attachment A.CLF:VGS.2-5.1** and the Categorical Exclusion Checklist attached as **Attachment A.CLF:VGS.2-5.2**.

Person Responsible for Response: Jeffrey A. Nelson
Title: Director of Energy and Environmental Services, Vanasse Hangen Brustlin, Inc.
Date: May 30, 2013

Q.CLF:VGS.2-6: Admit that the proposed project will require an Environmental Assessment under the National Environmental Policy Act.

a. If denied, identify all facts and produce all documents on which VGS relies to support its denial.

A.CLF:VGS.2-6: Objection, calls for a legal conclusion. Further objection to the extent the question calls for attorney-client communications or attorney work product. Without waiving the objection, denied. See A.CLF:VGS.2-5.

a. Denied. See A.CLF:VGS.2-5.

Person Responsible for Response: Jeffrey A. Nelson
Title: Director of Energy and Environmental Services, Vanasse Hangen Brustlin, Inc.
Date: May 30, 2013

Q.CLF:VGS.2-7: Admit that the proposed project will require an Environmental Impact Statement under the National Environmental Policy Act.

- a. If denied, identify all facts and produce all documents on which VGS relies to support its denial.

A.CLF:VGS.2-7: Objection, calls for a legal conclusion. Further objection to the extent the request calls for attorney-client communications or attorney work product. Without waiving the objection, denied. See A.CLF:VGS.2-5.

- a. Denied. See A.CLF:VGS.2-5.

Person Responsible for Response: Jeffrey A. Nelson
Title: Director of Energy and Environmental Services, Vanasse Hangen Brustlin, Inc.
Date: May 30, 2013

Q.CLF:VGS.2-8: Identify all actions taken by VGS to complete the environmental review required by the National Environmental Policy Act.

A.CLF:VGS.2-8: Object, the request is overly broad, vague and calls for a legal conclusion. Further objection to the extent calls for attorney-client communications or attorney work product. Without waiving the objection, see A.CLF: VGS.2-5 and re-filed Collateral Permit Applications (5/3/2013) provided as supplement to first set of responses, May 8, 2013.

Person Responsible for Response: Jeffrey A. Nelson
Title: Director of Energy and Environmental Services, Vanasse Hangen Brustlin, Inc.
Date: May 30, 2013

Q.CLF:VGS.2-9: Identify and produce all data and provide in machine-readable spreadsheets if they exist, on which VGS relies for its claims that the project will:

- a. "reduce almost 16,000 tons of greenhouse gas emissions per year." Gilbert p.12, 1.19
- b. reduce GHG emissions by a total of almost 300,000 tons over twenty years. Simollardes p.2, 1.14.
- c. "reduce the equivalent of 6.3 million gallons of oil use per year" Gilbert p.12, 1.20.
- d. "decrease fuel usage through increased energy efficiency" Gilbert p.12, 1.21.
- e. Result in "carbon reduction savings of \$17.1 million" Simollardes p3, 1.14

A.CLF:VGS.2-9:

a. See **Attachment A.CLF:VGS.2-3.1.**

b. See **Attachment A.CLF:VGS.2-3.1.**

c. See **Attachment A.CLF:VGS.2-3.1.**

d. Please refer to the prefiled testimony of Timothy Lyons of December 20, 2012, at pages 7-9 and A.PSD:VGS.2-3. See also the demand side management brochures attached as **Attachment A.CLF:VGS.2-9(d)(1)** and **Attachment A.CLF:VGS.2-9(d)(2)**.

e. See **Attachment A.CLF:VGS.2-3.2.**

Person Responsible for Response: Eileen Simollardes

Title: Vice President, Supply and Regulatory Affairs, Vermont Gas Systems, Inc.

Date: May 30, 2013

Q.CLF:VGS.2-10: Produce in a machine-readable spreadsheet or spreadsheets, if it exists, the information included in and on which the following pdf attachments are based:

- a. Attachment A.ANR.VGS.RTP.1-3 (Simollardes): "copy GHG monetized"
- b. Attachment A.ANR.VGS.RTP.1-3 (Simollardes): "Exhibit EMS 1 environmental impact"
- c. REDACTED Attachment A.ANRVGS.RTP.1-3 (Simollardes): "Redacted - base case without IP 20 year response"
- d. REDACTED Attachment A.ANRVGS.RTP.1-3 (Simollardes): "Redacted - without IP 20 year no contingency response"
- e. REDACTED Attachment A.ANRVGS.RTP.1-3 (Simollardes): "Redacted - with IP 20 year response"
- f. REDACTED Attachment A.PSD.VGS.1-48.1
- g. REDACTED Attachment A.PSD.VGS.1-48.2

A.CLF:VGS.2-10:

- a. Provided as **Attachment A.CLF.VGS.2-3.2.**
- b. Provided as **Attachment A.CLF.VGS.2-10(b).**
- c. Objection – the spreadsheets in native format contain embedded confidential information and CLF has not signed the protective agreement.
- d. Objection – the spreadsheets in native format contain embedded confidential information and CLF has not signed the protective agreement.
- e. Objection – the spreadsheets in native format contain embedded confidential information and CLF has not signed the protective agreement.
- f. Objection – the spreadsheets in native format contain embedded confidential information and CLF has not signed the protective agreement.
- g. Objection – the spreadsheets in native format contain embedded confidential information and CLF has not signed the protective agreement.

