

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 NATHAN PALMER’S
FIRST SET OF INFORMATION REQUESTS ON PETITIONER

This is the response of Vermont Gas Systems, Inc. (“VGS” or “Petitioner”) to the First Set of Discovery Requests (“Discovery Requests”) of Nathan Palmer (“Palmer”). Petitioner is filing one complete hard copy of its responses with the Public Service Board (“Board”), with two copies served on Palmer 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 Palmer 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.PALMER:VGS.1-1: The original filing for this project sited the pipeline along Davis Road, then it veered west to join the VELCO corridor and then headed south on the VELCO corridor and it did not cross our land. Please provide all information and details as to why the proposed pipeline route now deviates from the VELCO corridor and crosses ours and the Latreille's properties. Please include documentation from VELCO, ANR or any other agency or individual who is responsible for this deviation.

A.PALMER:VGS.1-1: Objection; overly broad. The explanation for the proposed transmission line realignments is described in the Supplemental Testimony submitted on February 28, 2013. At this location, use of the VELCO corridor is not feasible due to existing and planned VELCO infrastructure.

Person Responsible for Response: John Heintz
Title: Project Manager
Date: May 3, 2013

Q.PALMER:VGS.1-2: Please explain in detail why it is acceptable to site this transmission line closer to a significant wetland than to keep it at the higher elevation?

A.PALMER:VGS.1-2: See A.Palmer:VGS.1-1. Further, the transmission line will be located in a manner that meets all applicable environmental regulations to avoid and minimize environmental impacts, including wetland impacts. Ultimately, the selection of an alternative that achieves these objectives, and is also practicable in consideration of cost and community preferences, is determined through this CPG process and individual permit reviews by DEC and USACE.

Person Responsible for Response: Jeffrey A. Nelson, John Heintz
Title: Director of Energy and Environmental Services, Vanasse Hangen Brustlin, Inc.; Project Manager
Date: May 3, 2013

SAFETY

Q.PALMER:VGS.1-3: What is the potential impact radius for a gas pipe this size operating at maximum pressure? Could you please provide a map of the proposed pipeline route with the Potential Impact Radius calculated and drawn in for all properties on the route?

A.PALMER:VGS.1-3: Objection; as to the phrase "potential impact radius" as vague and ambiguous. Notwithstanding, and assuming this refers to use of this term in the context of integrity management as used in 49 C.F.R. Part 192, this value is approximately 300 feet. No map responsive to this request has been prepared by VGS.

Person Responsible for Response: Jean-Marc Teixeira
Title: Vice President of Operations, Vermont Gas Systems, Inc.
Date: May 3, 2013

Q.PALMER:VGS.1-4: Please provide the number of incidents and circumstances in this country during the last 20 years involving a gas or other type of pipeline that have been caused by human accidental damage?

A.PALMER:VGS.1-4: VGS has not performed this analysis.

Person Responsible for Response: Jean-Marc Teixeira
Title: Vice President of Operations, Vermont Gas Systems, Inc.
Date: May 3, 2013

Q.PALMER:VGS. 1-5: Please provide the number of incidents involving Enbridge or Gaz Metro in the past 20 years. What was the extent of the damages?

A.PALMER:VGS. 1-5: VGS has not performed this analysis.

Person Responsible for Response: Jean-Marc Teixeira
Title: Vice President of Operations, Vermont Gas Systems, Inc.
Date: May 3, 2013

Q.PALMER:VGS. 1-6: What is the extent of the company's liability for lives lost; property destroyed and wells polluted along the pipelines?

A.PALMER:VGS. 1-6: Objection, calls for a legal conclusion.

Person Responsible for Response: Kimberly K. Hayden, Esq.
Title: Director, Downs Rachlin Martin, PLLC
Date: May 3, 2013

Q.PALMER:VGS.1-7: How long does it take for injured parties or people with damaged properties to recover damages? Please document these responses.

A.PALMER:VGS. 1-7: Objection, calls for a legal conclusion.

Person Responsible for Response: Kimberly K. Hayden, Esq.
Title: Director, Downs Rachlin Martin PLLC
Date: May 3, 2013

Q.PALMER:VGS.1-8: Please provide a plausible emergency evacuation plan for a pipeline rupture event, for a town with Page 2 of 3 [sic] no professional fire department, no police and no hydrants.

