

New Jersey Board of Public Utilities

NEWS RELEASE

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NJ Board of Public Utilities Finds Proposed Southern Reliability Link Route Meets Federal and State Pipeline Safety Requirements

- 19 different route variations were evaluated during project review -

The New Jersey Board of Public Utilities (Board) today found that Natural Gas Company's (NJNG) proposed route for the Southern Reliability Link (SRL) natural gas pipeline meets or exceeds all federal and state pipeline safety requirements. In approving the company's petition to approve a route for the construction of the proposed pipeline, the Board ordered additional pipeline safety measures, such as the installation of two twelve inch wide warning tapes placed over the pipeline and an initial integrity assessment using inline inspection devices.

The SRL project needed Board approval pursuant to <u>N.J.A.C.</u> 14:7-1.4(a) that requires approval for natural gas pipelines that are operated in excess of 250 psig and located within 100 feet of any building that is intended for human occupancy. In approving the petition to construct the proposed SRL, the Board found the project complies with all federal and state pipeline safety requirements.

In making its decision, the Board found that the proposed SRL will improve reliability and resiliency by providing an alternate feed to deliver natural gas to approximately 452,000 NJNG customers and to maintaining system pressure in the event of a service interruption or failure in the existing pipeline system.

"The Southern Reliability Link will provide the necessary reliability and resiliency improvements needed to protect the natural gas service of about 452,000 NJNG customers," said Richard S. Mroz, President of the N.J. Board of Public Utilities. "In approving the route for this natural gas infrastructure improvement project, the Board continues to support New Jersey's Energy Master Plan goals and recommendations, while also demonstrating our commitment to ensuring safe, adequate and affordable utility services to all who desire such services."

The Board still must consider NJNG's petition requesting the Board to issue an Order, pursuant to N.J. Municipal Land Use Law (N.J.S.A. 40:55D-19), determining that the construction of the project is reasonably necessary for the service, convenience or welfare of the public and finding that the zoning and land use ordinances and regulations shall not no apply to the project. The 30 mile, 30-inch steel natural gas pipeline that will run through six towns located in Burlington, Monmouth and Ocean Counties.

The Board's approval of NJNG's request to construct the SRL is subject to the approval of all environmental permits required by the N.J. Department of Environmental Protection, approval of road opening permits from the affected counties and municipalities, any requirements of the Pinelands Commission, the approval of traffic control and detour plans with the affected jurisdictions, the installation of two twelve inch wide warning tapes over the pipeline, the pressure testing requirements of N.J.A.C. 14:7-1.14 prior to placing SRL into operation, and completion of an initial integrity assessment of the pipeline using inline inspection devices.

In approving the SRL route, the Board found that the project is necessary to ensure the reliability and supply security to NJNG customers in Ocean, Burlington, and Monmouth counties. SRL will serve as an alternate major feed to support the delivery of natural gas to NJNG customers and will maintain system pressure in the event of a supply interruption or system failure in the existing, single feed transmission pipeline supply system.

Presently, approximately 85% of NJNG customers' winter season peak day natural gas supply is serviced through a single interstate pipeline (Texas Eastern Transmission System) located in the northwest section of NJNG's service area. NJNG customers located at the southern end of the service territory are potentially at risk to be adversely affected by supply interruptions and system failures.

Prior to the Board making its decision, Board Commissioner Dianne Solomon presided over three public hearings, two held in Manchester and one held in Mount Laurel, at which members of the public and other stakeholders offered their comments. The Board also reviewed over 1,000 written comments submitted during the comment period.

In response to input from the public and public officials, a portion of the original route alignment was changed and NJNG's filed an amended Petition on June 5, 2015. The original route turned left off of Chesterfield-Arneytown Road (Route 667) while the approved route turns right on Route 667 onto Province Line Road in Upper Freehold Township. The route continues onto Monmouth Road (County Road 537) in Upper Freehold Township. The route eventually intersects where the old route turned left off of Millstream Road in Plumsted Township.

Board staff reviewed 19 alternative route variations before the determination was made to support the approved route. The current route was chosen after reviewing possible impacts of various routes to existing structures and the environment. Some alternative routes would have needed the SRL to cross preserved farmland, which is prohibited pursuant to the Garden State Preservation Trust Act. Other routes considered would have required the SRL to traverse the Joint Base McGuire-Dix-Lakehurst, which was determined to be unviable by officials with the Joint Base. Five primary routes were considered during the alternative route selection process performed by a consulting engineering company for NJNG. Three additional primary routes were considered by Board Staff after the original and amended petitions were filed with the Board. Several variations on the primary alternative routes were also considered by NJNG and Board staff. Additional primary alternative routes included the use of Route 68 and an existing Jersey Central Power & Light electric transmission right of way (JCP&L ROW). However, these alternative routes would cross preserved farmland protected under the New Jersey Farmland Preservation Program, known as the Agriculture Retention and Development Act (ARDA). It was determined that the SRL was prohibited from traversing preserved farmland pursuant to ARDA, as well as State Agricultural Development Committee regulations. In addition, the JCP&L ROW route would cross environmentally sensitive areas containing extensive wetlands as well as threatened and endangered species. The additional primary alternative routes also included routes which would travel through the Joint Base McGuire-Dix-Lakehurst ("Joint Base"), but were ultimately determined to be unviable by Joint Base management as they would cross the operational areas of McGuire Air Force Base as well as the artillery/firing ranges in Fort Dix. One such route was considered along the northern boundary of the Joint Base, but this route would pass through the residential community of Cookstown in North Hanover Township, as well as environmentally sensitive areas, in addition to the operational areas and artillery/firing ranges of the Joint Base. An additional alternative route was proposed by the Township of Chesterfield that would follow Route 68 and the JCP&L ROW, but this route was determined to be unviable as it would cross preserved farmland as well as environmentally sensitive areas.

Board staff reviewed NJNG's proposal including the project design, construction plans and specifications, the listing of structures within 100 feet of the pipeline and their distances from the proposed alignment, and also conducted field inspections of the entire proposed SRL route, as well as alternative routes. Board staff worked with the company on the SRL alignment to mitigate the number of human-occupied structures within 100 feet. The proposed route also proved to be the most favorable upon reviewing a number of factors including impacts to structures and the natural environment in addition to engineering considerations.