

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7970

Petition of Vermont Gas Systems, Inc., for a certificate)
of public good, pursuant to 30 V.S.A. Section 248,)
authorizing the construction of the "Addison Natural Gas)
Pipeline" consisting of approximately 43 miles of new)
natural gas transmission pipeline in Chittenden and)
Addison Counties, approximately 5 new distribution)
mainlines in Addison County, together with three new)
gate stations in Williston, New Haven, and Middlebury,)
Vermont)

Entered: 12/23/2013

CERTIFICATE OF PUBLIC GOOD ISSUED
PURSUANT TO 30 V.S.A. SECTION 248

IT IS HEREBY CERTIFIED that the Public Service Board ("Board") of the State of Vermont this day found and adjudged that the proposed construction of the "Addison Natural Gas Pipeline" consisting of approximately 43 miles of new natural gas transmission pipeline in Chittenden and Addison Counties, approximately 5 new distribution mainlines in Addison County, together with three new gate stations in Williston, New Haven, and Middlebury, Vermont (the "Project"), by Vermont Gas Systems, Inc. ("VGS" or "Petitioner"), in accordance with the evidence and plans submitted in this proceeding, will promote the general good of the State of Vermont, subject to the following conditions:

1. Construction, operation, and maintenance of the proposed Project shall be in accordance with the plans and evidence as submitted in this proceeding. Any material deviation from these plans or a substantial change to the Project must be approved by the Board. Failure to obtain advance approval from the Board for a material deviation from the approved plans or a substantial change to the Project may result in the assessment of a penalty pursuant to 30 V.S.A. §§ 30 and 247.

2. Petitioner shall obtain all necessary permits from the Agency of Natural Resources, the U.S. Army Corps of Engineers, and the Vermont Agency of Transportation before commencement of construction or site preparation. This includes the Vermont Stream Alteration Permit, Vermont Wetland Permit, Section 401 Water Quality Certification, NPDES Stormwater Permit, and Army Corps of Engineers Section 404 Permit. Prior to proceeding with construction in any given area, Petitioner shall also obtain all other necessary permits and approvals required for the proposed construction activities in that area. Construction, operation and maintenance of

the proposed Project shall be in accordance with such permits and approvals, and with all other applicable regulations, including those of the Vermont Agency of Natural Resources and the U.S. Army Corps of Engineers.

3. VGS separately entered into eight Memoranda of Understanding ("MOUs") with different parties to this proceeding. VGS shall comply with the provisions of these MOUs.

4. VGS shall use horizontal directional drilling ("HDD") shall occur as reflected in its 6/28/13 Alignment plan (as amended to reflect the use of HDD for all of the Palmer property) and the MOUs.

5. VGS shall conduct any blasting in accordance with the Blasting Plan. Additionally, along with complying with the Monkton notification agreement in finding 83 above, VGS shall conduct blasting notifications of all the municipalities and their school system leadership using the same procedures stated in the findings of our Order.

6. VGS shall present a final diagram reflecting the final Rotax Road re-route plan for inclusion in the record.

7. VGS shall construct pipeline re-routes at Rotax Road and Old Stage Road in Monkton consistent with the provisions of our Order.

8. VGS shall conduct post-construction noise level monitoring at the gate stations. Testing at the sites shall ensure that the noise levels do not exceed 55 dBA in the daytime or 45 dBA at night, as measured at the gate station fenceline. If test results should exceed these levels, follow-on testing shall occur at the nearest residence. Test results shall be reported to the Department of Public Service ("Department") which shall develop any mitigation steps in consultation with VGS, and if necessary, with the Board.

9. VGS shall train appropriate emergency response personnel in Addison County in the use of non-sparking tools and methane gas detection meters. Upon completion of relevant training, VGS shall equip these emergency personnel, free of charge, with this equipment and shall provide for the regular calibration of the meters and appropriate refresher training following the same regulatory and industry standards followed by VGS personnel. VGS shall further ensure that ongoing communication and coordination with the Addison County regional Planning Commission occurs for purposes of emergency response planning, in particular with regard to the timing and deployment of trained personnel from both VGS and local response organizations as warranted in distribution and transmission pipeline emergencies.

10. VGS shall file a petition with the Board proposing a program similar to Green Mountain Power Corporation's Cow Power program to promote bio-methane project development in consultation with the Department.

11. VGS shall develop an aggressive new energy efficiency program for its new customers in Addison County and present it to the Board for review and approval. One goal of this program shall be to invest the projected \$200 million dollar savings into energy efficiency transitions that will facilitate, rather than frustrate, achieving the 90% renewable energy goal by 2050. At a minimum, VGS needs to ensure that its proposal addresses three issues: (1) its new industrial (and residential) customers in Addison County and the shaping of their energy efficiency future; (2) the opportunity for savings by industrial customers in energy efficiency technology as they invest in conversion to natural gas (e.g., replacing old technology with more efficient technology rather than simply converting it to natural gas); and (3) ensuring that the investment of VGS ratepayers in the Project results in not only reliability and greater availability of natural gas to new customers but also greater energy efficiency (and reduced greenhouse gas emissions) for new and existing customers.

12. Construction shall take place between the hours of 7:00 a.m. and 7:00 p.m. Monday through Friday, and 8:00 a.m. to 5:00 p.m. on Saturday. No construction will take place on Sundays or state or federal holidays. Blasting operations will be limited to 9:00 a.m. to 4:30 p.m. Monday through Friday. Where VGS is conducting HDD, VGS may continue the drill up to 24 hours per day, including weekends and holidays, as necessary to complete a drill. Where VGS is working in close proximity to residences, consideration in planning and executing the construction work shall attempt to minimize the overall duration of the impact on the residences, and VGS shall provide residents of reasonable advance notice of 24-hour HDD operations.

13. VGS shall address landscaping, site offset, and site appearance concerns to mitigate the visual impact of the New Haven gate station within its agricultural setting in consultation with the Department.

14. VGS shall engage in a post-construction aesthetic review of the Project with the Department within 120 days of the completion of the Project.

15. VGS shall follow through on its commitment to avoid undue adverse impacts on archaeological resources by either drilling or undertaking archaeological mitigation. In either instance, VGS shall perform these activities to the satisfaction of the Vermont Division of Historic Preservation.

16. VGS shall comply with all the conditions of the VGS-Agricultural Interests Group Memorandum of Understanding, in particular the conditions mitigating the impacts conservation easement as well as those mitigating the adverse impacts on both conventional and organic farming.

17. VGS shall take measures to ensure that disruptions to traffic flows are minimized and will implement appropriate safety measures, as described in our Order.

This Certificate of Public Good shall not be transferred without prior approval of the Board.

Dated at Montpelier, Vermont, this 23rd day of December, 2013.

<u>s/ James Volz</u>)	PUBLIC SERVICE
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<u>s/ David C. Coen</u>)	BOARD
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<u>s/ John D. Burke</u>)	OF VERMONT

OFFICE OF THE CLERK

FILED: DECEMBER 23, 2013

ATTEST: s/ Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)