



# Franklin Regional Council of Governments

## Joint Meeting of the FRCOG Council & Franklin Regional Planning Board

### **DRAFT Minutes**

Date:	July 24, 2014
Time:	6:00 p.m.
Location:	Greenfield Community College, One College Drive, Greenfield, MA
Duration:	2 hours
Facilitator:	Bill Perlman, Chair of the FRCOG Executive Committee

#### Council Attendees:

- Bill Perlman, Regionally Elected
- Cheryl Dukes, Town of Buckland
- John Paciorek, Regionally Elected
- Kevin Fox, Town of Colrain
- Carolyn Shores Ness, Town of Deerfield
- Sam Lovejoy, Franklin Regional Planning Board
- Mary Fitz-Gibbon, Town of Ashfield
- John O'Rourke, Town of Conway
- Bill Martin, Town of Greenfield
- Cathy Jones, Town of New Salem
- George Willard, Town of Orange
- Marilyn Wilson, Town of Rowe
- John Payne, Town of Shelburne
- Joe Judd, Town of Shelburne
- F. Ellen McKay, Town of Shutesbury
- Daniel Keller, Town of Wendell

#### FRPB Attendees:

- Jerry Lund, Chair, Leyden At-Large
- Ted Cady, Warwick Planning Board
- Gisela Walker, Charlemont Planning Board
- Jim Basford, Orange Planning Board
- Tom Hutcheson, Greenfield At-Large
- Jeannie Schermesser, Erving At-Large
- Tom Miner, Shelburne At-Large
- Hugh Field, New Salem Planning Board
- Bill Harris, Leyden Planning Board
- David Barten, Conway At-Large
- Sam Lovejoy, Montague At-Large

- Ken Miller, Ashfield Planning Board
- John Baronas, Deerfield Planning Board
- Charlie Olchowski, Greenfield At-Large
- Patricia Marcus, Greenfield At-Large
- Joe Strzegowski, Conway Planning Board
- Roxann Wedegartner, Greenfield Planning Board
- Barbara Wallace, Leyden Select Board
- Mike Shaffer, Erving Planning Board
- John Gould, Buckland Planning Board

Speakers/ Moderator:

- Chris Collins, News Director WHAI – Moderator
- Allen Fore, Vice President VP Public Affairs - Kinder Morgan
- Mark Hamarich Project Manager - Kinder Morgan
- Jim Hartman Land Manager - Kinder Morgan
- Curtis Cole Business Development- Kinder Morgan

Staff:

- Linda Dunlavy, Executive Director
- Peggy Sloan, Director of Planning & Development
- Bob Dean, Director of Regional Services
- Gretchen Johnson, Planning Grant Administrator
- Pat Smith, Senior Land Use Planner
- Stacy Metzger, Transportation Planning Engineer and Sustainability Planner

A list of other meeting attendees is attached at the end of the Minutes.

**1 – Introductions: Bill Perlman (Chair)**

Bill Perlman, Chair, called the meeting to order at 6:05 p.m. Bill stated that this is the first joint meeting of the FRCOG Council and the Franklin Regional Planning Board (FRPB). The meeting was posted for those two groups and is open to the public. Bill stated that Jerry Lund is the chair of the FRPB. Bill thanked Bob Pura for offering the use of the GCC facilities for this meeting. Chris Collins, News Director for WHAI and Bear Country will be the Moderator for the meeting. Bill Perlman explained that this is a public meeting, not a public hearing. This is an informational presentation to learn about the proposed project. The Council and the FRPB prepared questions that were supplied as a handout. Additional questions may be submitted by the audience members in writing on index cards available from FRCOG staff.

**2 – Presentation on the Proposed Pipeline for Franklin County, a part of the Northeast Expansion Project by Tennessee Gas Pipeline Company: Kinder Morgan**

Allen Fore introduced his team from Kinder Morgan: Allen Fore, VP Public Affairs; Mark Hamarich Project Manager; Jim Hartman Land Manager; and Curtis Cole Business

Development. This is the 23rd town hall type of presentation held in Massachusetts. The purpose of the presentation is to inform the public about the company, the project, and the next steps. The project is in the early stages of a long process. No permits have been filed for the project to date.

Kinder Morgan is the third largest energy company in North America, the largest independent transporter of petroleum products in North America, the largest transporter of natural gas in North America, and the largest independent terminal operator in North America.

