



January 10, 2017

**VIA FEDERAL EXPRESS OVERNIGHT DELIVERY**

The Honorable Irene Kim-Asbury, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P. O. Box 350  
Trenton, NJ 08625-0350

Re: In the Matter of the Petition of New Jersey Natural Gas Company For A Determination  
Concerning the Holmdel Regulator Station Pursuant to N.J.S.A. 40:55D-19  
BPU Docket No.

Dear Secretary Asbury:

Enclosed for filing please find an original and ten (10) copies of the Petition of New Jersey Natural Gas Company (“NJNG” or “Company”) appealing a decision of the Holmdel Township Zoning Board of Adjustment denying the Company’s application for the construction of a proposed regulator station (the “Regulator Station” or “Facility”). The Company respectfully requests, pursuant to N.J.S.A. 40:55D-19, that the Board determine that, as further described in the attached Petition and supporting testimonies, that the construction of the a proposed Regulator Station, along Holmdel Road in Holmdel Township (“Holmdel”) is for the benefit of the residents of Holmdel and neighboring municipalities located in Monmouth County; is necessary to maintain system integrity and reliability and reasonably necessary for the service, convenience or welfare of the public; and that no alternative site or sites are reasonably available to achieve an equivalent public benefit; and issue an order that the zoning, site plan review and all other Municipal Land Use Ordinances or Regulations promulgated under the auspices of Title 40 of the New Jersey Statutes and the Municipal Land Use Law of the State of New Jersey (the “MLUL”) shall not apply to the proposed Facility.

Copies of the Petition, including the supporting testimonies and exhibits are also being provided to Caroline Vachier, DAG and Stefanie Brand, Esq, Director, Division of Rate Counsel, Maureen Doloughy, Clerk of Holmdel, Loreta Coscia, Board Secretary, Holmdel Zoning Board of Adjustment, as well as to those individuals listed on the attached Service List.

Kindly acknowledge receipt of this filing by date stamping the enclosed copy of this letter and returning same in the self-addressed, stamped envelope.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Andrew K. Dembia'.

Andrew K Dembia, Esq.  
Regulatory Affairs Counsel

C: Service List

**IN THE MATTER OF THE PETITION OF  
NEW JERSEY NATURAL GAS COMPANY FOR A DETERMINATION CONCERNING  
THE HOLMDEL REGULATOR STATION PURSUANT TO N.J.S.A. 40:55D-19**

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**IN THE MATTER OF THE PETITION OF  
NEW JERSEY NATURAL GAS COMPANY FOR A DETERMINATION CONCERNING  
THE HOLMDEL REGULATOR STATION PURSUANT TO N.J.S.A. 40:55D-19**

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**IN THE MATTER OF THE PETITION OF  
NEW JERSEY NATURAL GAS COMPANY FOR A DETERMINATION CONCERNING  
THE HOLMDEL REGULATOR STATION PURSUANT TO N.J.S.A. 40:55D-19**

**SERVICE LIST**

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Holmdel, NJ 07733

Loretta Cosiccia, Board Secretary  
Holmdel Zoning Board of Adjustment  
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Holmdel, NJ 07733

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

|   |          |                   |
|---|----------|-------------------|
| <b>IN THE MATTER OF THE PETITION OF</b> | <b>:</b> | <b>PETITION</b>   |
| <b>NEW JERSEY NATURAL GAS COMPANY</b>   | <b>:</b> |                   |
| <b>FOR A DETERMINATION CONCERNING</b>   | <b>:</b> |                   |
| <b>THE HOLMDEL REGULATOR STATION</b>    | <b>:</b> | <b>DOCKET NO.</b> |
| <b>PURSUANT TO N.J.S.A. 40:55D-19</b>   | <b>:</b> |                   |
|   | <b>:</b> |                   |

**To: THE HONORABLE COMMISSIONERS OF  
THE NEW JERSEY BOARD OF PUBLIC UTILITIES**

Petitioner, New Jersey Natural Gas Company (“Petitioner,” “NJNG” or the “Company”), respectfully petitions the New Jersey Board of Public Utilities (the “Board” or “BPU”), pursuant to N.J.S.A. 40:55D-19, as follows:

1. NJNG appeals to the Board from a decision of the Holmdel Township Zoning Board of Adjustment denying the Company’s application for the construction of a proposed regulator station (the “Regulator Station” or “Facility”) along Holmdel Road in Holmdel Township (“Holmdel”). The Company respectfully requests, pursuant to N.J.S.A. 40:55D-19 and N.J.S.A. 48:2-23, that the Board (a) determine that the construction of the Facility for the benefit of the residents of Holmdel and neighboring municipalities in Monmouth County, as more fully described herein, is necessary to maintain system integrity and reliability and reasonably necessary for the service, convenience or welfare of the public, and that no alternative site or sites are reasonably available to achieve an equivalent public benefit; and (b) issue an order that the zoning, site plan review and all other Municipal Land Use Ordinances or Regulations promulgated under the auspices of Title 40 of the New Jersey Statutes and the Municipal Land Use Law of the State of New Jersey (the “MLUL”) shall not apply to the proposed Facility.

## **I. BACKGROUND**

2. NJNG is a corporation duly organized under the laws of the State of New Jersey, and is a public utility engaged in the transportation and distribution of natural gas, and thereby subject to the jurisdiction of the Board, with a principal business office located at 1415 Wyckoff Road, Wall, New Jersey 07719. As a local natural gas distribution company, NJNG provides regulated retail natural gas service to approximately 523,000 customers in Monmouth and Ocean counties, as well as portions of Burlington, Middlesex and Morris counties.

3. Communications and correspondence relating to this filing should be sent to:

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[adembia@NJNG.com](mailto:adembia@NJNG.com)

4. This Petition is accompanied by the proposed Facility information and the following

Exhibits, which are attached hereto and made part of this Petition:

Exh. P-1 - Direct Testimony of Kraig Sanders  
(Need and System Reliability)

Exh. P-2 - Direct Testimony of Marc Panaccione  
(Construction and Design, Site location  
and Alternatives)

Exh. P-3 - Map of Holmdel identifying location of  
transmission line as well as Zoning &  
environmental restrictions

Exh. P-4 - Facility Site Plan

Exh. P-5 - Truncated Transcript of Holmdel Zoning Board of Adjustment – Final vote (December 7, 2016)

5. NJNG has served notice and a copy of this filing, together with a copy of the annexed Exhibits being filed herewith, upon those individuals identified in the attached service list, including the Director, Division of Rate Counsel, the Director, Division of Law – Office of the Attorney General, and the Clerk of Holmdel Township.

6. As a natural gas “public utility” as that term is defined in N.J.S.A. 48:2-13, NJNG is subject to regulation by the Board for the purpose of assuring that it provides safe, adequate and proper natural gas service to its customers pursuant to N.J.S.A. 48:2-23. As a result, the Company is obligated to, and does, maintain its public utility infrastructure in such condition as to enable it to meet its regulatory obligations to provide the requisite service. That infrastructure consists of the property, plant, facilities and equipment within NJNG’s natural gas distribution and transmission system throughout its service territory.

7. NJNG is committed to providing safe, adequate and proper service in accordance with N.J.S.A. 48:2-23. Consistent with industry practice and its ordinary capital spending planning cycle, NJNG engages continuously in the construction, operation and maintenance of its public utility infrastructure, including the property, plant, facilities and equipment that comprise the natural gas distribution and transmission system utilized to serve the approximately 523,000 customers throughout the NJNG service territory. This effort includes the replacement, reinforcement and expansion of the Company’s infrastructure, (*i.e.*, its property, plant, facilities and equipment) to maintain the reliability of its distribution and transmission system and to ensure the continuation of safe, adequate and proper service.

