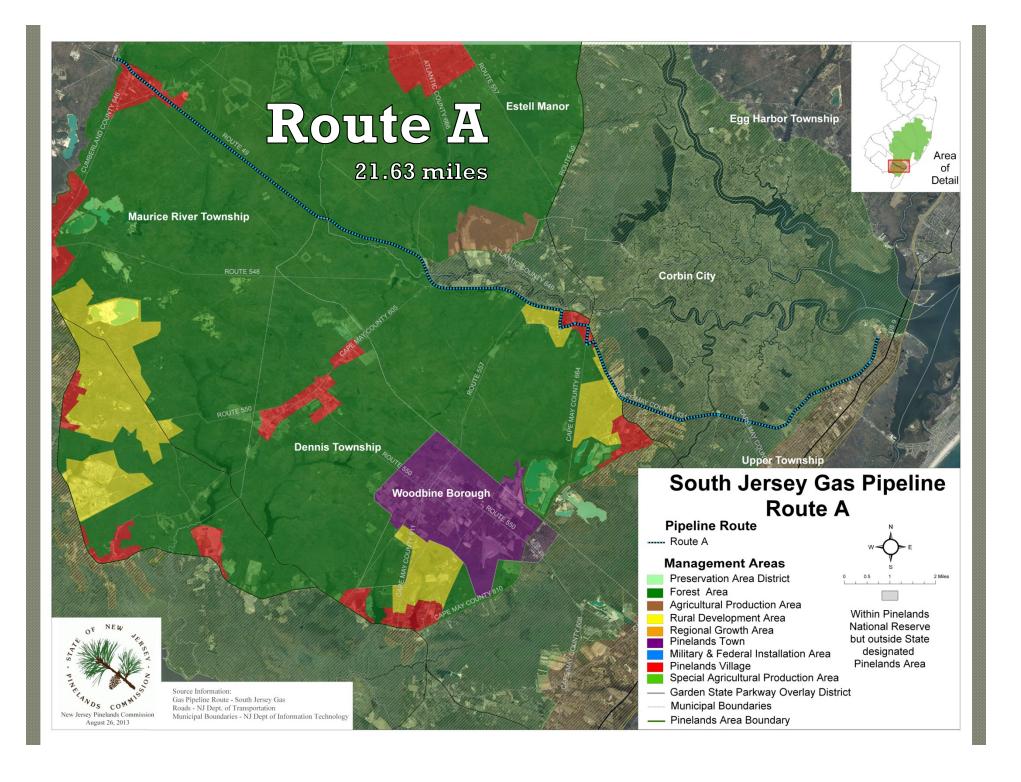


Proposed MOA with the Board of Public Utilities

Policy & Implementation Committee December 4, 2013



Past Presentations

June 28, 2013 Pinelands Commission

- Overview
 - BL England AACO
 - Status of BPU process
 - Proposed gas line
 - 3 routes
 - Potential Impacts
 - Need for MOA

August 28, 2013 Pinelands Commission

Detailed review of application

September 28, 2103 South Jersey Gas

- Existing infrastructure
- Routes
- HDD
- Threatened and endangered species
- Safety

- Subchapter 6 Compliant
- Subchapter 5 Public infrastructure
 - Permitted in Rural Development and Village areas of route but in the Forest Area only where it:
 - -- Primarily serves the needs of only the Pinelands
 - The redundancy portion of the line does not meet this standard as there are more "meters" served outside the Pinelands than within

The CMP recognizes the need to address projects that are not fully consistent and allows three mechanisms for such projects to proceed:

- Waivers for:
 - hardship or
 - compelling public need
- Intergovernmental Memorandum of Agreement

- An MOA must contain measures that, at a minimum, afford an equivalent level of protection of the resources of the Pinelands than would be provided through strict application of the standards of the CMP.
- This authorizes the Commission to approve development where compliance with the CMP's objectives and goals is obtained through alternative measures.

- The draft MOA is intended to authorize the construction of the portions of the proposed gas pipeline within the Forest Area.
- No other deviations are required

Other Agency Approvals

New Jersey Department of Environmental Protection

- CAFRA
- WQMP Consistency
- Preconstruction Air Permit
- NJPDES Discharge to Surface Water
- NJPDES Stormwater

Army Corps of Engineers
U.S. Fish & Wildlife
National Park Service
State Agricultural Development Committee
NJ Board of Public Utilities

Existing Gas Infrastructure

Gas Pipelines approved to date:

- 10 approvals issued
- 49.24 miles/23.06 miles in Forest Area
- All Certificates of Filing

Memoranda of Agreement

From 1988 to date there have been 19 deviation MOAs

- NJ Highway Authority telecommunication cables on GSP
- Stockton State College Master Plan
- 3 MOAs NJ Transit/ NJHA/NJDOT Herbicide Use
- SJTA expansion of Farley Plaza
- NJDEP/Woodland/NJCF rec vehicle facility in Preservation Area
- 2 MOAs OCUA/ Evesham Township application of sludge derived product
- Atlantic County Lake Lenape Park development projects
- NJDEP/Southern Ocean Landfill use of recycled waste materials for landfill closure
- Evesham Township/Evesham MUA construction of wastewater lagoons in RDA
- SJTA Atlantic City Airport development
- BPU construction of electric transmission line within GSP right of way
- Buena Borough Utilities Authority/Buena Vista Township wastewater recharge
- Stafford Township/Ocean County landfill closure and business park redevelopment
- DEP/DHS connection of Ancora to Camden County wastewater system and development
- NJTA Garden State Parkway widening
- Ocean County Robert Miller Airpark improvements

