

The VELCO logo is displayed in a bold, white, sans-serif font against a background of a Vermont landscape with autumn foliage and power lines.

VERMONT'S TRANSMISSION RELIABILITY RESOURCE

Vermont Gas Addison Expansion Project January 17, 2013

Operating Committee Meeting

Vermont Gas Addison Expansion Project

- VGS is proposing to extend its natural gas transmission pipeline system into Addison County
 - Targeting large use customers in Vergennes and Middlebury (I.e. Cabot Cheese, Middlebury College, etc.)
 - Planning to provide natural gas to customers in the towns along the gas pipeline route
- Section 248 petition application filed with the VT PSB on December 20, 2012
 - Technical hearings expected in June / July 2013
 - Final CPG expected in September 2013
 - Condemnations likely to be filed for selected easements immediately after the CPG
 - Condemnation Orders expected by August 2014
 - Construction start in September 2014
 - Project completion by December 2015
- Preferred pipeline route is predominately in and along the VELCO transmission corridor south of I-89 between VELCO's Taft Corners and New Haven substations and south into Middlebury

Vermont Gas Addison Expansion Project

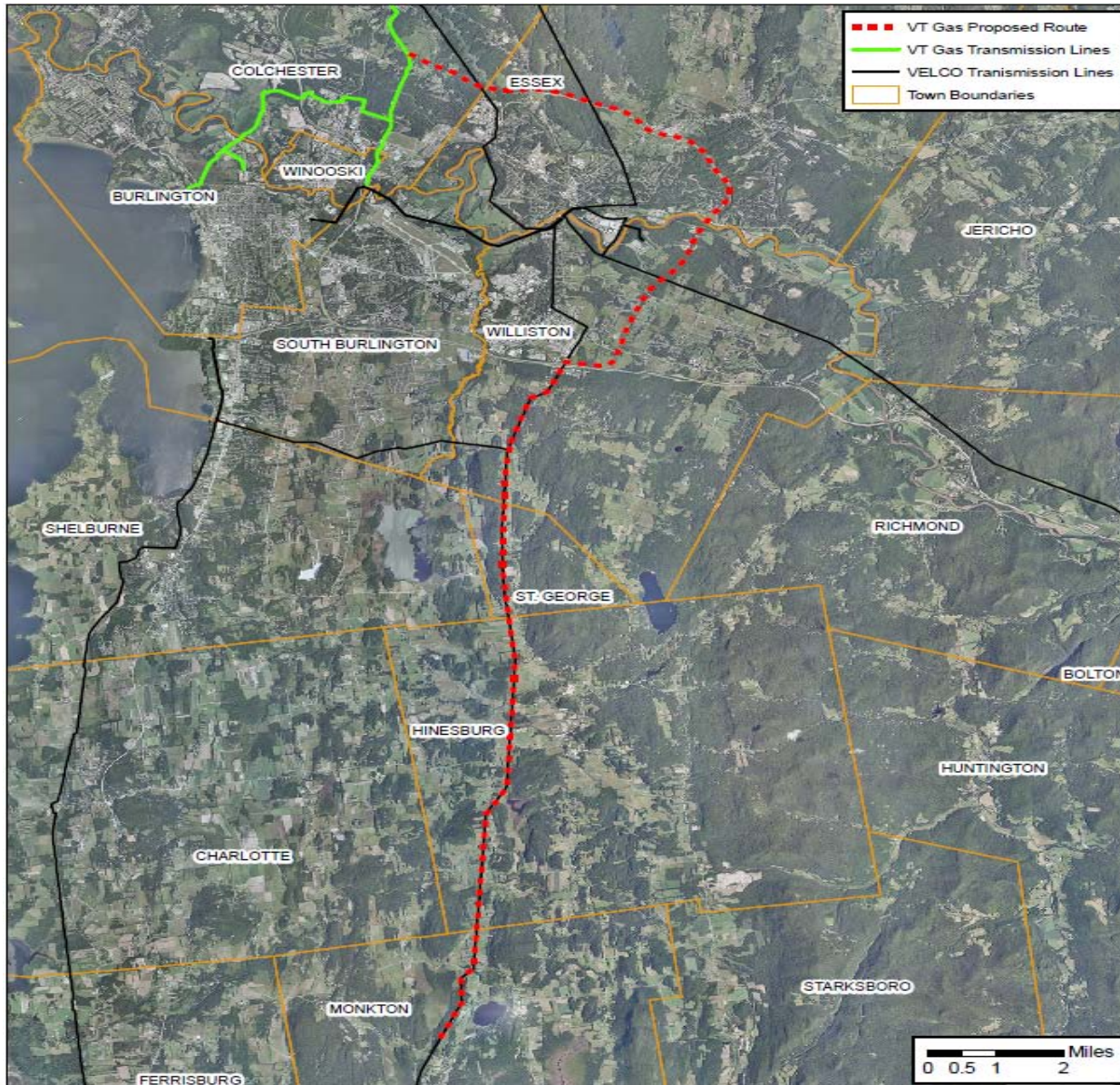
- **Scale of Proposed Project**

- Largest project in Vermont Gas history
 - \$84 M investment
 - 43 miles of new pipeline
- Expansion into new areas/communities
- Route impacts some of the communities affected by the VELCO NRP Project (Chittenden, Addison counties)
- Supports VGS expansion to International Paper in Ticonderoga, NY

- **Proposed pipeline route traverses the following eleven Towns:**

Colchester	Ferrisburgh
Essex	Vergennes
Williston	Waltham
St. George	New Haven
Hinesburg	Middlebury
Monkton	

Proposed Route of VGS Natural Gas Pipeline Expansion



Vermont Gas Addison Expansion Project

- **Additional Details on Proposed Pipeline Route**

- VELCO K21, K22, K27, K43, K63 & 370 ROW corridors
- 43 miles of 12” steel pipe (coated)
- Pipeline easements are 50’ permanent and 25’ temporary
