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# WEST HEMPFIELD TOWNSHIP

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July 30, 2014

Ms. Megan Stafford
Public Outreach
Williams / Atlantic Sunrise
2990 Post Oak Blvd.
Houston, TX 77056

Dear Megan:

I wish to take this opportunity to thank you and the other representatives from Williams for taking the time to meet with the Township last week regarding our concerns on the current alignment of the proposed pipeline.

It was agreed that Williams would take a closer look at our concerns and consider some realignment based on the alternate routes discussed.

In addition to our concerns regarding the proposed alignment, I have listed for you a series of questions that have been provided to the Township from some of our residents. Many of these questions were presented to our Board of Supervisors at their July 1, 2014 meeting. Others are questions addressed to me during individual meetings or communications from our residents.

1. Can we be sure our wells and natural springs are protected?

2. How is Williams planning to protect Township landowners wells during pre and post construction?

3. Can we be sure that the proposed pipeline will be safe?

4. Can the pipeline be re-routed in order not to impact the higher density areas of our Township?

5. How will property values be impacted by the installation of the pipeline?

6. What impact will the pipeline have on landowners insurance risks and costs?

7. Will Williams carry liability insurance for the new facilities for pre and post construction?

8. Can the pipeline be installed on preserved farms?

9. Can landowners continue to use their land over the pipeline right-of-way?

10. What impacts will there be to the community during the construction phase?

11. When Williams starts construction will they put the area disturbed back to its original condition?

12. Would Williams agree to participate in a "Town Hall" public meeting to answer questions?

13. Will there be the installation of compressor station(s) in West Hempfield Township.

14. Would there be access to the gas for local use?

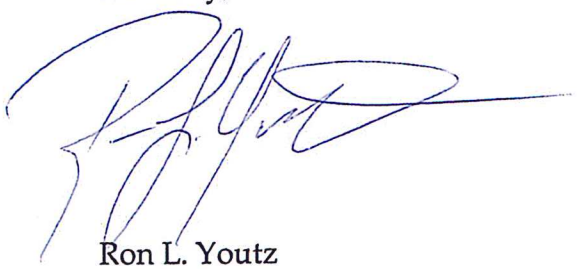
15. What is Williams Emergency Plan in case of a leak and/or explosion?

16. Would a copy of Williams Emergency Plan be filed with the Township and Fire Department?

We are hereby requesting that you review the list of questions and provide us with your response. Our primary goal and obligation is to provide the most accurate information to the members of our community and to ensure that to the best of our ability, we have communicated the concerns of those we serve.

Please feel free to contact me should you have any additional questions or the need from more clarification.

Sincerely,



Ron L. Youtz
Township Manager

copy: Board of Supervisors
Tom Tillet, Staff for Congressman Joseph Pitts 16th Congressional District

Williams

We make energy happen.™

## Responses to questions submitted by West Hempfield Township to Williams about the proposed Atlantic Sunrise Project

We appreciate and understand your interest in our proposed Atlantic Sunrise project. The responses to your questions attempt to address concerns you've heard from your constituents. To augment responses we've listed websites and publications that provide a myriad of information about the natural gas industry, pipeline operations and the regulatory process. We hope these suggested readings will increase your awareness and knowledge about our company and our industry.

**Atlantic Sunrise website:** http://www.atlanticsunriseexpansion.com
**Pipeline Hazardous Materials Safety Administration (PHMSA):** http://www.phmsa.dot.gov/
**PHMSA--pipeline safety awareness:** http://opsweb.phmsa.dot.gov/pipelineforum/
**The Interstate Natural Gas Association of America (INGAA):** http://www.ingaa.org/about.aspx
**Federal Energy Regulatory Commission:** www.ferc.gov

### Definitions and terminology

Understanding the regulations under which natural gas pipelines operate is integral to understanding the ongoing operations of the Transco interstate pipeline system. Several technical terms are used in this response. Some are defined in the text and some are linked to websites such as the electronic Code of Federal Regulations (CFR). The regulations for the natural gas industry can be found under: **Title 49: Transportation** Part 192—Transportation of Natural and Other gas by Pipeline: Minimum Federal Safety Standards

http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr;sid=bcc7b07dbc0aaec2ff3e7d84a5041cc2;rgn=div5;view=text;node=49%3A3.1.1.1.8;idno=49;cc=ecfr#49:3.1.1.1.8.1.9.3.