A.PALMER:VGS.1-8: VGS routinely provides local volunteer fire departments, emergency first responders, and has its own emergency preparedness plan. See **Attachment A.CSWD:VGS.RTP.1-12.2.**

Person Responsible for Response: Jean-Marc Teixeira
Title: Vice President of Operations, Vermont Gas Systems, Inc.
Date: May 3, 2013

AESTHETICS

Q.PALMER:VGS.1-9: In Mr. Buscher's testimony, figure 9 VP 267, page 23, a photo shows a view of our property. Please verify where you were standing when you took the photo. Please either take a photo of where the pipeline will actually be going through, or do an artist's rendering of what it will look like once the pipeline is installed. On what basis was the "no adverse impact" determined?

A.PALMER:VGS.1-9: The photo shown in figure 9 was taken from VP #267 as depicted on map 6-1 of the Aesthetic Analysis Report included as Exhibit Petitioner MJB-2. Our methodology on assessing adverse impacts is fully described in Section III, pages 2 through 3. Specific assessment of views from Rotax Road is included in both the Aesthetic Analysis Report and the Aesthetic Analysis Report Supplement Exhibit Petitioner Supp. MJB-2.1 (2/28/2013). Additional photos captured during field investigation at VP #267 are included below.





Person Responsible for Response: Michael J. Buscher
Title: Professional Landscape Architect, T.J. Boyle Associates, LLC
Date: May 3, 2013

ARCHAEOLOGICAL

Q.PALMER:VGS.1-10: There are numerous archaeologically sensitive areas all around our property. Please tell us why it is assumed that our land will not also contain archaeologically sensitive areas?

A.PALMER:VGS.1-10: Though it has not been confirmed with a field inspection because VGS has not been provided right-of-entry, based on environmental criteria and recorded sites nearby, it is anticipated that the revised project corridor on this property does contain archaeologically sensitive areas that would need to be investigated prior to project construction.

Person Responsible for Response: John Gordon Crock, Ph.D.
Title: Director of the Consulting Archaeology Program, University of Vermont
Date: May 3, 2013

CONSTRUCTION

Q.PALMER:VGS.1-11: Please provide a map showing all locations where blasting will be used (which can be derived from geological maps) the types of blasting chemicals and quantities, the MSDS on those chemicals, and the methodology? Could you also show on that map where blasting will intersect groundwater sources?

A.PALMER:VGS.1-11: There may be blasting to facilitate the installation of the pipeline at some locations. The exact locations of blasting, if necessary, are yet to be determined. VGS will use a blasting contractor licensed in the State of Vermont. It should be noted that blasting for projects of this nature will have limited impacts. Any blasting that is required for the Project would be conducted by state-licensed professionals in accordance with applicable blasting codes and local blasting requirements and in conformance with the American Gas Association (AGA) Blasting Guide (latest edition). VGS will adhere to the blasting protocol described at pages 34-39 of Mr. Heintz's supplemental testimony. VGS does not have the map requested.

Person Responsible for Response: John Heintz
Title: Project Manager
Date: May 3, 2013

Q.PALMER:VGS.1-12: How will construction crews prevent the introduction and spread of invasive species on our land from construction equipment? How will you document the absence of such species and how will you monitor after construction to make sure nothing new was introduced, and how you will mitigate if there is a problem without using herbicides so we can preserve our potential organic status?

A.PALMER:VGS.1-12:

Per the Erosion Prevention and Sediment Control Plan ("EPSC Plan"), the potential spread of invasive plant species that are located within wetlands will be controlled by cleaning construction mats of any soil and/or seed stock prior to transport of those mats to a new wetland location. To the extent that collateral permits issued for the project require monitoring for invasive species, VGS would comply with such requirements. VGS does not use herbicides to manage vegetation within its rights-of-way.

Person Responsible for Response: Jeffrey A. Nelson, John Heintz
Title: Director of Energy and Environmental Services, Vanasse Hangen Brustlin, Inc.; Project Manager
Date: May 3, 2013

Q.PALMER:VGS.1-13: Please provide details as to how you will ensure our potential for organic farming status will not be compromised by the construction of this pipeline? (for instance, leaking hydraulic products from construction equipment, spills, etc.)

A.PALMER:VGS.1-13:

Construction will be conducted as described in Mr. Heintz's testimony. VGS will work with landowners that have or are in the process of achieving organic certifications so that this status will not be compromised by the installation or maintenance of the proposed pipeline. During construction, the operation and maintenance of vehicles and machinery will be in accordance with an approved Spill Prevention, Control and Countermeasures (SPCC) plan and associated monitoring and reporting requirements.

Person Responsible for Response: John Heintz
Title: Project Manager
Date: May 3, 2013

Q.PALMER:VGS.1-14: Please provide details on coatings (MSDS) on pipes and any fluids or other substances used during the construction of the pipeline. Please provide details on welding procedures and products used (MSDS).