- 11 miles of temporary construction easements within VELCO ROW
- 2 miles of permanent easements (varies in widths) in VELCO ROW
- 21 crossings of the VELCO ROW
- Additional 2 miles of permanent 50’ ROW easements in VELCO ROW
- Pipeline also crosses GMP & VEC transmission and distribution lines

Vermont Gas Addison Expansion Project

Potential Effects of Vermont Gas Expansion

- Safety
 - Proximity of construction activity to energized 115 kV transmission lines
 - Presence of high pressure gas transmission line next to electric transmission
 - Potential impacts on GMP and VEC transmission and distribution lines
- Operations
 - Impacts during construction (I.e. line outages planned/unplanned)
 - Interactions between 12 inch steel pipe and VELCO's grounding system
- Right-of-Way
 - Use of scarce ROW for gas pipeline could affect future VELCO use of the ROW
 - Landowner response to project and subsequent VGS-landowner interactions could adversely affect VELCO-landowner relations
- Environmental
 - Corridor crosses numerous wetlands, archaeological sites and sensitive areas
 - Additional temporary impacts – Access roads, etc.

Vermont Gas Addison Expansion Project

- **VELCO Involvement with the Project – Current**
 - July 9, 2012 Agreement between VELCO & Vermont Gas
 - VELCO attending VGS weekly Project Meetings since Sept. 2012
 - VELCO provided significant ROW corridor information
 - Landowner data
 - Right-of-Way data
 - Environmental data – wetlands, RTE, etc.
 - Archaeological data
 - LiDAR data
 - VELCO Plan & Profile data
 - VELCO reviewing VGS pipeline design details
- **VELCO Involvement with the Project – Future**
 - Continue to comment on VGS proposed design/routing options
 - Develop new agreement for going forward in 2013 and beyond
 - Review VGS grounding / cathodic protection studies
 - VELCO likely to file for intervener status with PSB



Construction through wetland south of Jewett Road, St. Albans

Construction here involved trench breakers, silt fences
and a timber mat bridge over a stream