New England **Local Distribution Companies (LDC)** Customers include:

- EnergyNorth Natural Gas (NH)
- Northern Utilities (ME)
- Fitchburg Gas & Electric Light Co. (MA)
- Colonial Gas Co. (MA)
- Essex County Gas Co. (MA)
- Boston Gas Co. (MA)
- NSTAR Gas Co. (MA)
- Bay State Gas Co. aka Columbia Gas of MA (MA)
- Blackstone Gas Co. (MA, Municipal)
- Narragansett Electric Co. d/b/a National Grid (RI)
- Holyoke Gas & Electric (MA, Municipal)
- Westfield Gas & Electric Dept. (MA, Municipal)
- Berkshire Gas Co. (MA)
- Connecticut Natural Gas Co. (CT)
- Southern Connecticut Gas Co. (CT)
- Yankee Gas Services Co. (CT)

New England Power Generators include:

- Granite Ridge LLC
- Entergy RISE
- Blackstone GDFSUEZ

Kinder Morgan is a long term natural gas delivery provider for this region. A total of eighty towns in Massachusetts have existing Tennessee Gas Pipeline infrastructure. In 2013, Kinder Morgan employed 46 people in Massachusetts and has offices in Agawam and Hopkinton. Kinder Morgan currently operates approximately 68,000 miles of pipeline in North America.

Kinder Morgan believes there is a need for this project because the Northeast is experiencing unprecedented gas capacity constraints on existing pipelines and the highest and most volatile gas commodity costs in the nation. The New England Governors called attention to the shortage of energy infrastructure in December 2013.

The Northeast Energy Direct Project proposes to expand the existing Tennessee Gas Pipeline within Pennsylvania, New York, Massachusetts, New Hampshire, and Connecticut. The project would result in approximately 418 miles of new pipeline, additional meter stations, compressor stations and modifications of existing facilities. The system will be able to accommodate an additional 1.5 million households. Pending regulatory approvals, the project is estimated to be in place and in service by November 2018. The project is estimated to generate an additional \$25 million to local tax bodies in Massachusetts. The gas will come from the Marcellus Shale Basin.

The preliminary list of towns in Massachusetts affected by Northeast Energy Direct is:

Berkshire County

- Dalton, MA
- Hinsdale, MA
- Lenox, MA
- Peru, MA
- Pittsfield, MA
- Richmond, MA
- Washington, MA
- Windsor, MA

Essex County

- Andover, MA
- Lynnfield, MA
- Methuen, MA

Franklin County

- Ashfield, MA
- Conway, MA
- Deerfield, MA
- Erving, MA
- Montague, MA
- Northfield, MA
- Orange, MA
- Shelburne, MA
- Warwick, MA

Hampshire County

- Plainfield, MA

Middlesex County

- Ashby, MA
- Dracut, MA
- Dunstable, MA
- Groton, MA
- North Reading, MA

- Pepperell, MA
- Reading, MA
- Tewksbury, MA
- Townsend, MA
- Tyngsborough, MA
- Wilmington, MA

#### Worcester County

- Ashburnham, MA
- Athol, MA
- Berlin, MA
- Bolton, MA
- Boylston, MA
- Gardner, MA
- Lunenburg, MA
- Northborough, MA
- Royalston, MA
- Shrewsbury, MA
- West Boylston, MA
- Winchendon, MA

The project is estimated to generate 3,000 construction related jobs. It is expected to provide long term energy reliability to the region and will create a platform to expand to meet future needs.

Kinder Morgan strives to be a good corporate citizen and regularly gives donations to local schools, fire and police departments. The Kinder Morgan Foundation funds programs that promote the academic and artistic interests of young people in the many cities and towns across North America where Kinder Morgan operates.

(This PowerPoint presentation will be made available on the FRCOG website, [www.frcog.org](http://www.frcog.org).)

### **3 – Question and Answer Session**

The Moderator asked how the proposed route for the pipeline was chosen. **KM response:** The route was chosen to be as straight as possible with adjustments to accommodate for publicly known factors such as wetlands, endangered species, etc. as well an effort to minimize the number of land owners affected. The Route is preliminary and being adjusted as the project progresses. Kinder Morgan (KM) is pursuing more opportunities to use state owned rights of way. The Moderator asked if the MassPike right of way is being considered. **KM response:** The MassPike is part of the analysis as well as Route 2.

