

Milford NH & Federal Hill Pipeline Concerns

Presented by Residents of Milford, NH

January 19, 2015

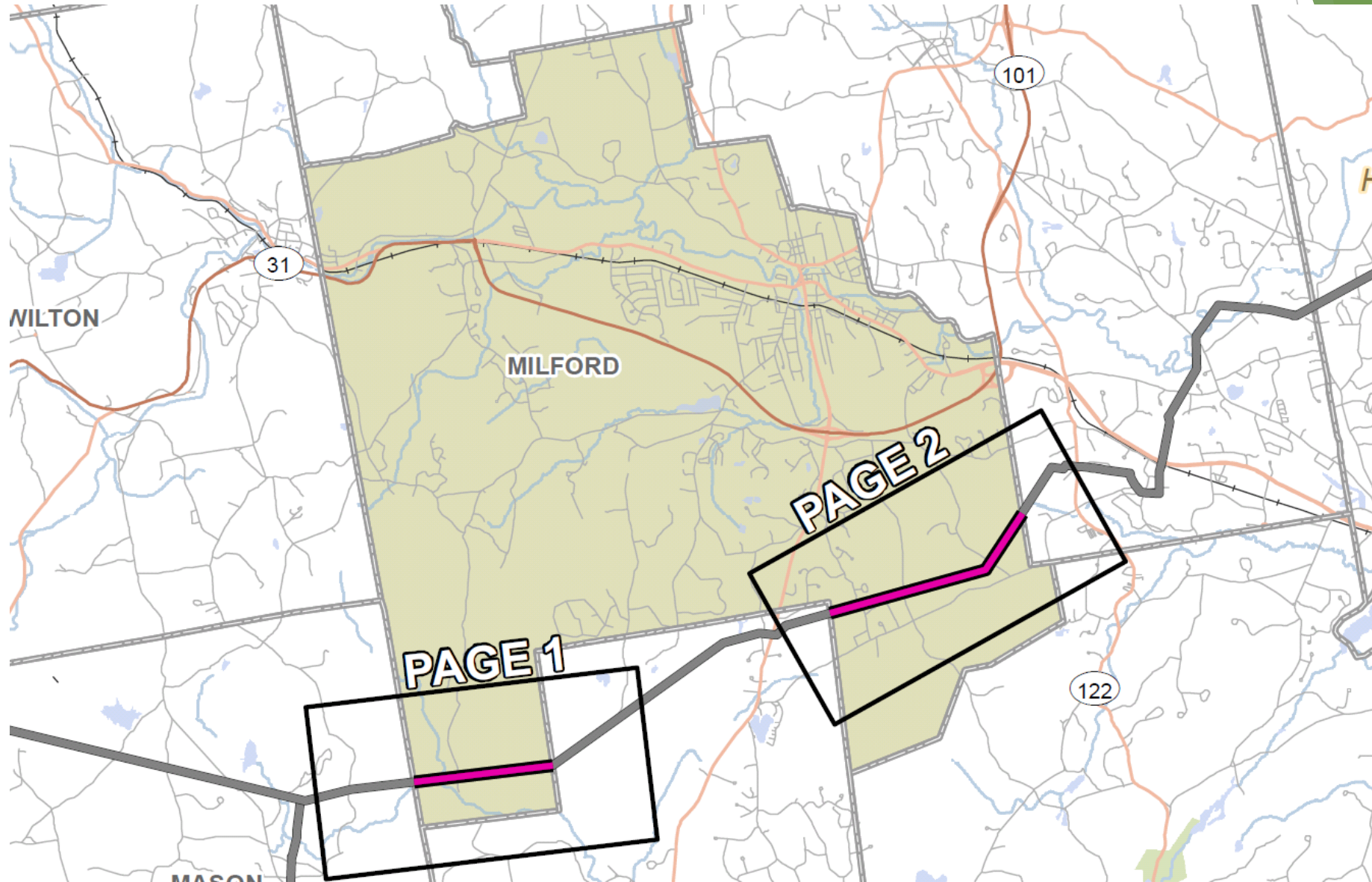
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tinyurl.com/lws38gq

Agenda

- ▶ Opening Remarks
 - ▶ Thank you for this opportunity
 - ▶ Copy of this presentation is available for download at the **Federal Point Pipe Info** Facebook group - <http://tinyurl.com/nbpdqnd>
 - ▶ Media Kits are available
- ▶ All time marks (example: 01:45:33) are time code references to the replay of the 1/5/15 Milford Board of Selectmen meeting available at:
<http://www.ezstream.com/play/index.cfm?fuseaction=embstay&id=47162FB74D&dsplvl=brd&org=EZ>
- ▶ BOS - Board of Selectmen
- ▶ FERC - Federal Energy Regulatory Commission
- ▶ KM - Kinder Morgan
- ▶ NED - Northeast Energy Direct
- ▶ Concerns
- ▶ Questions and Action Items for Milford BOS