1. Can we be sure our natural springs are protected?
   The short answer is yes, but ground water is an important and complicated topic that requires a much more detailed answer. Transco is currently in the process of studying and analyzing the existing groundwater conditions within the project area. Potential impacts to groundwater resources will be avoided or minimized through proper implementation of best management practices and other protective measures that will be detailed in Transco's 7c Certificate application and supplemental implementation plans. Information on aquifers, groundwater, and springs as well as potential project-related impacts and impact avoidance, minimization, and mitigation measures will be included in Draft Resource Report 2: Water Use and Quality that will be filed in October 2014.

2. **Can we be sure our wells are protected? How is Williams planning to protect Township landowners wells during pre and post construction?**

   We are not aware that we are impacting any municipal wells serving West Hempfield Township. For personal wells, Transco's land agents will solicit input from each potentially affected landowner about the number and location of water wells that are present on their property. Prior to construction, Transco will seek landowner permission to test all wells within 150-feet of the construction footprint before and after construction. Any problems with tested water wells after construction begins will be promptly resolved by the company.

3. **Can we be sure that the proposed pipeline will be safe?**

   We are designing our proposed Atlantic Sunrise project with design specifications that meet, and in many cases, exceed federal regulations. This is a thorough explanation of our past practices and this information can be found on www.williams.com.

   The proposed Atlantic Sunrise project is being designed with a commitment to safety by *exceeding* federal safety regulations listed above in a number of critical areas, including:

   - Installing thicker walled pipe than required in certain areas
     - The definitions of pipeline class locations and high consequence areas (HCAs) can be found under: Title 49: Transportation Part 192—Transportation of Natural and Other gas by Pipeline: Minimum Federal Safety Standards
       - **Pipeline class locations can be found under Subpart A--General**
         - http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr;sid=bcc7b07dbc0aaec2ff3e7d84a5041cc2;rgn=div5;view=text;node=49%3A3.1.1.1.8;idno=49;cc=ecfr#49:3.1.1.1.8.1.9.3
       - **High consequence area (HCA) can be found under Subpart O—Gas Transmission Pipeline Integrity Management**
         - http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr sid=297aa0052b48eaad2a9c1e0f38e5aa80 rgn=div6 view=text node=49:3.1.1.1.8.15 idno=49
   - X-raying 100% of welds during construction
   - Testing the pipeline at a higher pressure than required before the line is placed into service
   - Once in service, more frequent inline inspections than required

   **We build safety into our pipelines**

   - Before a pipeline is built or expanded, Williams researches and plans to ensure the safe construction and operation of the system. When planning a pipeline project, Williams does its best to minimize the impact to communities by locating the pipeline along existing rights of way, roadways or other utility corridors.
   - Williams' interstate natural gas pipelines are engineered according to strict industry design and construction standards (ASME code B31.8 and DOT 49 CFR Part 192).

- We build our pipelines with welded, high strength steel pipe. Pipeline representatives inspect the pipe at the mills during fabrication to ensure its quality meets or exceeds both federal and industry standards.
- Protective coatings are applied at the mill and on on-site to prevent moisture from coming into contact with the metal.
- Williams' representatives inspect all aspects of the construction of the pipeline and related facilities. The welds linking the pipe joints are x-rayed to ensure integrity.
- Once the pipeline is in the ground, but before it is placed in service, it undergoes hydrostatic testing. This means the pipeline is tested with water at pressures higher than normal operating pressure to ensure the pipeline's integrity.
- Williams buries its pipelines at least 36 inches underground.
- Remote control shut-off valves are installed for safety and monitored 24 hours a day, 7 days a week.
- After the pipeline is installed, we put in a low-voltage electrical system called cathodic protection that, along with the pipe's coating, is designed to prevent corrosion of the steel pipeline.

**General inspection procedures and preventing/assessing third party damage**

- **Aerial and ground inspection of pipeline rights of way.** Heavily populated areas are inspected and patrolled more frequently. We strive to keep our pipeline rights of way clear of trees, fences, structures and debris to allow easy identification and monitoring of our facilities.
- **Leak detection surveys.** Leak surveys must be conducted at least once every calendar year. More frequent testing is done depending on the nature of operations and location of the pipeline.
- **Line markers.** Markers are posted along our rights of way to let you know there is a pipeline in your area. These markers are checked annually.
- **24-hour monitoring.** Pipeline personnel monitor our systems 24 hours a day, 7 days a week. Our equipment can detect even a slight change in pressure or flow. Dispatchers can quickly activate emergency shutdown procedures if they detect a problem.
- **Emergency response training.** Pipeline personnel are trained once a year on emergency response procedures and plans. Williams' representatives meet regularly with local emergency responders to review emergency response procedures.
- **Public education.** Written information about recognizing leaks and properly reporting pipeline emergencies is distributed annually to the public, appropriate government agencies and third party excavators. Williams actively participates in local One-Call programs in each of the states where we operate.
- **Wheel load calculations.** Before any third party vehicles or equipment are allowed to cross the pipeline, company engineers perform stress calculations to ensure the integrity of the pipe.
- **Blast calculations.** Before blasting is permitted near the pipeline right of way, company engineers perform stress calculations to insure the integrity of the pipeline.