8. In furtherance of its commitment to maintain the reliability and safety of its transmission and distribution system, NING seeks with this Petition Board authorization pursuant to N.J.S.A. 40:55D-19, and thus requests that the Board determine that the construction and installation of the proposed Facility is reasonably necessary for the service, convenience or welfare of the public, and that no alternative site or sites are reasonably available to achieve an equivalent public benefit. As demonstrated below and in the accompanying testimony and exhibits, the Facility is required in order to maintain the integrity and reliability of NING's local distribution system because it will allow the Company to reliably and safely achieve the significant reduction in gas pressure (a change of more than 600 pounds per square inch gauge ("psig")) from the transmission system in Holmdel to the distribution system that ultimately delivers gas to customers in Holmdel and surrounding municipalities. The design of the Regulator Station—particularly, an accompanying above-ground heating unit—will prevent the regulators and associated facilities at the Regulator Station from freezing and becoming encased in thick ice, a condition that can result in a loss of service to the local distribution system.

## II. HOLMDEL REGULATOR STATION FACILITY DESCRIPTION

9. The Regulator Station is a natural gas pressure reduction facility that will consist of a filter, heater, two regulator runs and associated piping. The Regulator Station will have dual regulator runs to better ensure the reliability, safety and adequacy of gas delivery to NING's customers. The redundancy of regulator runs is an industry best practice employed to manage risk; if one run is deactivated for maintenance or fails due to an equipment malfunction, the second run will continue operating in order to seamlessly maintain system pressure and delivery of natural gas, thereby avoiding any service interruption. The Facility will be constructed in full accordance



with N.J.A.C. 14:7 and the Federal Regulations for the Transportation of Natural and Other Gas by Pipeline, Part 192, Title 49 of the Code of Federal Regulations.

10. The Facility will be located within an easement on private property. Specifically, it will occupy an easement area of approximately 100 feet-by-85 feet on a parcel of land located on Block 13, Lot 14 in Holmdel (the “Proposed Site”). The street address for the Proposed Site is 970 Holmdel Road, Holmdel, New Jersey, where Cornerstone Power Holmdel (“Cornerstone”) operates a solar farm; the Regulator Station will be situated on a small section of the property between the solar farm and Holmdel Road on which no solar panels are located. The location and design of the Facility are more fully described in Exhibits P-1, P-2, P-3 and P-4 attached hereto.

### **III. NEED FOR THE HOLMDEL REGULATOR STATION FACILITY**

11. As more fully described in the accompanying testimony of Kraig Sanders (Exhibit P-1), the operational need for the Regulator Station arises from NJNG’s 2012 upgrade of the transmission line in Holmdel. Specifically, in 2012, as part of its efforts to continually upgrade and modernize its system, NJNG replaced the existing transmission line located in Holmdel due to its age and to comply with federal pipeline integrity requirements. The upgraded transmission line has a maximum allowable operating pressure (“MAOP”) of 722 psig.

12. The newly upgraded transmission system connects to NJNG’s local distribution system, which operates at approximately 100 psig. The Regulator Station is needed to adequately, safely and reliably accomplish the more than 600 psig reduction in gas pressure between the transmission system and the distribution system, so that pressure is reduced for the safe and efficient delivery of gas to NJNG’s local customers.

13. Critically, the Regulator Station will be equipped with an aboveground natural-gas fueled heating unit designed to pre-heat the natural gas traveling through the regulators connecting

the transmission system to the distribution system. This heating unit is an essential component of the Regulator Station because of the 600 psig pressure reduction that will take place between the transmission system and the distribution system. Specifically, due to the thermodynamic principle known as the Joule-Thomson Effect, that significant pressure reduction will result in an approximately 40 degree Fahrenheit decrease in the temperature of the natural gas flowing through the regulators. (For every 14.7 psig reduction, the temperature of natural gas drops one degree Fahrenheit.)

14. Such a temperature change will result in gas temperatures well below freezing, especially during the winter months, because gas within a pipeline typically travels at the temperature of the surrounding ground. For example, in winter—when the average ground temperature in New Jersey is slightly below 40 degrees Fahrenheit, and possibly colder—gas will flow into the Regulator Station at that temperature, and as a result of the 600 psig reduction, will drop to 0 degrees Fahrenheit or lower (absent a heater).