Overview



Open Space on Federal Hill

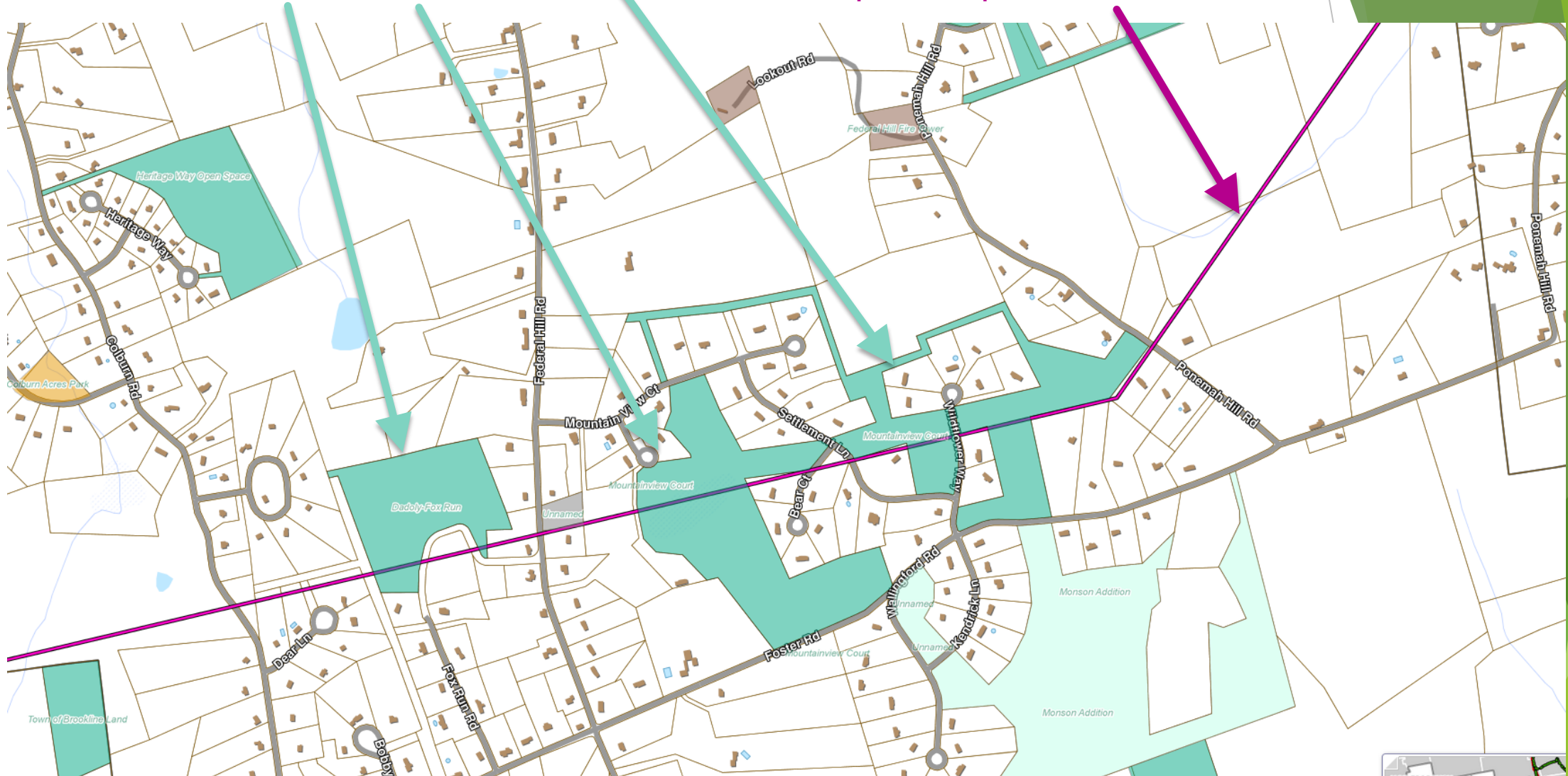
- ▶ Open space in the Federal Hill development has shared ownership between 41 Home Owners; KM is unaware of this shared ownership
- ▶ Milford Planning Board amended Plan #3105 on 9/18/08 granting all 41 owners equal responsibility of land in lieu of a homeowners association
- ▶ Declaration of Covenants and Restrictions Regarding Open Space - Book 7255 Page 1906, filed June 4, 2004
 - ▶ “...intent of the covenants and restrictions is to provide for restrictions to that Common Open Space as premises **to be held in perpetuity as conservation and/or passive recreation land**”
 - ▶ Milford Zoning Law for Open Space
6.04.3 - Article B: **All Open Space shall be dedicated as permanently preserved from future development.**
- ▶ FERC FAQ: Must the company [KM] comply with local, county and state laws and zoning ordinances?
 - ▶ Generally, yes. If there is a conflict, however, between these requirements and what the Commission requires; the Commission requirement prevails.

Source: Hillsborough Registry of Deeds, Town of Milford Zoning Ordinance 2014
An Interstate Natural Gas Facility on My Land? – Federal Energy Regulator Commission

Open Space - Shared Ownership

Open Space - Conservation Land

Proposed Pipeline Path



Source: NRPC - http://www.mapgeo.com/nrpcnh/?utm_content=bufferd2415&utm_medium=social&utm_campaign=buffer#

Co-Location

Kinder Morgan Presentation:



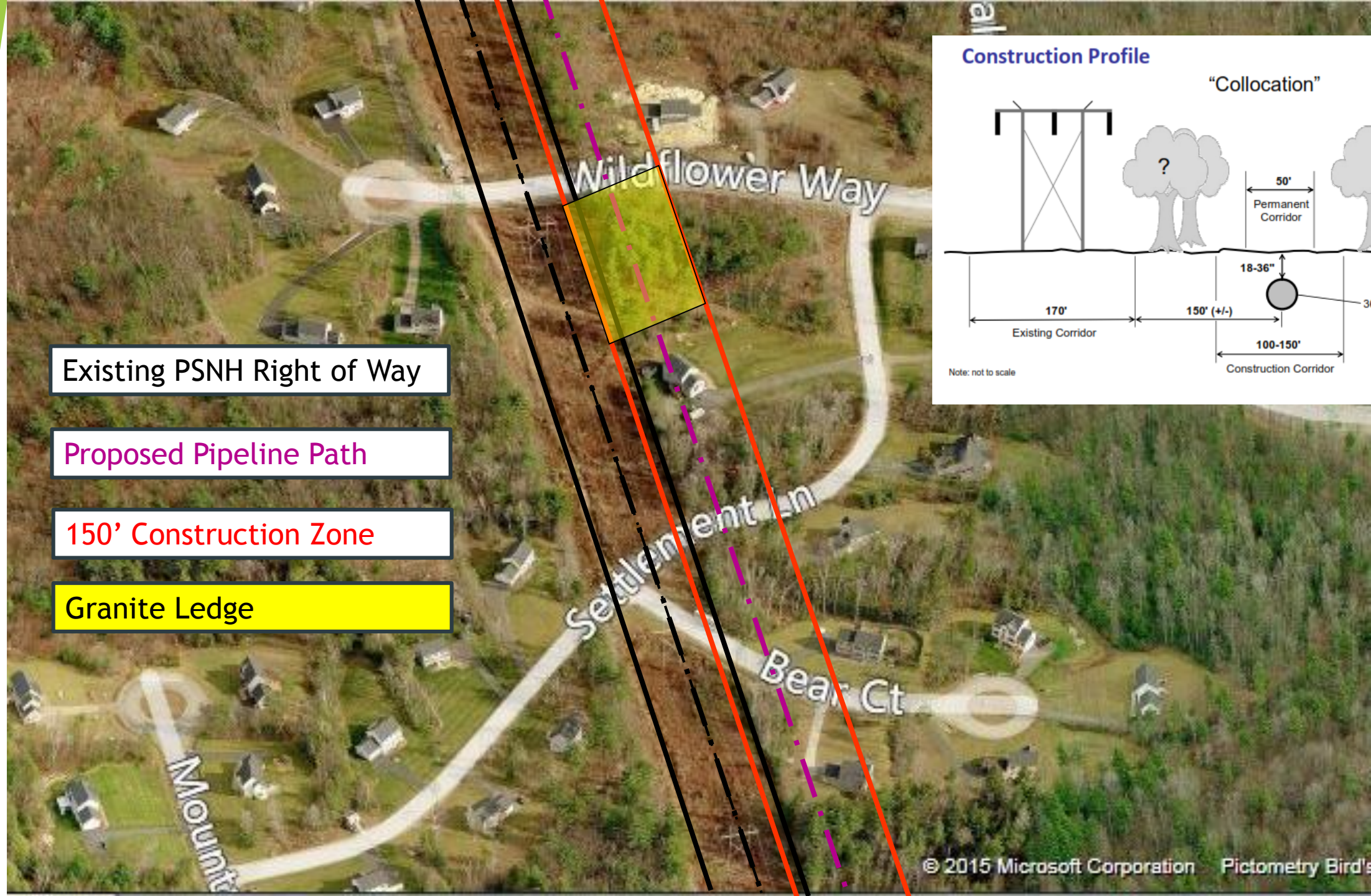
Windham, NH

Reality

?