**Corrosion and Coating Inspection**

- **Cathodic protection.** Low voltage, electrical systems, called cathodic protection systems, are installed on all pipeline facilities to prevent corrosion. Company personnel checks the voltage and amperage every two months as well as the pipe-to-soil potentials and rectifiers. In addition, annual surveys are completed.

- **Coating inspection.** Any time a pipeline is excavated, company personnel inspect the pipeline and coating for evidence of damage or corrosion.
- **Smart pig program.** Internal, electronic inspection devices, called smart pigs, are used to detect any anomalies. Although the pipeline safety regulations focus on high consequence and/or high risk areas, Williams' overall pipeline integrity plan covers rigorous inspections for our entire pipeline system. Transco has been smart pigging its pipeline system since 1987.

4. **Can the pipeline be re-routed in order not to impact the higher density areas of our Township?**

   Yes, several deviations from landowners and a reroute from the Township are currently under review at this time.

5. **How will the property values be impacted by the installation of the pipeline?**

   The valuation of the easement will be determined by the market value of land in the area as determined by independent sources such as county deed and tax records, regional appraisals, real estate brokers and other real estate professionals, considering such factors as length, width, existing use, and comparable land sales in the area. Impact to the remaining property may also be considered. This information will be shared with the landowner during easement negotiations, and compensation will be offered commensurate with the extent of Project-related impact within each property.

   In 2001, the Interstate Natural Gas Association of America Foundation (INGAA) published the results of a study entitled "Natural Gas Pipeline Impact Study". The goal of the study was to determine the effects of natural gas pipelines on real estate values. The study was conducted over several years, and included data from both rural and suburban areas. The ultimate finding of the study was that proximity to natural gas pipelines has no discernable impact on real estate values. http://www.ingaa.org/INGAAFoundation/Studies/FoundationReports/207.aspx

   In addition, the January/February 2011 edition of the International Right of Way Association (IRWA) publication, Right of Way, includes a study entitled "The Effect of Natural Gas Pipelines on Residential Value." The results of this particular study, which used methodologies similar to those used in the INGAA study, showed that the researchers could "...not identify a systematic relationship between proximity to the pipeline and sale price or value. https://www.irwaonline.org/eweb/upload/0604d.pdf

6. **What impact will the pipeline have on landowners' insurance risks and costs?**

   The easement agreement is for land rights to construct, operate and maintain a natural gas pipeline. By granting an easement, the landowner is not engaging in a new business enterprise which might be the case with oil gas drilling, but not with an interstate natural gas pipeline. We have not been able to obtain any credible evidence to support the claim that insurance underwriters consider the presence of a natural gas pipeline when determining the cost and coverage of property insurance. We encourage anyone that has received a formal notice of increased premiums or policy cancellations to give a copy to their land agent or place it on the FERC record.

FERC responded to this topic in several Final Environmental Impact Statements (FEIS) for gas pipelines. In March 2012, the FERC issued its FEIS for the proposed New Jersey – New York Expansion Project (Docket No. CP11-56-000), which addressed the potential for insurance adjustments related to pipeline proximity and found the following:
"Regarding the potential for insurance premium adjustments associated with pipeline proximity, insurance advisors consulted on other natural gas projects reviewed by the FERC indicated that pipeline infrastructure does not affect homeowner insurance rates (FERC, 2008). As such, we believe that homeowners' insurance rates are unlikely to change due to construction and operation of the proposed Project."

7. **Will Williams carry liability insurance for the new facilities for pre and post construction?**

   Williams is fully insured. We maintain insurance coverage which extends to landowners from the start of the survey process through the lifetime of the pipeline. Our standard easement agreements include an indemnity clause.

8. **Can the pipeline be installed on preserved farms?**

   Generally speaking, yes, depending upon the provisions of conservation easement. We are researching all conservation easements in the project areas and will have a more comprehensive answer in our draft Resource Reports filed in October 2014.

