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SOMERSET COUNTY OFFICE BY APPOINTMENT October 27, 2014 WILLIAM C GEBHARDT 1884-1929 W READING GEBHARDT 1919-1980 PHILIP R, GEBHARDT 1924-1986 E, HERBERT KIEFER 1933-1988

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Honorable Cheryl A. LaFleur, Chairman Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

> Re: PennEast Pipeline Proposal Hunterdon County, New Jersey Pre-Filing Docket No. PF-15-1-000

Dear Ms. LaFleur:

This firm represents the Township of Holland, Hunterdon County, New Jersey ("Holland"). PennEast Pipeline Company, LLC, ("PennEast") has initiated a pre-filing application under the above docket seeking to construct a 108 mile pipeline through Eastern Pennsylvania and Western New Jersey. Approximately eight miles of the pipeline are scheduled to go through Holland. Holland believes that the pre-filing process made pursuant to the National Environmental Policy Act ("NEPA") is premature; that PennEast has not done adequate pre-filing preparation and has not sufficiently addressed the concerns of the public. Accordingly, Holland opposes the Pre-Filing process as premature and not justified

Specifically, the Township of Holland has significant concerns as it has detailed in the attached Resolution regarding the disruptions to the environment from this pipeline and the fact that it will cause the unnecessary exercise of eminent domain. Further, the Township believes that PennEast should be required to explore the use of existing utility rights-of-way or highway rights-of-way so as to transport its gas to eastern markets. The Township believes that PennEast should be required to do a complete evaluation of all existing pipelines transporting natural gas across Eastern Pennsylvania and New Jersey; a survey of all existing rights-of-way held by utility companies or government; a thorough analysis of all proposed plans for the additional pipelines crossing Eastern Pennsylvania and New Jersey; and then a complete analysis of development of a mechanism to consolidate pipelines into utility corridors so as to minimize the number of separate, discreet pipelines and to consolidate all proposed pipelines into utility corridors.

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The Township of Holland opposes the pre-filing process because PennEast has not engaged in good faith efforts to inform the stakeholder and the relevant public entities of the details of the pipeline path or its potential environmental impacts. Representatives of PennEast made their case at a Holland Township public meeting at which time more questions were raised than were answered. Shortly thereafter they announced there would be no more meetings with stakeholders or public entities, apparently because of the belief that the strong public opposition to the project make it counterproductive to engage in additional meetings. In light of the fact that PennEast seeks a certificate of public convenience and necessity to condemn the property of numerous homeowners, this refusal to consult and inform is unfair and inappropriate. Moreover, in its Pre-filing request to FERC, it suggests a paltry number of public meetings, each of a two hour duration, even though over 500 people appeared in Hopewell Township; over 300 people in Delaware Township; and over 300 in Holland Township to express concerns about the pipeline. PennEast obviously seeks to avoid informing the public and is attempting to muzzle those stakeholders and public agencies that have numerous concerns about the process.

The Township of Holland requests that the Federal Energy Regulatory Commission members give careful attention to the environmental and other concerns raised in the Resolution.

The Resolution has authorized the Township to intervene in the process which the Township is in the process of doing. The Township requests that the Commission accept this letter with the attached Resolution as if the Township had already filed for and been granted intervention status.

Respectfully submitted,

/s/ Richard P. Cushing

RICHARD P. CUSHING

RPC:cb Enclosure CC: Anthony C. Cox, PennEast Pipeline Co, LLC Holland Township, Mayor and Committee

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TOWNSHIP OF HOLLAND HUNTERDON COUNTY, NEW JERSEY

RESOLUTION NO. 2014-A RESOLUTION OF THE TOWNSHIP OF HOLLAND

WHEREAS, PennEast Pipeline Company, LLC, a joint project of AGL Resources, NJR Pipeline Company, a subsidiary of New Jersey Resources, South Jersey Industries, PSEG Power and UGI Energy Services, a subsidiary of UGI Corporation, proposed the construction of a new pipeline for the transfer and delivery of natural gas generated by deep well "fracking" in areas of Marcellus Shale in Pennsylvania; and

WHEREAS, the proposed pipeline is approximately one hundred (100) miles long of thirty-six inch (36") buried pipe crossing parts of Luzerne, Carbon, Northampton and Bucks Counties in Pennsylvania and Hunterdon and Mercer Counties in New Jersey, with approximately 8 miles of pipeline being located in Holland Township; and

WHEREAS, the New Jersey Highlands Water Protection and Planning Act (*N.J.S.A.* 13:20-1, et. seq.) ("Act") was passed in 2004 to protect the sources of water for half the population of New Jersey, and Holland Township was included as one of the 88 municipalities in the Highlands Region of the state; and

WHEREAS, the Act created the Highlands Council and charged them with developing a Regional Master Plan (RMP) to which the 88 municipalities could conform their municipal Master Plans, their Land Use Code and other documents; and