Co-Location

- ▶ Photos presented by KM don't show co-location in a neighborhood
- ▶ KM Stated: “We need about 150 feet to work with for the construction of the pipeline, roughly” - 0:31:35
- ▶ **NED Resource Report 1 filed with FERC by KM**
 - ▶ “Width of Existing PSNH ROW To Be Used During Construction” = 15 feet
 - ▶ “Width of Existing PSNH ROW To Be Used During Operation” = 0 feet
- ▶ Existing PSNH corridor would have to be reopened an additional 110-135 feet beyond the 15 feet borrowed from PSNH for construction
- ▶ Left behind is typical 50 foot pipeline easement
- ▶ Given that zero feet of this NED permanent 50 foot easement would be part of the PSNH corridor, additional parallel easements would be forcefully taken from residents by eminent domain or coercion
- ▶ KM needs access roads and perpendicular lines to connect shut off valves and pig entry/exit locations every few miles

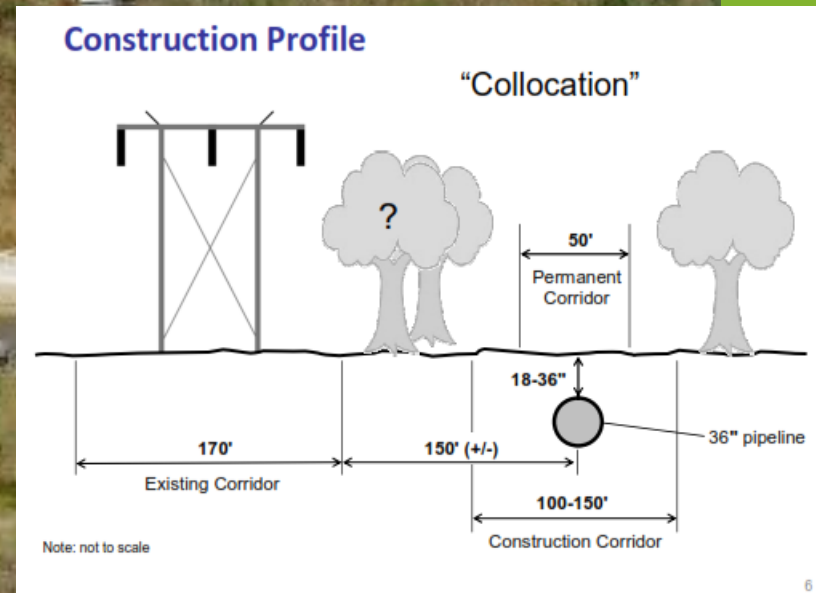


Existing PSNH Right of Way

Proposed Pipeline Path

150' Construction Zone

Granite Ledge



Construction...



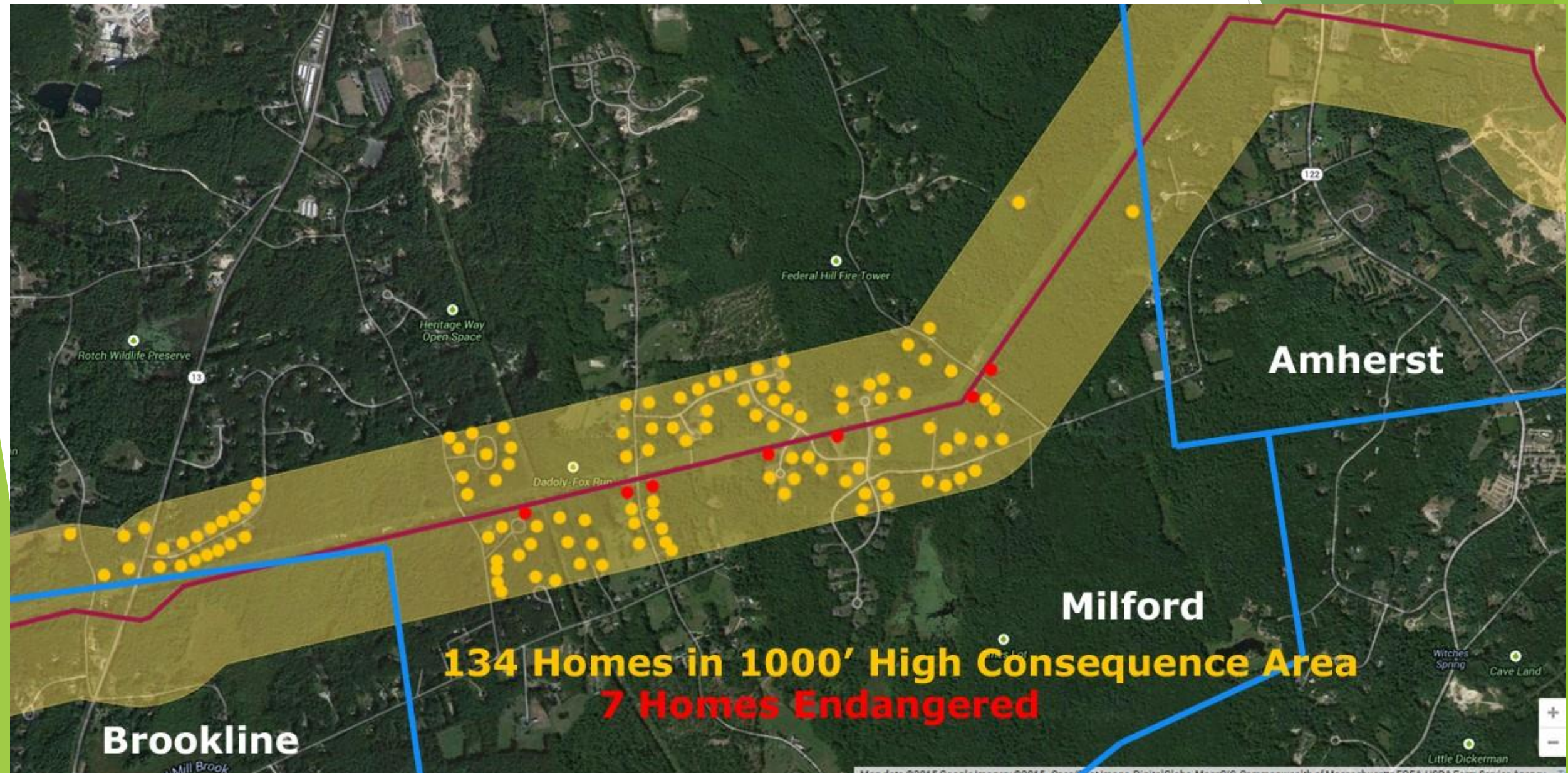
How Close is too close?