Previous Public Purpose MOAs

- NJDEP/Woodland/NJCF private recreational vehicle facility in Preservation Area on privately owned property
- OCUA application of sludge derived products on public and private property
- NJDEP/Southern Ocean Landfill privately owned landfill permitted to accept waste to help pay for closure
- Ocean County/Stafford Township private party purchased and redeveloped township owned property
- NJ Highway Authority private communication companies installed and own telecommunication cables within GSP right of way.
- South Jersey Transportation Authority facilities at the Airport are owned by private parties and will be built privately
- Board of Public Utilities a utility company constructed and owns electric transmission facilities within GSP right of way

How Public Utility Service is Provided in New Jersey

- How service is provided
- BPU's jurisdiction over utility providers
- What other states do

Needs Served by the Project

1. Air Quality

- DEP AACO
- DEP Air Modeling

2. Energy Capacity

- State Energy Master Plan
- National Electric Transmission Congestion Study
- PowerGem Reports

3. Reliability

Air Quality

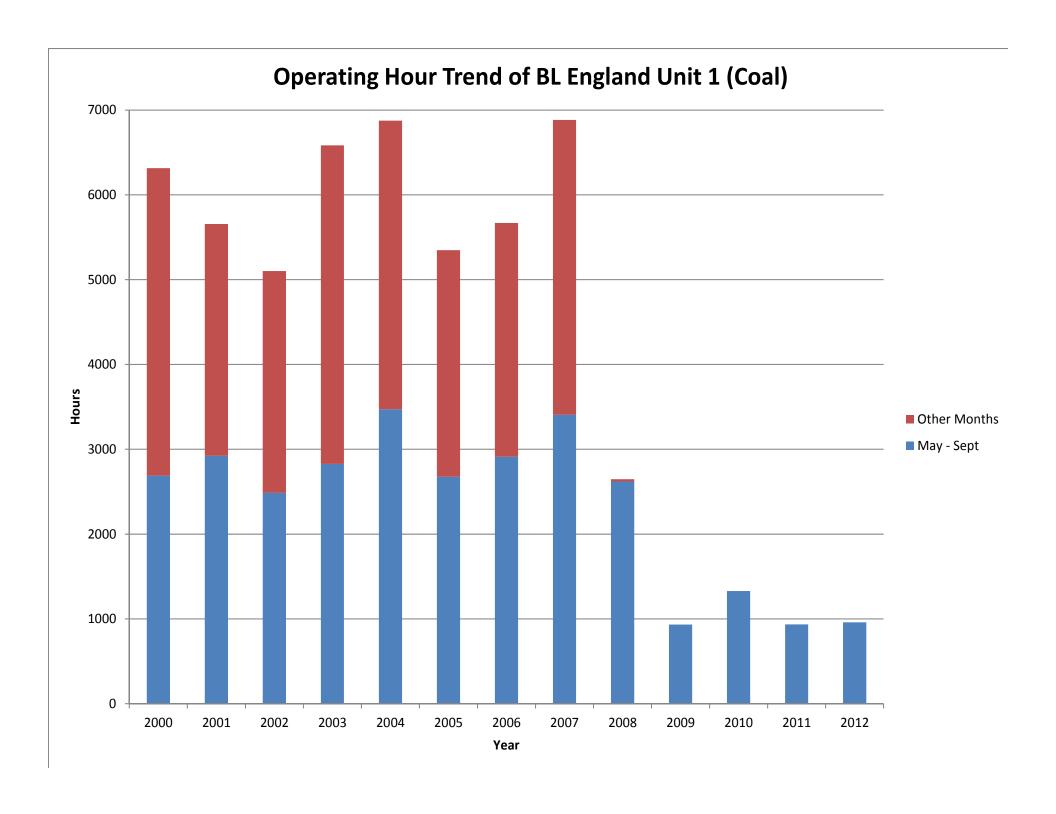
DEP Air Modeling shows the following benefits over the Pinelands Area:

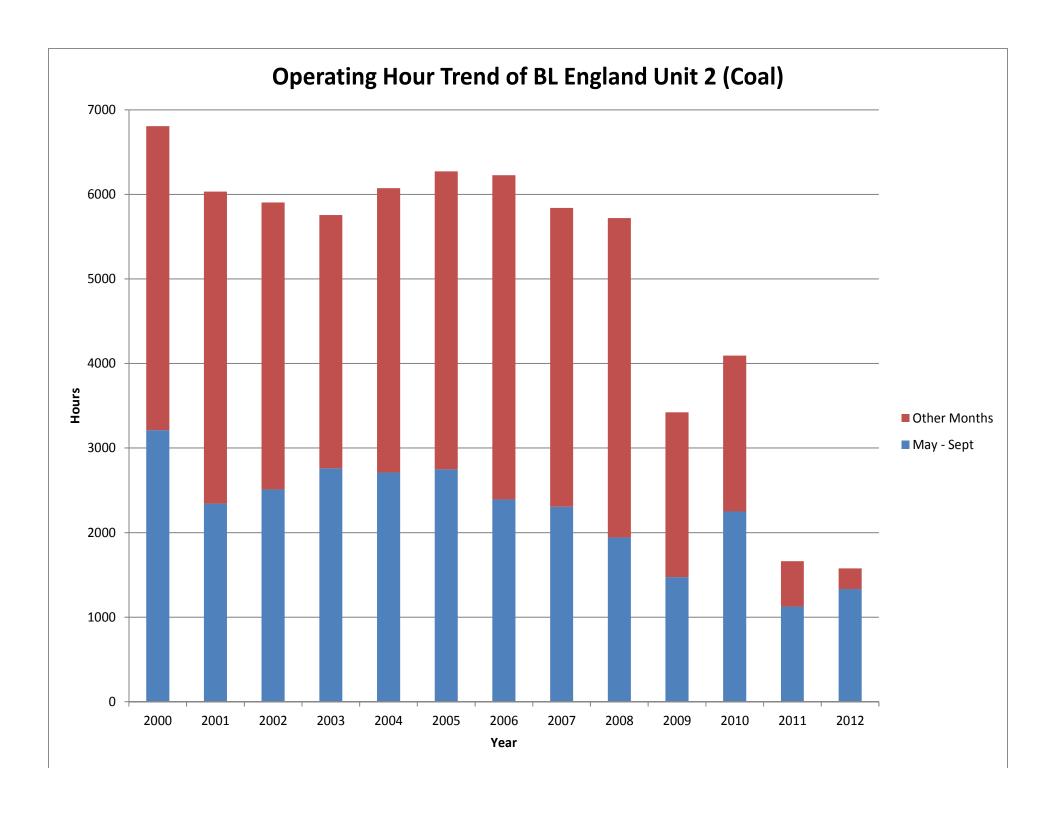
- Up to 40.9% reduction on the maximum existing background 1- hour sulfur dioxide (SO2) concentrations
- Up to 41.4% reduction in the maximum existing background 3- hour sulfur dioxide (SO2) concentrations

Air Quality

According to the DEP report, the reductions in emissions and air pollution concentrations over the Pinelands Area will result in benefits including:

- Less potential for acute and chronic damages to plants due to lower SO2 concentrations
- Reduced SO2 and NOx (nitrogen oxides) emissions will result in less acid rain formation, a benefit to plants, lakes, fish and wildlife
- Reduced emissions of NOx, an ozone precursor, will result in lower ozone concentrations in the Pinelands and reduced ozone damage to plants and vegetation
- Reduced SO2, NOx and PM2.5 (Particulate Matter) emissions will improve visibility over the Pinelands Area
- A 94% reduction in allowable mercury emissions will benefit fish and animals that eat the fish, as well as the overall environment





Energy Capacity

2011 Energy Master Plan

- Expressed goal of promoting a diverse portfolio of new, clean costeffective in state electric generation
- Acknowledges need to find base load generation to replace the Oyster Creek Nuclear Generating Station and targets the expansion of natural gas-fired power generation
- Directs state agencies to accelerate the decommissioning of older, less efficient coal- and oil-fired electrical generation plants and to rely more upon natural gas and to promote the expansion of pipelines to supply natural gas
- Recognizes that South Jersey in particular lacks adequate natural gas infrastructure necessary to support new, gas-fired generation as well as substitution for other fuels in the residential and commercial sectors

Energy Capacity

National Electric Transmission Congestion Study

- New Jersey is located within the US Department of Energy (DOE) designated Mid-Atlantic Critical Congestion Area
- This area was designated based on severely inadequate transmission capacity that threatens the reliability of the electrical grid

Energy Capacity

PowerGem (Power Grid Engineering and Markets) Reports

- Found that the BL England plant contributes 45% of the load within the Pinelands Area and 86% after the scheduled shut down of the Oyster Creek Nuclear Generating Station
- Found that the retirement of the BL England plant would negatively impact eight transmission circuits located proximate to the Pinelands Area

Measures to Afford Equivalent Level of Protection

- Air Quality Benefits
- Terms of Agreement:
 - Deed restriction of pipeline right of way
 - Land acquisition
 - Education and research
 - Environmental conditions

Education and Research

- Funds to finance the installation of a Pinelands Education Center to be located in the Richard J. Sullivan Center. The center has already been designed (see photo on right).
- Funds for the Commission's education or outreach-based programs or initiatives such as World Water Monitoring Day, the Pinelands Short Course, Pinelands Research Series ...



Select Environmental Conditions

Independent biologist(s)

- Approved by Pinelands Commission
- On site at all times during construction activities proximate to habitat

Independent engineer

- Approved by Pinelands Commission
- On site during all phases of HDD

Primary and secondary field marking

Onsite Archaeologist for site preparation