WHEREAS, The Act placed Holland Township entirely within the Highlands Region, with 13% of the Township's land included in the Preservation Zone, where conformance to the RMP is mandatory. Additionally, Holland Township has voluntarily conformed to the RMP in the Planning Area, where the proposed PennEast pipeline route is located; and

WHEREAS, as one of the steps toward full conformance to the RMP, the Highlands Council developed a Highlands Environmental Resources Inventory (ERI) for Holland Township, using the latest scientific data. This Highlands ERI was adopted by Holland in November 2013 and made an element of the Township's Master Plan; and

WHEREAS, Holland Township can, therefore, accurately gauge the impacts of the proposed PennEast pipeline on its natural resources because a state agency has compiled and authenticated an inventory of those resources using the latest and most up-to-date data, and that information provides the basis of the following points:

1. The proposed pipeline will cross at least 20 creeks and their tributaries in three of the five subwatersheds in Holland, the Hakihokake Creek (HUC-14 code 02040105170020), the Hakihokake Creek (02040105170030), and the Hakihokake to Musconetcong subwatershed (02040105170010). Not only will the pipeline disturb these streams but it will also intrude on the mandatory 300-foot buffer on each side of the streams. These buffers

contain vegetation that shadows the stream and keeps the water cool, and the vegetation slows run-off into the stream, mitigating flooding. The majority of these waterways are classified Category-One (C-1) by the New Jersey Department of Environmental Protection (NJ DEP), indicating that trout can reproduce because the water in those waterways is the cleanest in the state. Because trout lay their eggs on the bed of these streams, any silt introduced during construction can precipitate to the bottom and smother the eggs. Damage to these streams and buffers will affect water users in Holland and the millions of users to the east who depend on the Highlands for municipal water.

- 2. The eastern and western ends of the pipeline will intrude upon Prime Groundwater Recharge Areas in Holland as identified by the Highlands Council. Compaction of the earth by heavy equipment will impair the ability of these areas to recharge water. This is significant because the Highlands Council has determined that all of Holland Township has a water deficit, so we cannot afford to have recharge areas impaired.
- 3. The Highlands ERI also identifies Carbonate Rock Areas in Holland Township. Underlying materials such as limestone and dolomite can be dissolved by surface or ground water causing sinkholes, sinking streams and caves. The Highlands ERI explicitly warns, "Sinkholes present a geologic hazard as they may undermine such infrastructure as stormwater basins, roads, sewer lines, septic systems, and natural gas lines." The proposed route of the PennEast pipeline will cross a carbonate rock area immediately after the Delaware River crossing and another when it crosses Church Road.
- 4. The vast majority of the pipeline route intrudes upon Critical Habitat mapped in the Highlands ERI. The Highlands Council utilized NJDEP's Endangered and Nongame Species Program Landscape Project data to delineate suitable critical wildlife habitat for species of concern, employing the latest Version 3 of the Landscape Project. Among the threatened and endangered species occupying Critical Habitats in Holland Township are Great Blue Herons, Bobolink, Cooper's Hawk, Osprey, Wood Turtles, Bobcats, Northern Harriers and Vesper Sparrows.
- 5. The Highlands Council determined that Holland Township contains 4,483 acres of Severely Constrained Slopes (20% or greater slope), and the proposed PennEast pipeline crosses many areas of these Severely Constrained Slopes. On the western end, the pipeline encounters the steep slopes of Musconetcong Mountain; in the middle of the route it crosses Gravel Hill; and on the eastern end it encounters slopes above 20% along the stream routes. The Highlands ERI cautions that "Disturbance of areas containing steep slopes can trigger erosion and sedimentation, resulting in the loss of topsoil. Silting of wetlands, lakes, ponds and streams damages and degrades wetland and aquatic habitats, especially trout streams that are found throughout the Highlands and receive the State's highest water

quality protections. Steep slope disturbance can also result in the loss of habitat quality, degradation of surface water quality, silting of wetlands, and alteration of drainage patterns."

- 6. The pipeline also intrudes upon the Forest Resource Area identified by the Highlands Council. Most of this disturbance is in the Gravel Hill area, which is classified as High Integrity Forest Area, defined as "Predominantly forested, including a high proportion of forest cover consisting of high core area, large patch size, and a low distance to nearest patch."
- 7. Finally, Holland Township has spent many years and hundreds of thousands of state taxpayer dollars to achieve full conformance with the Highlands RMP. The Township is on the cusp of adopting the Highlands Land Use Ordinance, which will drastically update the Townships code. Developers and citizens will have to obey much stricter laws, including increased lot sizes, with the objective of protecting our rural environment. It is a travesty that the good intentions and resources of the state of New Jersey and the Township of Holland can simply be tossed aside by private corporations and a Federal agency to transport natural gas that will likely benefit no one in our community.