- ▶ Pipeline routes around schools, Churches and other public gathering places
- ▶ It's clear that neighborhoods supporting over 130 homes isn't a concern for KM
- ▶ Why do we mention the entire neighborhood?



Chester County Residential Pipeline Worksite 2008

Why mention the entire neighborhood?

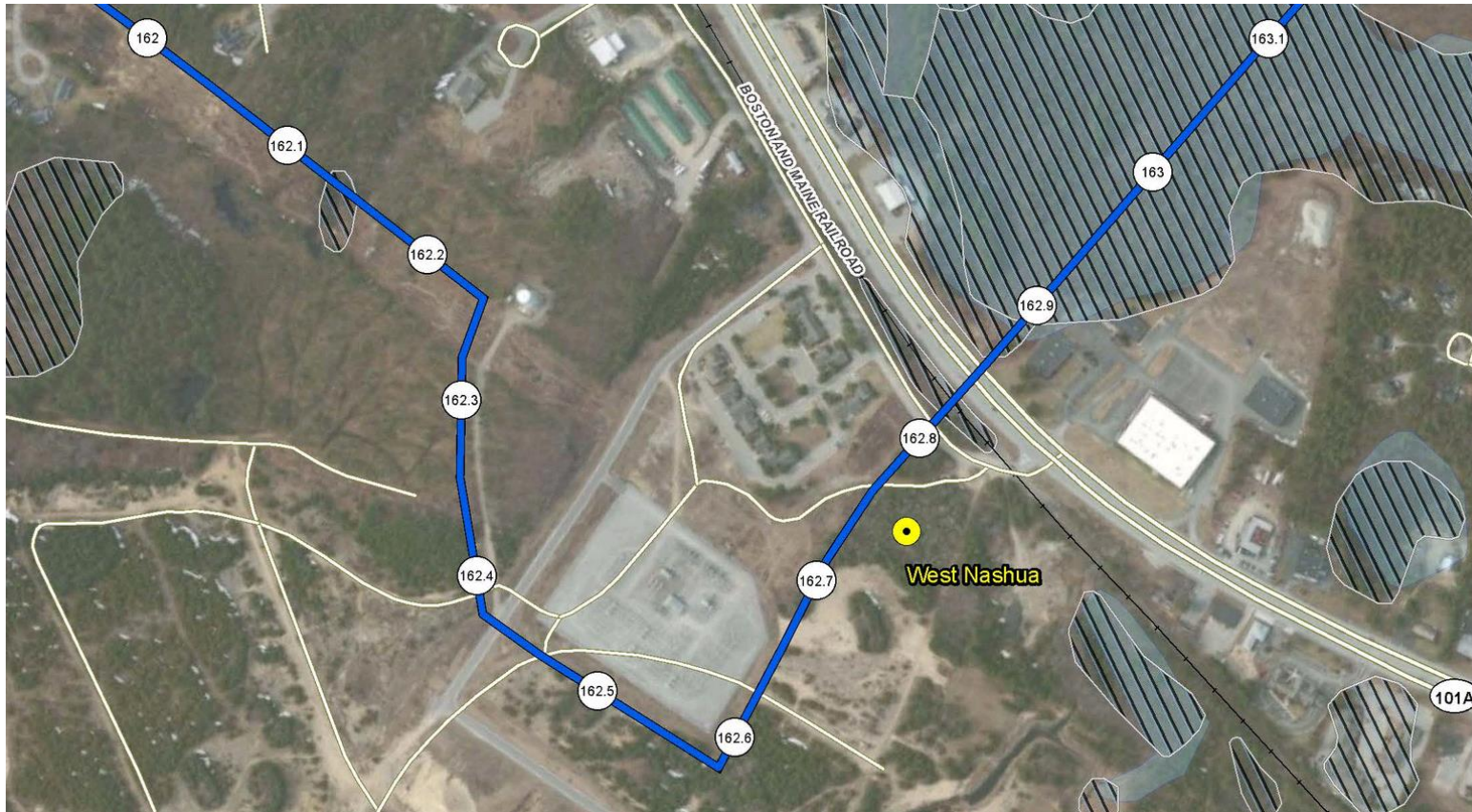


“Incineration Zone” (High Consequence Areas)

- ▶ KM presented nothing on this topic
- ▶ 1000’ incineration zone, some studies suggest this is not large enough
- ▶ In one minute 1.5 million cu feet of gas will escape which has the equivalent of 1.5 billion BTUs of energy
 - ▶ In less than 20 minutes - would produce 10% of the energy released from the Hiroshima bomb
- ▶ Entire pipeline becomes a potential soft target for terrorism
- ▶ Power lines would be destroyed in the neighboring area
- ▶ Study shows at this distance if an accident occurred and shelter was not found:
 - ▶ 1% mortality rate in 30 seconds
 - ▶ 50% mortality rate in 60 seconds
 - ▶ 100% mortality rate in 90 seconds
- ▶ Combustible materials in this zone would eventually ignite due to intensity of the heat

Potential Soft Target for Terrorism

- ▶ Fuel source, Loss of life, impact to resources & utilities
- ▶ KM's plans have the pipeline next to an electrical distribution center in Amherst
- ▶ Disasters in co-located areas would take out power lines



When High Consequence Area becomes a Disaster Area (Appomattox Va. 2008)



Emergency Response

In the event of a leak or catastrophic failure

- ▶ Is Milford and surrounding towns' Emergency Response Teams prepared, equipped and trained to handle such a disaster?
- ▶ Is a Volunteer Fire Department the correct response to this potential disaster?
- ▶ No significant source of water for fire-fighting near the pipeline
- ▶ If not, how will these improvements be paid for?
- ▶ Latest pipeline failure?
 - ▶ Photo right - 5 days ago; January 14, 2015 in Mississippi



KM Environmental Disasters & Safety Issues

- ▶ In Texas from 2003 to 2014, **Kinder Morgan experienced 36 "significant incidents"**, resulting in fatalities or hospitalization, fires, explosions, or spills.
- ▶ Throughout the U.S. since 2003, **Kinder Morgan and its subsidiaries' pipelines have been responsible for at least 180 spills, evacuations, explosions, fires, and fatalities in 24 states.**
- ▶ On May 8, 2013, a Kinder Morgan Texas pipeline compressor station near Crockett, Texas, had a fire that caused \$7,502,188 in property damage.
- ▶ On November 16, 2011, near Glouster, Ohio, a weld failed on a Kinder Morgan Tennessee Gas Pipeline 36" diameter pipe; the leak exploded, leaving a blast crater 30 feet across and 15 feet deep. Three homes were destroyed by the fire. The leak was caused by "displacement produced by a landslide and an inadequate understanding by (TGP) of the influence of the geotechnical threats on the pipeline in this location