9. **Can landowners continue to use their land over the pipeline right-of-way?**

   In agricultural areas, after construction of the pipeline, uses of the surface of the land may continue, including farming activities such as crop production or raising livestock. The planting of trees and building structures is prohibited. Roads or throughways may be constructed according to Williams' standards. In residential areas, some types of shrubs may be permitted on the right of way with prior approval from the company. See attached fact sheet about how you may continue to use the right of way.

   Farmers and other landowners are encouraged to be active participants throughout all phases of the project, beginning with the initial land surveys and continuing through property restoration.

   An easement does not transfer title of the land; it merely grants land rights that allow the company to construct, operate, and maintain a natural gas pipeline.

10. **What impacts will there be to the community during the construction phase?**

    **Economic Impacts:**
    The presence of a natural gas transmission pipeline would create the possibility of a backbone for future economic growth and provide a potential source of cheap, affordable energy to the region. There also will be significant short-term positive economic impact during the construction phase of the project. Restaurants, hotels/motels, and retailers would experience increased activity from construction crews, and the state and local communities would benefit economically through state and local sales and use taxes for the materials and equipment purchased to be installed at the job sites. Atlantic Sunrise will seek to employ local workers to the extent possible based on the specialized nature of pipeline construction.

A thorough evaluation of socioeconomic impacts associated with the proposed project is currently being conducted by Pennsylvania State University to quantify benefits at the state, regional and county level.

**Construction Impacts:**
If approved, construction on the proposed Atlantic Sunrise project is scheduled to begin in the second half of 2016 with facilities scheduled to be in place during the second half of 2017. We anticipate overall duration of construction for the entire project to be almost one year, but would be significantly less in any given area. Typical construction hours are 7:00 a.m. to 7:00 p.m., Monday through Saturday, but may vary depending on construction methodologies, environmental construction windows, etc. This daily schedule allows optimal use of daylight hours and offers safer construction conditions during peak construction season. Existing public roads as well as some non-public access roads would be used for construction. The use of these roads would be in compliance with legal weight limits. Additionally, construction contractors are be responsible for repairing damage to roads resulting directly from pipeline construction.

11. **When Williams starts construction will they put the disturbed area back to its original condition?**

The final step in the construction process is to restore the right of way and easement land as closely as possible to its original condition. Williams' construction procedures include videotaping and photo-documenting the existing right of way before construction begins. These practices are used to ensure that post-construction restoration results in the return of temporarily disturbed areas to pre-construction conditions. Depending on the requirements of the project, this restoration process typically involves such things as replacing topsoil, removing large rocks that may have been brought to the surface, completing any final repairs to irrigation systems or drain tiles, spreading lime or fertilizer, restoring fences, etc.

12. **Would Williams agree to participate in a "Town Hall" public meeting to answer questions?**

Transco will not be hosting any additional public meetings at this time. Additional written questions may be submitted at any time.

The regulatory process for our outreach activities follows a fairly prescribed timeline and format which allows transparency and exchange of project information. Over the course of the last few months, Transco met with affected county and township officials and several regional organizations to explain aspects of the project and address questions and concerns. Transco hosted 10 public open house events in every county affected by the project. In addition, the Federal Energy Regulatory Commission (FERC) hosted four scoping meetings. Transco hosted mini open houses the hour preceding the scoping meetings to allow any landowners to view our maps before they had the opportunity to comment on the record during the meeting.

Following the scoping meetings, the company is required to respond to comments that have been placed on the FERC record since entering the FERC pre-filing process. The formal comment period closed on August 18, 2014, but FERC will continue to accept comments. We organize our responses by categories and will submit them to FERC the first week of September 2014. Atlantic Sunrise also responded to the questions received by phone, mail and e-mail. Any additional related questions can be submitted to atlanticsunrise willliams.com.

13. **Will there be the installation of a compressor station(s) in West Hempfield Township?**

There are no plans for Transco to construct any compressor stations in Lancaster County associated with our proposed Atlantic Sunrise project.

14. **Would there be access to the gas for local use?**

The capacity that would be added through the Atlantic Sunrise is fully subscribed with binding contracts for 15 years. However, since the pipeline is open access it may be feasible that local distribution companies (LDC's) may have the opportunity to contract for interruptible transportation services should the pipeline be constructed. It is important to note that Transco does not own the gas that we transport. We charge a fee to transport the natural gas from one point to another. The customers for Atlantic Sunrise consist of 7 producers and 2 LDC's.

