

**Conservation Law Foundation – Vermont Natural Resources Council –
Vermont Public Interest Research Group**

April 24, 2012

Don Gilbert
President, Vermont Gas Systems
P.O. Box 467
Burlington, VT 05402-0467

Re: Addison Expansion Advisory Group Process

Dear Mr. Gilbert:

As members of the Addison Expansion Advisory Group, we are offering this letter to provide some additional comments and feedback on the Advisory Group process and outcomes, and clarify our continued concerns with the project as currently planned.

Failure of Advisory Group Mission

The Advisory Group Process failed in achieving its mission. At the first meeting, the mission was presented:

The Advisory Group's mission is to develop recommendations regarding an expansion configuration and route that maximizes public and customer benefits and minimizes impacts; allows for future expansion; and has broad support.

(Meeting summary January 9, 2012).

Despite this mission, no recommendations were developed by the Advisory Group. Vermont Gas used input provided by individual group participants to develop its own recommendation, which was presented as a final decision at the last meeting, and was not presented to participants as a proposed recommendation before that meeting.

Vermont Gas should refrain from claiming the Advisory Group developed or advanced any recommendation or route configuration.

Scope of Advisory Group Process too Limited

The scope of the Advisory Group Process was too narrow to develop sound recommendations. As with any fuel use and infrastructure, it is important to undertake an environmental and emissions impact analysis that takes into account the source and use of the fuel, as well as the secondary and cumulative impacts of the proposed infrastructure.

The location and configuration of the proposed pipeline make it likely that an expansion in the future will support both a natural gas electric generating facility and connection with gas supply in New York State that may source fuel from natural gas wells that are "fracked." Since these are reasonably foreseeable consequences of the proposed project, an evaluation of those impacts is needed, but was absent from, the evaluation of the proposed route.

Despite questions raised specifically on this issue by members of the Advisory Group, the analyses presented during the Advisory Group Process failed to present any detail regarding the source of the gas that will be used, and failed to provide any commitment that no gas from fracking will be delivered in the proposed pipeline. Similarly, the analysis presented during the Advisory Group Process focused only on the use and benefits of the gas to replace oil for heating and process uses, but failed to address or limit use for future electricity generation. The impacts of those uses should have been part of the information available to the Advisory Group. In the absence of providing that information, Vermont Gas should limit the use of the proposed pipeline.

Unless and until there is further, detailed analysis along with thorough input from the public, Vermont Gas should specifically limit access to its new pipeline: 1) to preclude any gas from sources as a result of hydraulic fracking; and 2) to preclude use by any new electric generation facility.

Use of Circ Right-of-Way

A number of participants raised significant concerns regarding impacts to natural resources as a result of developing a pipeline within the Circ A-B right-of-way. Without explanation or data supporting its conclusion, these concerns were dismissed by Vermont Gas, which simply stated: "Vermont Gas is confident that it can build within this corridor in a fashion that does not compromise the area's environmental integrity; the issues are addressable and can be resolved." (Slide 14, Presentation February 22, 2012). The undersigned members of the Advisory Group do not share this confidence. Any information or data that led Vermont Gas to this conclusion should have been shared with the Group.

Concerning reliability, at the February 8 meeting, it was estimated that looping could be added to the Alternative 4 configuration to improve reliability, at a cost of approximately \$2-5 million. This would address the major claimed benefit of the Circ routes (improved reliability) and still cost less than the Circ route configurations. The final presentation by Vermont Gas failed to present these alternatives as comparable. The significant resource impacts and lack of significant other benefits preclude a route using the Circ right of way as being a preferred route.

Vermont Gas should refrain from claiming use of the Circ right-of-way meets the project's objectives.

Conclusion

In light of the foregoing:

- *Vermont Gas should refrain from claiming the Advisory Group developed or advanced any recommendation or route configuration.*
- *Vermont Gas should specifically limit access to its new pipeline:
1) to preclude any gas from sources as a result of hydraulic fracking; and
2) to preclude use by any new electric generation facility.*

- *Vermont Gas should refrain from claiming use of the Circ right-of-way meets the project's objectives.*

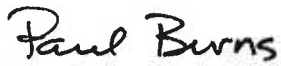
Sincerely,



Sandra Levine
Conservation Law Foundation



Jake Brown
Vermont Natural Resources Council



Paul Burns 
Vermont Public Interest Research Group

cc: Vermont Gas Addison Expansion Advisory Group (by email)