Compressor Station Deception

Kinder Morgan presentation:

Pelham, NH

6,130 HP on 11.6 acres

KM: “We expect there will be a compressor station similar in size and scope to other compressor stations we have on our system. Not exactly what we have in Pelham, but you can get an idea of what compressor stations look like.” - 0:11:04



Compressor Station in Pelham, NH

Reality? 15 times larger

6 Stations, 23k-80k HP range

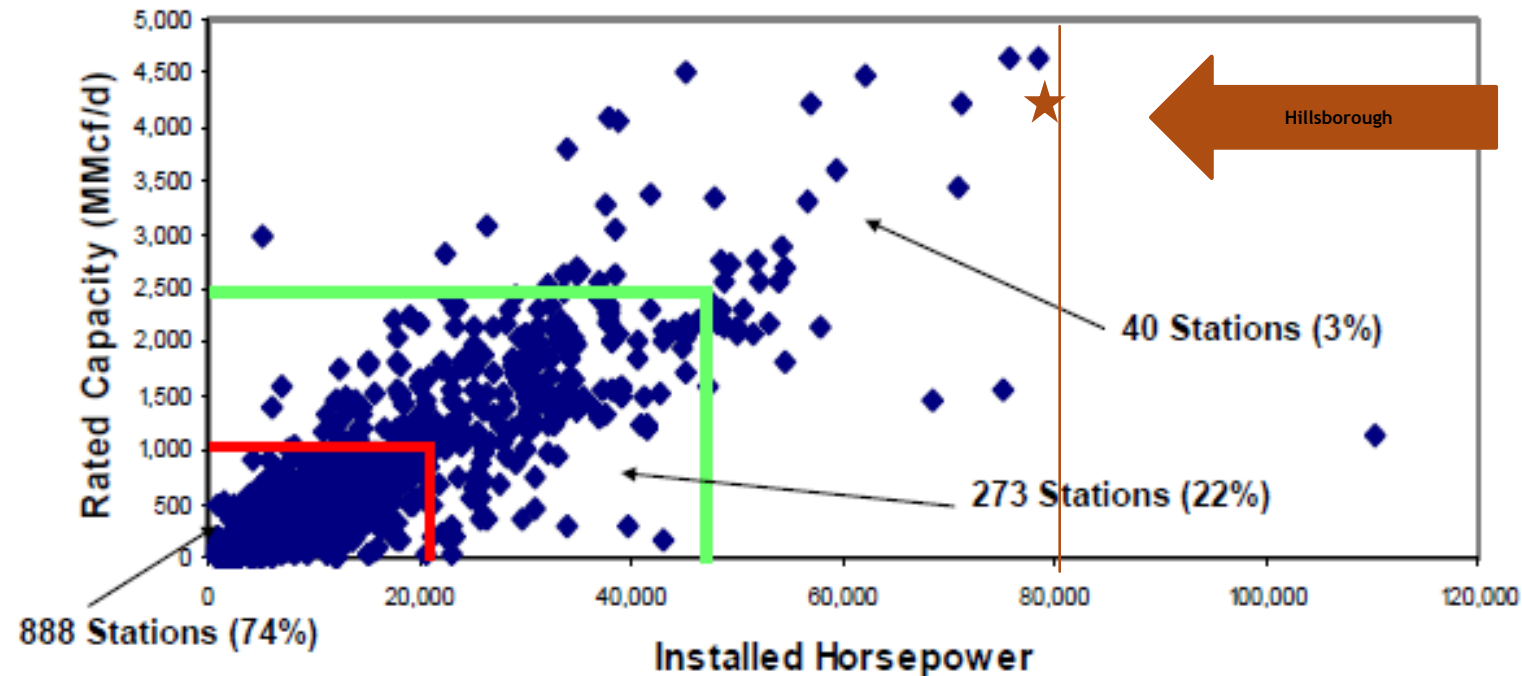
Each on 50-60 acres

Williams Central Compressor Station
60 acres (and growing) in Brooklyn, PA



Hillsborough County (Mason) is slated for one of the largest in the United States

Figure 3. Relationship of Installed Horsepower and Throughput Rating, 2006



MMcf/d = million cubic feet per day.

Source: Energy Information Administration, Office of Oil & Gas, Natural Gas Division Gas, Gas Transportation Information System

****Energy Information Administration, June 2007 ,About U.S. Natural Gas Pipelines – Transporting Natural Gas**

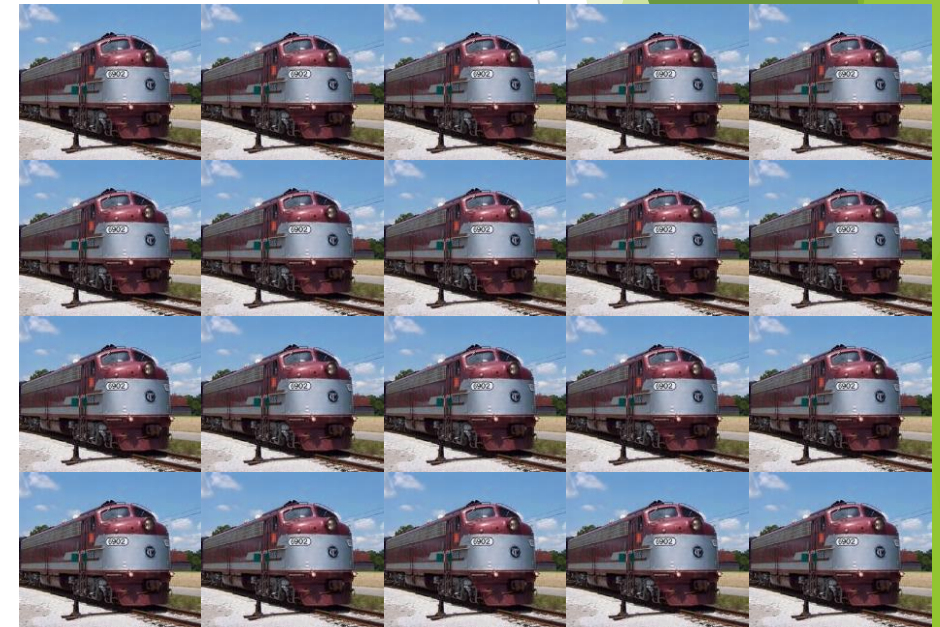
Compressor Stations

- ▶ KM may add more compressors after the pipeline is complete
- ▶ Pipeline noise level is allowed to be 55 dB at Noise Sensitive Areas
- ▶ Preventative actions can be completed such as insulated walls and buildings
- ▶ Can reduce sound by 40-60 dB
- ▶ 80,000 HP is the equivalent of over 20 diesel locomotives