Person Responsible for Response: Eileen Simollardes
Title: Vice President, Supply and Regulatory Affairs, Vermont Gas Systems, Inc.
Date: May 30, 2013

Q.CLF:VGS.2-11 Regarding Attachment A.ANR.VGS.RTP.1-3 (Simollardes):
"ESVGS100009^eMailContent" which is a letter from Matthew Stern of Vermont Law School to VT Gas regarding VT Gas' projections of greenhouse gases from the project:

- a. The letter states: "There were a few issues that we made corrections on. Mainly, the calculation of Billion BTUs for the natural gas was missing the conversion factor from million cubic feet to BTUs, which we corrected. We made a similar correction, based on those numbers, for the total gallons of fuel displaced. We changed this calculation to the total BTUs of energy used by the natural gas fuel divided by the BTU/gallon of fuel oil listed."
 - i. Were these errors corrected in the versions of these calculations (see list above) attached by VT Gas?
- b. The letter states: "We changed this calculation to the total BTUs of energy used by the natural gas fuel divided by the BTU/gallon of fuel oil listed. Please note that these values are very high. We are concerned that the number listed in C2, total load of Mcf might be off by a factor - perhaps actually representing cubic feet. However, the changes we made assumed that this threshold number was correct."
 - i. Identify the response of VT Gas to the issue
 - ii. Produce any documents regarding the response of VT Gas to this issue.
 - iii. Does Ms. Simollardes agree with Mr. Stern's comments?
 1. If not, identify all information and produce all documents supporting any disagreement with Mr. Stern's comments.
 2. Identify any action taken to respond to Mr. Stern's comments and concerns.
 3. Confirm if the values identified are now correct.
 4. If they have been corrected, provide any documents showing any correction.
 5. Explain why the values are so large.
 6. Identify to which numbers, specifically (giving exact tab and cell locations) that Mr. Stern refers to.
- c. The letter states: "Not assuming an efficiency gain in new natural gas furnaces does make this a conservative estimate. Just to echo Michael's earlier email, efficiency gains from installing new furnaces would lower emissions. However, using a pure BTU analysis certainly helps the accuracy."
 - i. Does Vermont Gas agree with this?
 - ii. If not, identify all facts and produce all documents on which you rely to support your disagreement.
- d. The letter states: "I will note though that your total emissions value is listed in Tons. You may consider clarifying short tons (which have 2,000 lbs) or metric tons which is commonly used to describe CO2 emissions and has 2,204.6lbs."
 - i. Identify whether the labeling problem identified has been corrected.
 - ii. Is the total emissions values provided by Vermont Gas in short tons or metric tons?

- iii. Confirm whether for each instance in which Vermont Gas refers to total emissions values it refers to short tons or metric tons.

A.CLF:VGS.2-11:

a.

- i. Yes.

b.

i. Vermont Gas had a follow-up phone conversation and confirmed that Mr. Stern had erroneously used Mcf as million cubic feet rather than thousand cubic feet resulting in his figures being too high. While on the phone Mr. Stern adjusted his calculation to thousand cubic feet and validated VGS' number.

- ii. See **Attachment A.CLF:VGS.2-11(b)(ii)**.

iii. Yes, VGS agrees that Mr. Stern's number when expressed as million cubic feet was too high.

1. N/A.

2. VGS' Mcf calculation was correct.

3. VGS' value was correct.

4. No correction was necessary. Mr. Stern incorrectly thought the value provided was in ccf rather than Mcf.

5. VGS' values were not too high. Mr. Stern had an incorrect value in his spreadsheet regarding Mcf and Ccf.

6. See **Attachment A.CLF:VGS2-11(b)(iii)(6)**, Column B Row 9.

c.

i. Yes. Vermont Gas agrees that it is not taking credit for the reductions in emissions that would result from both fuel switching *and* installing a higher efficiency heating system.

- ii. Not applicable.

d.

i. No. Vermont Gas has not specified in its exhibits whether or not the emission reductions are stated in short tons or metric tons.

ii. Short tons.

iii. All VGS references to tons of emissions reduced refer to short tons.

Person Responsible for Response: Eileen Simollardes

Title: Vice President, Supply and Regulatory Affairs, Vermont Gas Systems, Inc.

Date: May 30, 2013

Q.CLF:VGS.2-12: The Attachment A.ANR.VGS.RTP.1-3 (Simollardes):
"ESVGS100014^eMailContent" appears to be blank. Kindly provide the missing text of this
email.

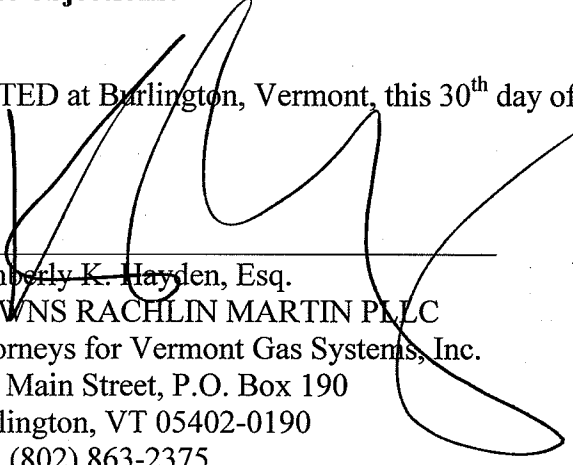
A.CLF:VGS.2-12:

See Attachment A.CLF:VGS.2-12.

Person Responsible for Response: Eileen Simollardes
Title: Vice President, Supply and Regulatory Affairs, Vermont Gas Systems, Inc.
Date: May 30, 2013

As to objections:

DATED at Burlington, Vermont, this 30th day of May, 2013.



Kimberly K. Hayden, Esq.
DOWNS RACHLIN MARTIN PLLC
Attorneys for Vermont Gas Systems, Inc.
199 Main Street, P.O. Box 190
Burlington, VT 05402-0190
Tel: (802) 863-2375

14242292.1