15. Without a heating unit, that drastic temperature reduction will cause significant amounts of ice to form on the regulators and other instrumentation that control the flow and pressure of natural gas in NJNG's system. Such ice casing can easily reach a thickness of more than twelve inches, and possibly even twenty-four inches. This icing effect occurs not just in the winter months, but rather throughout the year; because the average ground temperature in the summer is approximately 55 degrees Fahrenheit, a forty degree temperature drop would still result in sub-zero gas temperatures and icing around the regulator equipment, even during those warmer months. Such significant ice encasing can cause the regulator equipment to malfunction or to cease operating entirely, which can cause damage to the equipment and result in loss of service to some or all of the many NJNG customers serviced by the subject regulator station. In extreme

cases, ground moisture around the downstream underground piping can freeze, causing upheaval of the surrounding area or roadway.

16. The loss of gas service to a segment of Holmdel could prove devastating to the affected customers, especially in the winter when heat and hot water are critical. If, for example, a regulator failure resulted in the loss of service to dozens or even a hundred homes, there would be a significant delay in service restoration. That is because once gas service is interrupted, NJNG cannot simply flip a switch to instantaneously turn service back on after the regulator is thawed and repaired (a process that itself would take some time). Rather, before service could be restored, NJNG personnel would have to visit each of the affected premises to manually turn off the gas at each service line. Once NJNG accomplished that task, it could re-pressurize the gas mains, but would have to return again to each individual affected property in order to turn the gas back on manually and re-light the pilot for each appliance and furnace. If NJNG did otherwise—if it simply turned the gas back on en masse without visiting each property—each premises with unlit pilot lights would slowly fill up with gas, which could result in a dangerous, potentially, life-threatening condition. If 50 or 100 houses lost service due to a regulator station failure, the restoration process could leave homes without heat for days, which in the winter months could lead to significant damage to homes (through freezing pipes, etc.) and/or the health and well-being of residents.

17. As is customary in the industry, NJNG will address the pressure-reduction icing effect at the Regulator Station—as it does at approximately 35 other similar stations—by pre-heating the transmission-line natural gas with a heater located at the Regulator Station prior to the pressure reduction. The heater will allow NJNG to heat the natural gas to approximately 80 to 90 degrees Fahrenheit, so the gas temperature after the pressure reduction stays above freezing, preventing ice from encasing the equipment and ensuring reliable operation of the Facility and the

local distribution system. For that reason, the heating unit is an extremely important component of the Regulator Station and is critical to NING's ability to provide safe, adequate and reliable natural gas service to the residents of Holmdel and the surrounding municipalities.

18. Since the 2012 Holmdel transmission line upgrade, NJNG has been managing the 600 psig pressure reduction using a temporary regulator station at a different nearby location. That temporary station, however, is not a long-term solution and must be replaced because it does not and cannot include a heating unit (because of its size and location). Because the temporary regulator station does not have a heater, it experiences frequent incidents of severe icing, and thus requires close monitoring and frequent thawing, and presents a higher risk of service interruption.

#### **IV. SITE SELECTION AND ALTERNATIVE SITE ANALYSIS**

19. Over the course of several years beginning in 2011, NING engaged in a laborious and detailed site selection and alternative site analysis (the "Site Analysis") in an effort to find the most suitable location for the Facility that would have a minimal impact on Holmdel and its residents. As more fully described in the accompanying testimony of Marc Panaccione (Exhibit P-2), that analysis led NING to conclude that (a) the Proposed Site is the most suitable location for the Facility; and (b) no alternative site or sites are reasonably available to achieve an equivalent public benefit.

20. As an initial matter, several siting constraints guided and informed the Site Analysis, and ultimately limited the available site options. First, for the reasons set forth in Marc Panaccione's testimony (Exhibit P-2), it was extremely important from an operational and engineering standpoint to locate the Regulator Station as close as possible to the southern end of the Holmdel transmission line (where the line begins at the intersection of Newman Springs Road

and Holmdel Road). Second, the site had to be large enough to accommodate all of the Facility's related equipment (most notably, the heating unit). Third, the Regulator Station should be located in close proximity to the transmission line for efficiency and security reasons. Fourth, there are several types of properties that NJNG either avoids or cannot use for its gas delivery facilities. Most significantly, NJNG makes every effort to avoid residential areas, and instead focuses on properties with commercial, industrial or utility zoning. The Company likewise avoids wetlands and low lying areas because they present a heightened risk of flooding and, more importantly, freezing during the winter months. Further, NJNG looks for sites with no environmental or contamination issues, and prefers sites with little or no required tree clearing to further minimize any environmental impact. And, again to minimize any environmental impact, NJNG prefers to build its facilities on already developed land, as it typically only requires a relatively small parcel. Also, NJNG is prohibited from locating its facilities on Farmland Preserved properties under any circumstances, and on properties purchased with Green Acres funding without first getting difficult to obtain authorization from the State.