A.PALMER:VGS.1-14: VGS does not have MSDS for pipeline coatings, as the pipe for the project has not yet been procured. The pipe manufacturer applies coatings as a part of the manufacturing process. The VGS welding procedure is attached as **Attachment**

A.PALMER:VGS.1-14.

Person Responsible for Response: John Heintz
Title: Project Manager
Date: May 3, 2013

Q.PALMER:VGS.1-15: Please provide details and diagrams of methods that will be used to prevent compaction of our soils during construction.

A.PALMER:VGS.1-15:

Please refer to Exhibit Petitioner Supp. JH-3. All topsoil will be stripped and segregated to prevent mixing with subsoil in active agricultural areas and wetlands. In addition, within active agricultural areas, the entire ROW width will be de-compacted with a sub-soiler following installation and prior to replacement of topsoil.

Person Responsible for Response: John Heintz
Title: Project Manager
Date: May 3, 2013

Q.PALMER:VGS.1-16: Please provide detailed drawings and descriptions of construction procedures that will be used on our property and the adjoining properties. (for instance, how will the stream be crossed? Will this be trenched or horizontally drilled?)

A.PALMER:VGS.1-16: Please refer to Exhibit Petitioner Supp. JH-3 (2/28/13).

Person Responsible for Response: John Heintz
Title: Project Manager
Date: May 3, 2013

MAINTENANCE

Q.PALMER:VGS.1-17: Please explain methods of policing the pipeline and how these methods will affect our farming crops and livestock. What access will maintenance crews need and what entities will provide it?

A.PALMER:VGS.1-17: VGS performs annual leak and cathodic protection surveys, which involve walking the pipeline corridor. These field surveys are generally performed after harvest of crops in the fall, so as not to disturb crop production. VGS personnel coordinate with landowners so as not to interfere with livestock. Access to fenced areas is generally provided by locked gates which are left in the condition as found.

Person Responsible for Response: Jean-Marc Teixeira
Title: Vice President of Operations, Vermont Gas Systems, Inc.
Date: May 3, 2013

Q.PALMER:VGS.1-18: Please document that no pesticides, herbicides, or other chemicals will be used on our property to maintain the pipeline right of way.

A.PALMER:VGS.1-18: No pesticides, herbicides, or other chemicals will be used on our property to maintain the pipeline right of way.

Person Responsible for Response: Jean-Marc Teixeira
Title: Vice President of Operations, Vermont Gas Systems, Inc.
Date: May 3, 2013

CLIMATE CHANGE/ENVIRONMENTAL DAMAGE

Q.PALMER:VGS.1-19: What evidence is there that this pipeline infrastructure build out would be better than renewable energy to lower our carbon emissions as soon as possible?

A.PALMER:VGS.1-19: VGS has not made this claim nor conducted such a study.

Person Responsible for Response: Eileen Simollardes
Title: Vice President, Supply and Regulatory Affairs, Vermont Gas Systems, Inc.
Date: May 3, 2013

Q.PALMER:VGS.1-20: Please provide a map of all private groundwater sources potentially impacted (within 600 feet) as you have only mapped public ones in the petition.

A.PALMER:VGS.1-20: VGS has not performed this analysis.

Person Responsible for Response: John Heintz
Title: Project Manager
Date: May 3, 2013

Q.PALMER:VGS.1-21: Please quantify and recalculate the GHG equivalent effect of "natural" gas for the entire production cycle, including extraction and delivery.

A.PALMER:VGS.1-21: VGS has not performed this analysis.

Person Responsible for Response: Eileen Simollardes
Title: Vice President, Supply and Regulatory Affairs, Vermont Gas Systems, Inc.
Date: May 3, 2013

Q.PALMER:VGS.1-22: According to reports you have provided to the Public Service Department, there is a documented amount of unaccounted for gas each year. When asked about this figure, Eileen Simollardes replied that this was due to "meter error". Please prove that this is, indeed, a meter error. If this cannot be proved, please calculate the additional "lost gas" that will come from the new infrastructure.

A.PALMER:VGS.1-22: Ms. Simollardes' statement appears to be taken out of context. Ms. Simollardes has stated that unaccounted-for-gas includes "meter error." She did not state that all unaccounted-for-gas was due to meter error. She has also stated that unaccounted-for-gas includes the effect of timing of purchases. She has stated that she believes a significant portion of the unaccounted-for-gas is attributable to timing and meter differences rather than natural gas escaping from the system. This belief is based on the fact according to the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration Annual Reports for calendar years 2007-2011, Vermont Gas has had one leak on its transmission system.