A Single Compressor Can Emit Huge Amounts of Air Pollution

A compressor station investigated by Blue Ridge Environmental Defense League was permitted to emit the following amounts of pollution into the air annually:

Pollutant	Emissions, pounds/year
Particulates (2.5, 10 and total)	25,000
Sulfur dioxide, SO ₂	1,400
Nitrogen oxides, NO _x	360,000
Volatile organic compounds, VOC	70,000
Carbon monoxide, CO	44,000
Carbon dioxide equivalent, CO ₂ e	407,000,000
Hazardous air pollutants, HAP	25,000
Formaldehyde	17,000



Source: Natural Gas Compressor Stations Air Pollution, Explosions and Fires, Blue Ridge Environmental Defense League, November 2014

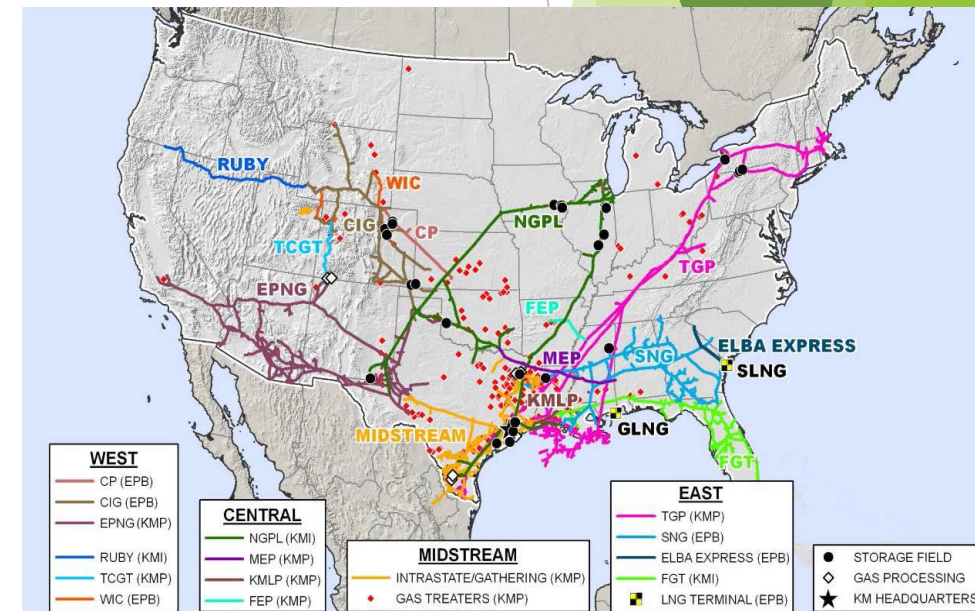
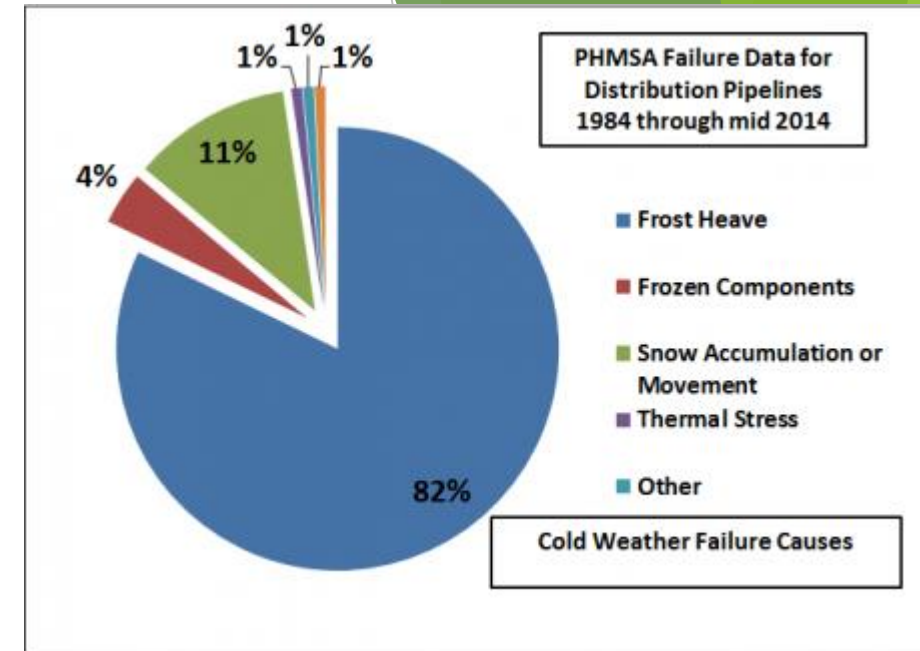
Supply vs Need

- ▶ KM Pipeline will deliver up to 2.2 billion cubic feet of gas per day year round
- ▶ Projected gas shortfall for N.E. by 2029 is 360 million cubic feet per day at peak demand
 - **Supply is 6 times the need**
- ▶ The excess (~84%) will be exported through Canada to Europe & Asia
 - ▶ LNG Gas prices falling in Europe as we speak - viability of this is dwindling
 - ▶ **If this is the case, how can a project like this enforce Eminent Domain when the purpose of the project is not for the public good, but for corporate sales?**
 - ▶ Import pipeline has requested to reverse direction for export
- ▶ Shortfalls (few days/year) can be mitigated by maritime gas from Canada, storage and tanker imports during winter
- ▶ Spectra Energy has 2 expansion projects
 - ▶ Trying to solve the same “problem”
 - ▶ Filed same day as KM announced NED
 - ▶ Slated to go online the same year as KM
- ▶ The two projects together bring a total of over 3 billion extra cubic feet of gas to the region - **Supply is 8.3 times the need**
- ▶ Continent to Coast Project will expand incoming gas from Canada on existing lines - Negating the need for KM or Spectra



Installation Concerns

- ▶ Substructure of Federal Hill limits amount of topsoil
- ▶ Normally buried 36", but generally 18"-24" where rock is present (from FERC)
- ▶ Clear cut areas lead to improper run-off - Development currently has a water issue during heavy rains
- ▶ Blasting could effect local private wells, homes & wildlife
 - ▶ Disturbances to aquifers can affect wells - feet or miles away
 - ▶ Underground propane tanks in vicinity of blasting
- ▶ Frost heaves are a major concern for pipeline construction
 - ▶ Majority of KMs pipelines are in the South
- ▶ Corrosion - ground, electrostatic, electromagnetic issues
- ▶ Lightning Strikes
- ▶ Existing conditions restrict use of electrical or metal tools under wires