WHEREAS, the proposed route crosses properties that were purchased with New Jersey Department of Environmental Protection Green Acres Funds, New Jersey Department of Agriculture Funds, Hunterdon County Open Space Funds, Holland Township Open Space Funds, Federal Farm and Ranch Protection Program Funds, New Jersey Water Supply Authority Funds, as well as other properties that are subject to conservation easements and/or deed restricted against development; and

WHEREAS, the proposed route crosses or affects properties that were purchased by non-profit land conservation and protection organizations including the New Jersey Conservation Foundation and the Hunterdon Land Trust; and

WHEREAS, the route crosses over 10 farms, totaling 1,031 acres, which the taxpayers of the State of New Jersey, Hunterdon County, Holland Township, as well as foundations and individual donors and farmers and landowners, have invested \$4,865,469 to permanently preserve in perpetuity. In addition, the route crosses 7 lots of preserved open space on Gravel Hill and Milford bluffs, all owned by NJDEP costing about \$2,180,780 to preserve; and

WHEREAS, the proposed route crosses the Pursley's Ferry and Bunn Valley historic districts, in addition to 12 historic sites, all but one of which are listed in the 1979 County Survey Sites of Historic Interest. The rural agriculture landscape and its built environment are unique and irreplaceable cultural resources; and

WHEREAS, the proposed route will impact Township owned open space, privately held open space, and scenic vistas; and

WHEREAS, the proposed route and the construction of pump stations along the

way will impact ground water that Holland Township residents depend on for domestic consumption, wetlands, springs, and C-1 designated streams, all of which are highly valued by residents and visitors, are necessary for Holland Township's way of life, and are irreplaceable; and

WHEREAS, the proposed route of the pipeline passes directly through property that Holland Township has worked diligently for years to have developed for affordable housing. With the consent of the property owner, the site has been designated by the New Jersey Council on Affordable Housing as a site for affordable housing. After several years of inaction, the property owner within the last year has begun active efforts to construct market and affordable housing units on this site. Permitting the pipeline to pass through this property will prevent the development of that housing, thereby depriving low and moderate income people of the opportunity to have affordable housing in Holland Township. Even though Holland Township has substantial open space and undeveloped land, most of it is located in an area that does not have sanitary sewer capacity, is environmentally fragile or the property owner is not interested in seeing affordable housing built on it. Permitting the pipeline to pass through this property will set back the efforts of Holland Township to satisfy this very important Constitutional obligation; and

WHEREAS, the proposed pipeline also cause damage to Holland Township residents by potentially lowering property values, raising health concerns, raising safety concerns, impacting farms and residences, and generally degrading their quality of life and the historic, environmental and cultural resources they have dedicated themselves to protecting.

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Holland, Hunterdon County, New Jersey as follows:

- 1. The Holland Township Committee does hereby object to the design and construction of a thirty-six (36) inch pipeline passing through and under Holland Township, Hunterdon County. The construction and operation of the pipeline will significantly damage C-1 protected streams, wildlife habitat, existing farm operations, and the quality of life in Holland Township.
- 2. The Holland Township Committee calls for a moratorium on any and all planning for the PennEast Pipeline and requests that any such project, if approved, be removed from the pristine reaches of Hunterdon and Mercer Counties in New Jersey and Luzerne, Carbon, Northampton and Bucks Counties in Pennsylvania.
- 3. The Holland Township Committee seeks the cooperation of other similarly located and affected municipalities, asking that all nearby affected municipalities adopt a similar resolution.
- 4. The Holland Township Committee adopts, and calls upon similarly situated municipalities to adopt a resolution authorizing each municipality to join together to enter their appearance in any proceeding before the Federal

Energy Regulatory Commission, the Delaware River Basin Commission, the New Jersey Public Utility Commission, and any other regulatory authority, so that by the strength of numbers they may successfully oppose the PennEast Pipeline project and have the ability to cause the relocation or termination of the project so as to prevent environmental degradation and to protect the environment envisioned by the State of New Jersey.

- 5. The Holland Township Committee will act as an Intervener and/or Objector to the proposed PennEast Pipeline.
- 6. The Holland Township Committee will appoint a Holland Township subcommittee to help the governing body in its efforts as an intervenor in the FERC process and provide guidance in submitting written objections to FERC in opposition to the pipeline.
- 7. Working with its non-profit partners, local groups, and other municipalities, the Holland Township Committee will exercise careful fiscal oversight in this opposition process.
- 8. The Holland Township Committee recognizes that the pipeline could be beneficial to society through potentially lower natural gas prices in the national economy, though Holland Township will not currently benefit from any of the natural gas being transported through this pipeline. The Holland Township Committee determines that the damage to the Township outweighs any benefit the Township will gain based on the information known to date.
- 9. The Holland Township Committee genuinely hopes PennEast and its partners respond to the public outcry over the proposed route of the pipeline and re-route all or parts of the proposed pipeline in response to the numerous concerns raised in this Resolution and other similar ones.
- 10. The Holland Township Committee encourages PennEast and its partners to develop creative ways to avoid or greatly minimize the damage the pipeline will cause to the environment, preserved properties, the aquifer and, most importantly, the homes and lives of the citizens of Holland Township.

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