The Moderator asked if Kinder Morgan has considered expanding the existing pipeline rather than building a new one. **KM response:** there is no pipeline currently in Western

Massachusetts. This project will offer services to additional customers. The current pipeline is at 100% capacity. The market is there, but it cannot be accommodated without additional infrastructure. This region currently pays the highest energy prices in the nation. Bringing gas to this region will result in reduced energy prices. The cost to expand the existing infrastructure is much higher than building new infrastructure in expanded areas. The Moderator asked if the pipeline in a rural area is a lesser grade than that required in an urban area. **KM response:** The cost of the pipe is relatively low in a project of this size. The cost to do a project in a highly populated is much more due to the disruption of roads, homes, etc. However, the pipe requirements, such as wall thickness, for a highly populated area is different than for a rural area. The Moderator asked if Kinder Morgan is willing to revise or alter the route to address local concerns. **KM response:** Yes, if the concerns are within certain parameters and that several alterations have been made so far based on public input.

The Moderator asked if Kinder Morgan is going to pursue placing the pipeline on permanently protected open space subject to Article 97. **KM response:** They are familiar with Article 97 and will be pursuing the necessary steps to place the pipeline in these protected areas. The Moderator asked how local boards will be able to have input during this process. **KM response:** The FERC generally looks to the local municipalities for input on suggested conditions and approval. Therefore, Kinder Morgan will be meeting with the towns to negotiate agreements prior to filing with FERC. A press release will be published soon that will list the first wave of anchor distributors that are in support of this project. The majority of the new pipeline in Massachusetts will service Massachusetts customers. The Moderator asked what is the projected percentage of gas that will be sold out of state or overseas. **KM response:** Kinder Morgan is a for-profit business and would entertain a contract with an out of state or overseas customer. However, there are no current overseas customers seeking to sign a binding long-term contract. In order to move forward with this project, there must be a proven market for it. Right now the new pipeline is proposed to be a 30 inch pipe but if enough demand is demonstrated a 36 inch pipe will be proposed.

The Moderator stated that the pipeline is proposed to be financed by a tariff on electric ratepayers. He asked if this means that there is not enough market demand demonstrated. **KM response:** The utilities have requested this type of project to avoid potential blackouts during periods of high demand. It is up to Kinder Morgan to prove to the FERC that this is the best way to serve the customers. By adding this capacity the price should go down and the volatility of energy prices should also lessen.

The Moderator asked Kinder Morgan their anticipated investment for this project. **KM response:** This is a \$4 billion project. Kinder Morgan is also taking the calculated risk for this project by conducting the initial phases such as meetings like this, survey activities, environmental permits, etc. to determine the feasibility of the project.

The Moderator asked about Kinder Morgan's experience with operating a gas pipeline located under electric transmission lines and the associated safety issues and precautions undertaken. **KM response:** Safety begins with correct routing, and then it must be constructed and operated safely. Under electrical lines the pipe is built with steel and is quality controlled and tested. All of the welds are also tested. The pipeline is then tested with water pressure before gas is run through it. It is then monitored for pressure during its use. It is quite common to co-locate a pipeline along high tension electric power lines. KM went on further to explain the grounding of the equipment, the use of zinc rivets etc.

The Moderator asked if Kinder Morgan is prepared to train first responders in the affected municipalities to deal with potential issues that might arise. **KM response:** Communications with emergency responders occurs throughout the construction process and then annually after that. There are shut off valves every 10-12 miles designed to automatically shut off the flow if gas if pressure is lost in a section of pipe.

The Moderator asked for a description of the benefits of the pipeline to towns and the region including tax revenues and how the local tax revenue is determined. **KM response:** The tax revenue is based on the miles and diameter of the pipe installed. This project is estimated to pay out approximately \$25 million to property owners. The current pipeline pays about \$5 million annually in tax revenues because it depreciates in value over time. Kinder Morgan makes a conscious effort to be a responsible and conscientious corporate neighbor by making donations to local schools, police and fire departments, etc.

The Moderator asked what measures are being taken to protect natural resources. **KM response:** The protective rights of way vary from 50 to 100 feet. Kinder Morgan is looking at the wetlands, sensitive flora and fauna along the proposed route and other similar constraint issues. The priority will be to avoid and then to minimize disruption and finally to mitigate. The Moderator asked about the Clarkdale orchard that is proposed to be disrupted by this project. **KM response:** Efforts will be made in the same priority if there are sensitive trees identified.

The Moderator asked if there are permanent easements set up for a project like this for maintenance. **KM response:** The reply was yes.

The Moderator asked if there are plans to build a compression facility (s) in Massachusetts along the proposed route. **KM response:** A specific location has not been identified yet but a compressor station somewhere in Franklin County is expected. Compression facilities are placed on a minimum of 50 acre lots. Pictures of a facility built to look like a barn in Southwick were shown. The facility is mandated to meet a federal noise level at the property line.