Resident Concerns

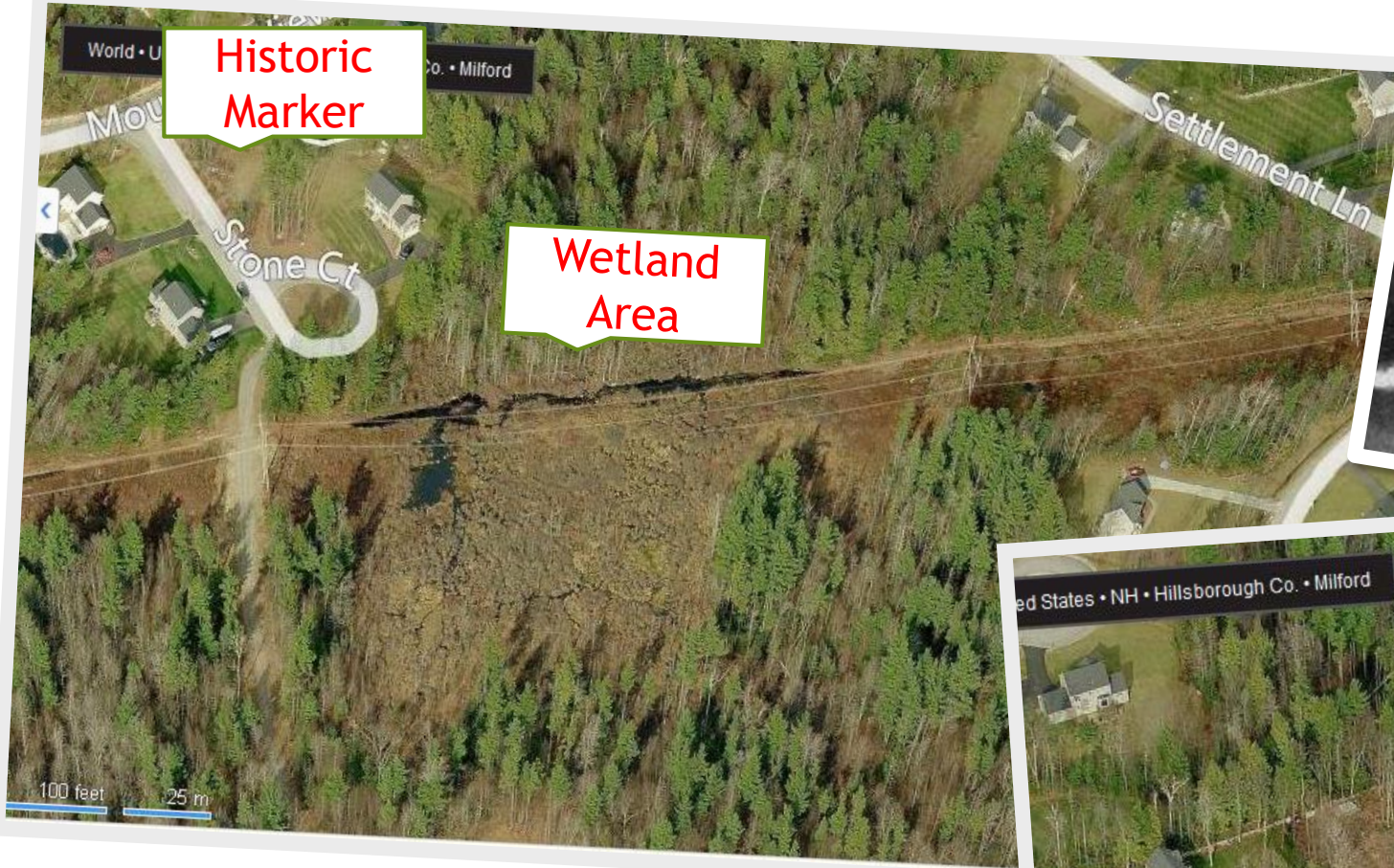
(As if the rest of this presentation aren't concerns)

- ▶ Proximity to residences
- ▶ Damage to wells and septic
 - ▶ Lack of town infrastructure to support home owners - town water and sewer
- ▶ Damage to homes during construction
- ▶ Removal of tree/vegetation which currently screen views of power lines
- ▶ Damage to environment - frogs, salamanders, turtles, wetland habitat, streams
- ▶ Land use restrictions
- ▶ Taxation of easements
- ▶ Threat of Eminent Domain
- ▶ Disruption of quality of life during construction
- ▶ Kinder Morgan's previous construction & safety record
- ▶ Pipeline can/will be electrically charged due to proximity of high tension wires due to electromagnetic fields

Federal Hill Open Space



Wetlands & Historical Areas



Pipeline will traverse

- Wetlands & Conservation
- Former site of Ponemah Hotel

Potential to traverse

- Portion of former Town of Monson
- Former area of Milford Springs Company

Odorizing & Herbicides

- ▶ NG and Propane use an odorant to help identify the presence of gas
- ▶ KM said at Milford meeting it would be odorized
 - ▶ KM stated at another town meeting that it would not be odorized
- ▶ Ethyl Mercaptan is the most common odorant used
- ▶ Tennessee Gas Pipeline is allowed to classify and monitor leaks **based on company established criteria** per 49 CFR 191-195
- ▶ KM Stated: “They would be repaired immediately” - 1:09:08
- ▶ TGP does not repair leaks immediately and is not required to do so
- ▶ Helicopters used to spot dead foliage which will show where a leak may exist
- ▶ Herbicides
 - ▶ KM Stated: “We don’t spray” - 0:34:50
 - ▶ KM Website: “herbicides may be applied in certain locations”
http://www.kindermorgan.com/business/gas_pipelines/east/neenergydirect/faq.aspx
 - ▶ Environmental Resource report filed by KM with FERC - DOCKET NO. PF14-22-000
1.4.2.1 (4) - “Tennessee will not use herbicides or pesticides within 100 feet of a wetland or waterbody”

NH and Milford Infrastructure

- ▶ Other than the claim of jobs and taxes paid to towns, what is the benefit of the pipe to NH and its towns?
- ▶ Is KM working with any of the distributors who are committing to distributing gas to industrial parks in Milford/Amherst/Wilton? Or to housing?
 - ▶ If so when would our residents see a gas supply in their homes?
- ▶ Is Milford really going to support and help pay for expansion of natural gas into other regions of town?
 - ▶ Increase of tax to residents to expand residential delivery of NG to the town
- ▶ Pipeline is 1460 PSI - KM is not interested in residential sales
 - ▶ Residential delivery would require more land, disturbances, ripping up of roads and equipment to regulate pressure down to 50 PSI for delivery pipes, homes would receive only 1-2 PSI

Land Payments & Ownership

- ▶ One time payment to land owner
- ▶ Land owner pays taxes on that income
- ▶ Land payments can be seized by mortgage company
- ▶ KM can return to easement, dig, expand or utilize land with out warning
- ▶ Land owner still owns the land, will still pay taxes and insurance on it
- ▶ Some mortgage companies may consider proximity to pipeline a hazardous condition
 - ▶ Result is a default of loan and balance of principal to be paid immediately
- ▶ How will Milford re-assess the land that has been deemed a ROW by KM?