15. **What is Williams Emergency Plan in case of a leak and/or explosion?**

Pipeline operating regulations are contained in USDOT federal safety standards, 49 CFR 192, Subpart L. Section 192.615.

http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr;sid=bcc7b07dbc0aaec2ff3e7d84a5041cc2;rgn=div5;view=text;node=49%3A3.1.1.1.8;idno=49;cc=ecfr#se49.3.192_1615

These regulations require each pipeline operator to establish an operation and maintenance plan and an emergency plan that includes procedures to minimize hazards in a natural gas pipeline emergency.

16. **Would a copy of Williams Emergency Plan be filed with the township and Fire Department?**

Transco has emergency response plans for its entire system, and Transco's operating personnel attends training for emergency response procedures and plans. Transco will review, revise, and develop new emergency response plans, as necessary, before placing the new facilities in operation. Transco will meet with local emergency responders to review emergency response plans. Transco will work with local emergency responders to communicate the specifics about the pipeline facilities in the area and the need for emergency response. In the event that an incident occurs, emergency responders would be responsible for injuries, traffic and ground control. Pipeline personnel would be responsible for entering pipeline facilities, opening and closing valves, and operating pipeline machinery.

Transco has a Public Awareness and Damage Prevention Program, which calls for communication with emergency responders on an annual basis. Communication revolves around pipeline safety: How to identify a pipeline marker, what a pipeline ROW is and looks like, who to call in case of an emergency, physical properties of natural gas, and what is expected of first responders during an emergency. Transco will meet with emergency responders to provide an overview of its pipeline integrity program and introduced them to several of Transco's operations employees. Transco maintains 24-hour emergency response capabilities. The number will be included in informational mail-outs, posted on pipeline markers, and provided to local emergency agencies in the vicinity of the pipeline facilities and compressor stations.

## HOW YOU MAY CONTINUE TO USE THE RIGHT OF WAY

Williams is committed to ensuring the safe operation of our Transco pipeline system. To prevent accidents from happening, it is important that we work with our landowners to form a partnership for safety. Accidents can occur when individuals or third-party contractors are not aware of the pipeline's location.

Williams' rights of way are kept clear to allow the pipeline to be safely operated, aerially surveyed and properly maintained.

We are committed to working with you to ensure that any questions or concerns are promptly addressed. You can contact us by e-mail at pipelineexpansion@williams.com or by calling us at 1-800-WILLIAMS.

## UNDERSTANDING THE RESTRICTIONS

Landowners retain ownership of the land and may use the surface with limited restrictions. The following information is provided to assist you in understanding those restrictions.

**Excavation, Tunneling and Boring**
Excavation is not allowed within Williams' right of way without a Williams representative present. All excavation work within two feet of the pipeline must be performed by hand, directly above and under Williams' pipelines, with a Williams representative present, who will determine the safe digging distance.

**Aboveground Structures**
To provide for adequate maintenance and operation of Williams' facilities, aboveground structures are prohibited within Williams' right of way.

**Roads, Streets and Driveways**
A preliminary engineering review will be performed for all roads, streets, driveways, etc., proposed on Williams' right of way. A pipeline inspection prior to construction may be necessary.

**Disposal Systems**
Septic tanks, liquid disposal systems, and hazardous waste disposal systems are not allowed on the rights of way. This includes discharge from sewage disposal systems, the discharge of any hydrocarbon substance, the discharge or disposal of any regulated waste, or any other discharge that may prove damaging or corrosive to Williams' facilities.

**Water Impoundment**
To provide adequate maintenance and operation of Williams' facilities, the impoundment of water on rights of way is not allowed. Temporary soil erosion and sediment control devices and storm water detention basins/traps will be reviewed on a case-by-base basis.

**Blasting**
Explosive detonations in the vicinity of Williams' facilities are not permitted without prior analysis and written approval from Williams, and a Williams representative must be on site during the blasting. To determine if the detonation will be detrimental to the safety of Williams' facilities, certain information must be submitted to Williams for evaluation and approval at least two weeks prior to the proposed date of the blasting activity.

**Landscaping**
Landscaping in the vicinity of Williams' facilities is limited to lawn and low-growing (less than five feet tall at maturity), shallow-rooted shrubbery. Planting of shrubbery is not permitted closer than five feet on either side of each pipeline. Trees are not permitted.

**Pipeline Markers**
Installation of pipeline markers is mandated by federal law to assist in identifying the location of pipeline facilities. Landowners should ensure that all temporary and permanent pipeline markers installed by Williams are protected and maintained at all times during construction. Permanent markers damaged or removed by landowners will be replaced by Williams at the landowner's expense. Work will not be allowed to commence until sufficient pipeline markers are in place.

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*Ingenuity takes energy.*

Williams