The Moderator stated that some of the proposed affected towns have not been contacted directly and are not happy with the lack of outreach. **KM response:** The outreach is being conducted by the four leaders of the company that are here tonight in order to deliver the most accurate and thorough information. There have been 23 outreach meetings done to date, and all towns that request a meeting will get one.

The Moderator asked what would be a deal breaker for this project to move forward. **KM response:** In order for the project to be viable two criteria must be met. The first is to obtain enough commercial commitment to support the project. The second is for the project to seem likely to obtain all of the necessary permits.

The Moderator asked about the process of installing a pipeline under a river. **KM response:** The pipeline would be installed 25 feet under the river. It is done with horizontal directional drilling and is pressure tested with water prior to being used. Nothing on the surface is disturbed.

The Moderator asked if the pipeline will be used to transport gas in any other form such as liquid. **KM response:** Only natural gas will be transported through the pipeline.

The Moderator asked what is the average amount paid per acre for land in a comparable rural area. **KM response:** The appraisals of the affected land will be conducted when the acquisitions begin. The landowner will be negotiated with based on the amount of land affected and the surface damages anticipated.

The Moderator asked what is the anticipated reduction to natural gas prices if this project moves forward. **KM response:** It is the goal of Kinder Morgan to demonstrate to FERC and the ISO's that this project is in the best interest of the customers.

The Moderator asked about the anticipated number of union jobs generated by this project. **KM response:** There are a total of 3,000 projected jobs. Approximately two-thirds of the jobs are anticipated to be Massachusetts union jobs. Some of the welders are specially trained and will be hired out of state. However, Hopkinton, Massachusetts has a specialized training facility so there are many trained union workers already in Massachusetts.

The Moderator asked who will be responsible for the pipelines eventual removal. **KM response:** Kinder Morgan will be responsible for the operation and maintenance of the pipeline. No major systems owned by Kinder Morgan have been discontinued. If a system was to be discontinued, it would go through a FERC approved process. It may be environmentally prudent to fill in the pipe and not remove it.

The Moderator asked what percentage of Massachusetts landowners have given permission for Kinder Morgan to do survey work on their land. **KM response:**

Approximately 50% of landowners have given permission. The Moderator asked how the landowners will be compensated. It was stated that negotiations will be done with each land owner on a case by case basis. Eminent domain would only be used if FERC declared that the project was a public benefit and was necessary to the completion of the project. The Moderator asked if the utilities have a process to compel property owners to allow survey work. **KM response:** Yes, but the process is lengthy and will be avoided if possible.

The Moderator asked what percentage of landowners need to be on board with the project before it is filed with the FERC. **KM response:** As many as possible, but there is not a specific percentage. KM is hopeful the project will be pre-filed with FERC in September. The pre-file process will take about a year. The pre-file application will need to show the proposed route with alternatives and will need to demonstrate the public need for the project with financial commitments.

The Moderator asked about the health implications of fracked gas. **KM response:** Kinder Morgan is not a drilling company. The project proposes to continue to transport gas as they are doing now but to an expanded area. Kinder Morgan follows the federally mandated air permitting process, and they are in compliance with all of their current pipelines.

The Moderator asked if Kinder Morgan has applied to the local Boards of Health. **KM response:** The only time they need to apply to a local Board of Health is when there are bathroom facilities being built at a compression facility.

The Moderator asked when a more detailed map of the pipeline route will be available. **KM response:** There will be open houses held with detailed route maps when the project is further along. At this time the route is continually being updated due to various factors.

The Moderator asked how many projects Kinder Morgan has applied for that were not approved by FERC. **KM response:** The answer was none. KM further explained that there have been many projects that have not met the required thresholds and were not submitted to FERC.

KM stated that Kinder Morgan strives to be a conscientious and responsible company. It was encouraged to research their history. The company will pursue existing rights of way and will continue to strive for transparency and to be informative throughout this process.

The Moderator stated that many questions submitted by audience members could not be asked due to meeting time constraints. FRPB will provide Kinder Morgan with those

questions, and the answers will be posted on the FRPB Website, <http://frcog.org/boards-committees/frpb/>

The Moderator thanked Kinder Morgan for their presentation.

#### 4 – Adjourn

The meeting was adjourned at 8:02 p.m.

Copies of the handouts are available. Please contact Gretchen Johnson at [gjohnson@frcog.org](mailto:gjohnson@frcog.org) or 413-774-3167 x126.