Source:

<http://www.pscoalition.org/content/upload/documents/Presentations%20Compressed/Lambertville%20NJ%20PPT%20compressed.pdf>

Money Money Money

- ▶ Consumers will pay for pipeline construction via electric rate tariff
- ▶ Paid to electric companies, then paid to KM for gas usage and then paid to the towns
- ▶ In essence, electric customers in all of NH would be paying a tax on the pipeline to their town for a service they can not use
- ▶ **Taxes paid to town by KM**
 - ▶ KM operates 50 miles of 32" pipeline in NH, paid \$1.2 M in taxes to multiple towns
 - ▶ KM claiming that Amherst and Milford alone, on a 36" pipeline would receive nearly \$1M total ALONE
- ▶ “A proposed tariff, an upgrade to the town’s emergency response system, tax abatements and reduced property values will likely eliminate any direct tax benefit the town receives.” - Amherst, NH Citizens

centralmaine.com
KENNEBEC JOURNAL | Morning Sentinel

HOME NEWS POLITICS SPORTS OPINION COMMUNITY LIFESTYLE OBITU

NEWS Posted June 25, 2014 | Updated June 25, 2014 INCREASE FONT SIZE

Low pipeline values shock Waterville area

Municipalities that got proposed pipeline assessments from Summit Natural Gas are joining to seek higher tax revenues from the project.

BY MATT HONGOLTZ-HETLING STAFF WRITER
mhhetling@centralmaine.com | @hh_matt | 207-861-9287

Share

A property tax windfall that once seemed certain for area communities is now in question, as Summit Natural Gas is making a case that it should pay less than expected for a pipeline being built through central Maine.

At stake is millions of dollars for the municipal coffers of communities along the route of the \$350 million pipeline project.

“In Augusta,...the high range of what the city could collect...in property tax is about \$672,000. ... The new pipeline is operating at only about 1.5 percent capacity, and Summit has suggested that it should pay a proportional amount of taxes to Augusta – about \$9,800.”

Job Creation

- ▶ KM states that his project would create 3000 jobs
- ▶ “Through the multi-states over a several year period”
0:26:35
 - ▶ That’s only 1000 per state
 - ▶ In NH, 58 jobs per town over 17 towns
 - ▶ Most jobs will be shipped in
- ▶ Jobs are temporary, estimate is net gain for entire pipeline is under 50 permanent positions
- ▶ More permanent jobs can be created (over 24,000) through installation and usage of renewable forms of energy using the same amount of money that would be spent to install this pipeline
 - ▶ <https://www.youtube.com/watch?v=lr68-csA8lY>

Concerns with Kinder Morgan

If we can't trust them now, how can we trust them at all?

- ▶ Lack of full deed research
 - ▶ KM has not notified the 41 land owners of the Federal Hill Open Space
 - ▶ KM Stated: “will meet with every land owner, which we will start doing next week” - 0:53:40
 - ▶ When queried on the 41 land owners KM stated “We’re still, um, compiling that owner list, doing our deed work, our deed research” - 01:43:39
 - ▶ How can KM meet with every land owner “next week” (which did not happen) if they are still doing their deed work?
 - ▶ KM has started to visit residents in Federal Hill as of 1/16/15
- ▶ Untruthful information
 - ▶ KM pays for the land based on pipe size and linear foot. Understanding so far is that it is \$36 per linear foot of land
 - ▶ They’ve done this before, the question can be answered
 - ▶ KM Stated: “It’s based on property value” - 01:05:45
- ▶ Deceptive Presentation Tactics
 - ▶ Compressor and Co-Location as outlined in this presentation

Concerns with Kinder Morgan

If we can't trust them now, how can we trust them at all?

- ▶ KM fortifying the “need” for the project
 - ▶ Spectra is upgrading their pipes in their existing right of ways and will be able to supply adequate gas to NE by the end of 2017
 - ▶ KM will be breaking new ground; possibly won't be ready until years after
 - ▶ KM Stated: “one of the first thresholds you need to meet is for customers to sign up for your project” - 0:14:00
 - ▶ KM holds a controlling interest in Liberty Utilities owner, Algonquin
 - ▶ As one resident put it “like a sock-puppet making a deal with the puppeteer”
- ▶ Fuzzy Answers
 - ▶ Ask a question one way get answer A, ask it another way, get answer B
 - ▶ Watch other town meetings and compare
- ▶ Ignoring Denial of Survey letters sent by residents of other towns
 - ▶ Going door to door regardless if certified letters received by KM and FERC
 - ▶ Claiming that they “slipped through the cracks”

What can you do as residents?

- ▶ Deny access to KM to survey your land
- ▶ NO PIPELINE Signs
- ▶ Write to your selectmen, NH State Representatives & NH Governor
- ▶ Tell your friends & neighbors!

- ▶ Resources
 - ▶ Federal Point Pipe Info - Facebook
 - ▶ www.NHPipelineAwareness.org & NH Pipeline Awareness - Facebook
 - ▶ Other town Facebook pages
 - ▶ www.nofrackedgasinmass.org
 - ▶ www.stopned.org
 - ▶ www.massplan.org

Questions for Board of Selectmen

- ▶ We can not “Wait and see” - This is what KM wants, and by then it will be too late
- ▶ Despite relocating the pipeline to a completely different state and surprising a new list of unknowing stakeholders, the initial project timeline has not been reset
- ▶ Why is KM building this pipeline when Spectra Energy is expanding its pipeline and the Continent to Coast project will assist with any shortfall?
As residents, we ask you deny any survey by KM on any town land, grant the BOS intervener status with FERC and vote on an referendum to officially oppose the pipeline
 - ▶ Amherst, Fitzwilliam, Brookline, Mason, Dracut, Wilmington and others are ahead of Milford
- ▶ What is being done by the town in the way of community outreach to notify citizens that KM is planning on building a pipeline through Milford?
- ▶ What research has Milford done?
- ▶ Are you working with and communicating with the other towns?

Questions for Board of Selectmen - 2

- ▶ We can not “Wait and see” - This is what KM wants, and by then it will be too late
- ▶ Is Milford mobilizing teams to research like other towns?
 - ▶ Amherst & other towns forming a pipeline task force
- ▶ There are likely to be complex legal issues ahead. Has any thought been given to retaining an environmental attorney to help with the protection of town land as well as that of affected landowners?
- ▶ The pipeline traverses Mile Slip - wasn't this land purchased by the town and for conservation the enjoyment of its residents?
- ▶ Conservation Commission's emails and latest meeting minutes demonstrate that they feel no urgency in the proposed route, and in their own words “We will continue to discuss the pipeline and when more concrete plans are available we will get into the detail of the sites affected.”
- ▶ What if project is ever abandoned? Is KM bonded to guarantee removal and restoration of affected properties to original condition?

Q & A