Person Responsible for Response: Eileen Simollardes
Title: Vice President, Supply and Regulatory Affairs, Vermont Gas Systems, Inc.
Date: May 3, 2013

Q.PALMER:VGS.1-23: Please provide a detailed map of where you intend to site this pipeline on our property showing all wetlands, archaeologically sensitive areas, water sources, streams, improved garden areas, ponds and trees.

A.PALMER:VGS.1-23: As noted in A.Palmer:VGS.1-10, VGS has not been granted right-of-entry to the property. Available information responsive to this request is provided in Attachment 1 to Exhibit Petitioner Supplement JAN-9 (2/28/13) – Erosion Prevention and Sediment Control Plan, and Appendix 1 to Exhibit Petitioner Supplement JAN-2 (2/28/13) – Natural Resources Sheets.

Person Responsible for Response: Jeffrey A. Nelson
Title: Director of Energy and Environmental Services, Vanasse Hangen Brustlin, Inc.
Date: May 3, 2013

Q.PALMER:VGS.1-24: Mr. Carr cited savings for Addison County residents and businesses projected into the future. How much did he figure the cost of "natural" gas would rise in the next decade?

A.PALMER:VGS.1-24:

The estimates for the increase in the cost of natural gas were based on the reference case projections of the cost of natural gas in 2010 dollars per million BTU for the New England market as contained in the United States Energy Information Administration's Annual Energy Outlook 2012. A copy of the forecast can be obtained from the U.S. Energy Information Administration's website (<http://www.eia.gov/>).

Person Responsible for Response: Jeffrey B. Carr
Title: President and Senior Economist, Economic and Policy Resources, Inc.
Date: May 3, 2013

Q.PALMER:VGS.1-25: "Natural" Gas prices are regulated but increases in costs are possible. Has Mr. Carr done any analysis on what will happen if the price of "natural" gas doubles, triples, or even quadruples as other fossil fuel prices have done during the course of a few years?

A.PALMER:VGS.1-25: No.

Person Responsible for Response: Jeffrey B. Carr
Title: President and Senior Economist, Economic and Policy Resources, Inc.
Date: May 3, 2013

Q.PALMER:VGS.1-26: Can Mr. Gilbert guarantee that "natural" gas will always have a significant competitive cost advantage over using other fuels?

A.PALMER:VGS.1-26: No.

Person Responsible for Response: A. Donald Gilbert, Jr.
Title: President and Chief Executive Officer, Vermont Gas Systems, Inc.
Date: May 3, 2013

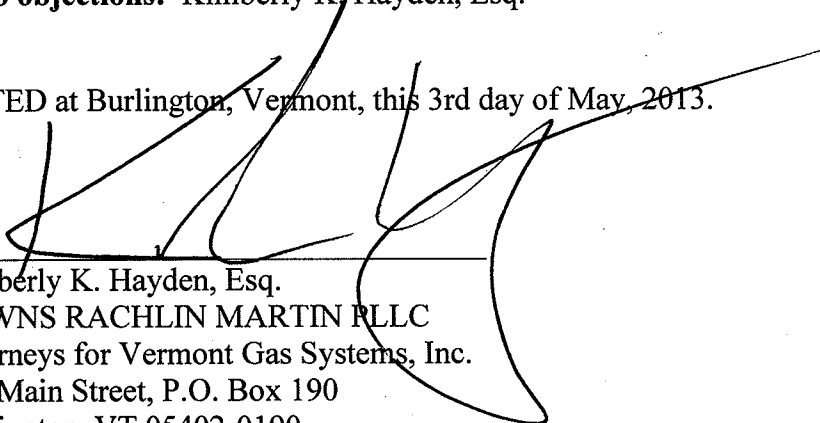
Q.PALMER:VGS.1-27: A pie chart offered by Mr. Gilbert estimates the percentage of households that heat with "other or none" is more than is currently heating with propane or "natural" gas. Which households do not heat their homes in VT?

A.PALMER:VGS.1-27: VGS has not performed this analysis. The U.S. Energy Information Administration was the source of the data and it uses the "Other/None" classification.

Person Responsible for Response: A. Donald Gilbert, Jr.
Title: President and Chief Executive Officer, Vermont Gas Systems, Inc.
Date: May 3, 2013

As to objections: Kimberly K. Hayden, Esq.

DATED at Burlington, Vermont, this 3rd day of May, 2013.



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