Respectfully submitted by:

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Tom Miner, FRPB Clerk

#### Guests

- Aina Barten, Conway Resident
- Richard Davis, Greenfield Recorder
- Bob Demuth
- Nan Wychorski
- Laurie Leyshon
- Gail Abbot
- Noel Abbot
- Tom Wansleben, Mount Grace Land Conservation Trust
- Representative Denise Andrews
- Jeff Knox
- Michael Mager
- Cathy Whitely
- Laurie Hickey
- Andrea Donlon, CT River Watershed Council
- Pat Larson, Orange North Quabbin Pipeline Action
- Nancy Robbins
- John Wallace
- Sue Bridge, Conway Resident
- Julie Farrell, Templeton Resident
- Maya Apfelbaum, Greenfield Resident
- Lynn Waldron, Greenfield Resident

- Elise Schlackiev, Greenfield Resident
- Gary Oswald, Royalston Resident
- Dan Murphy, Sunderland Planning Board
- Pat and Bob Andrews, Orange Residents
- Tom Clark, Deerfield Resident
- Pam Clark, Deerfield Resident
- Douglas Hobbie, Conway Resident
- Rachel Branch, North Adams Resident
- Michael Robbins, Student
- Patrick Devlin, Greenfield Town Council
- Ray Rosenblatt, F.C. Resident
- Reenie Clancy, Deerfield Resident
- Stephen Blinn, Leverett Resident
- Susie Patlove, Charlemont Resident
- Mary King, Orange Resident
- Ken and Carol Berthauime, Orange Residents
- Keith Olsen, Northfield Resident
- Sherrill Hogen, Conway Resident
- Anna Gyorgy, Wendell Resident
- Leigh Youngblood, Warwick Resident
- Michael Humphries, Warwick Resident
- Kathleen Lynch
- Bill Kilpatrick, Northfield Resident
- Eric Blevin, GCC
- Diana Roberts, GCC
- George Cooke, Montague Resident
- Tony Walker, Charlemont Resident
- Hattie Nesting, Athol Resident
- K. Jones, Deerfield Resident
- Whitty Sanford, Shelburne Resident
- Meg Burch, Conway Resident
- Kristen Herrmann, Ashfield Resident
- Curtis Cole
- Beth Manney
- Tracy Rogers, Northfield Resident
- Jim Moore, Conway Resident
- Micky McKinley, Montague Resident
- Peter Jeswald, Conway Resident
- Raine Brown
- Les Patlove
- Todd Olanyk, Ashfield Select Board
- Anne Pevbinn, Amherst Resident
- Patricia Sanders, Charlemont Resident
- Morning Star Chemen

- Leigh Faulkner, Bernardston Resident
- Mark Siegert, Shelburne Resident
- Martha Tin, Ashfield Resident
- Nancy Smith, Ashfield Resident
- Michael Hart, Greenfield Resident
- Dorothy McIver, Greenfield Resident
- Donald Joralemon, Conway Open Space Committee
- Bev Bartolom, Templeton Resident
- Margaret Oin, Buckland Resident
- Barbara Warden
- Catherine Lifebvre
- Susan Perez
- Lee Wick
- Beth MacDonald
- Rick Clark
- Jan Clark
- Becky Clark
- Maureen Blasco, Royalston Resident
- Nancy Hazard, Greenfield Resident
- Mary Link, Ashfield Resident
- Garrett Connelly, Greenfield Resident
- Sue MacFarland, Conway Planning Board
- Dave Balkema, Conway Resident
- Suzanne Carlsen, Greenfield Resident
- Andy Smith, Ashfield Resident
- Ray Purington, Gill Resident
- Natalie Noble, Northfield Resident
- Ted Tirk
- Howard Clark
- Rinky Black, Erving Resident
- Rose Wessel, Cummington Resident
- George Touloumtzir, Greenfield Resident
- Loren Kramer
- Pam Kelly
- Sam King, Orange Resident
- Sam Crawford, Shelburne Falls Resident
- Emmy Howe, Conway Resident
- Charlie McCracken, Greenfield Resident
- Jane Shaney, Ashfield Resident
- Sandra Sobek
- Laurie Davidson, Montague Resident
- Alex Peterkin, Montague Resident
- Bill Morris, Erving Resident
- Laurie Boosahda, S. Deerfield Resident

- Emily Gopen, Charlemont Resident
- Deborah Andrew, Shelburne Resident
- Nancy Patteson, Greenfield Resident

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