21. With those restrictions in mind, NJNG's Site Analysis focused on determining the most operationally suitable location that would enable NJNG to improve and reinforce existing service reliability with minimal impact to the surrounding properties. To that end, NJNG's site review and analysis considered potential impacts of each possible site from several perspectives: (1) impacts to residential areas; (2) existing environmental conditions; and (3) engineering considerations. Potential properties located in residential neighborhoods and/or close to other community-valued buildings (e.g. schools) were disqualified from consideration, because the Facility would not typically be permitted on those properties due to local community discontentment and restrictions under Holmdel zoning ordinances. Existing environmental

conditions—e.g., tree clearing, wetlands, contaminated sites, Preserved Farmland and Green Acres habitats—were also relevant factors; NJNG avoided potential sites that had one or more of those environmental conditions. Finally, NJNG’s engineering considerations included the importance of a location at the southern end of the transmission line; minimization of the Facility’s distance to the transmission line; adequacy of the property’s size; sufficient access for inspection, maintenance and repair; property elevation levels; and security.

22. As part of its Site Analysis, NJNG examined the entire transmission line corridor between Route 35 (at the northern end) and Newman Springs Road (at the southern end) for potential locations, even though it is important to locate the Regulator Station as far south along the line as possible. That examination is set forth at length in Marc Panaccione’s testimony (Exhibit P-2). As that testimony makes clear, NJNG’s in-depth analysis of every property along the Holmdel transmission line corridor yielded very few possibly suitable locations for the Regulator Station. In fact, in addition to the Proposed Site, NJNG identified just four possible alternatives (and even three of those sites were far less than ideal, given their northern locations and/or residential zoning).

23. As Marc Panaccione details in his testimony, none of those four alternative sites proved to be viable, for various reasons. The first two alternatives on South Laurel Avenue (near a property occupied by AT&T) proved unworkable because the landowner, Steiner Equities, refused NJNG’s easement requests. In any event, those properties were far less suitable than the Proposed Site, given their location at the northern end of the transmission line corridor and their residential zoning. Moreover, an appraisal revealed that the third possible alternative—property on Holland Road owned by Monmouth County—was unusable because it was purchased with Green Acres funding. That property is also farther north than is operationally optimal. Most

significantly, NJNG was unable to utilize the fourth alternative site because the tenant on that property, Vonage, refused to grant NING an easement after extensive, time-consuming negotiations, thereby taking that property off the table as a viable alternative. As a result, NJNG was left with only one possible location for the Regulator Station: the Proposed Site.

24. In any event, the Proposed Site is the most suitable location for the Regulator Station. The Site is of sufficient size, presents a natural fit to co-locate NJNG's station with another energy company's facility (the Cornerstone solar farm), and allows NING to locate the Facility adjacent to the transmission line. Significantly, the site is located at the southern end of NJNG's Holmdel transmission line, which will minimize the risk of customer exposure to outages. Moreover, the zoning for the site is non-residential and conditionally permits public utilities. There are no environmental constraints that would impact the development of a regulator station at this site. The site is not encumbered with Green Acres restrictions. There are no low elevations in the easement area, and thus no flooding concerns, and NJNG is not required to clear a significant number of trees. Moreover, NJNG successfully obtained an easement from the relevant parties.

25. In sum, based on the Site Analysis (as summarized above and detailed in the testimony of Marc Panaccione (Exhibit P-2)), the location best suited for the Facility is the Proposed Site. That location results in the least combined impacts to residential areas and the environment, while offering a feasible, and indeed preferable, engineering design. Moreover, NJNG's alternative site analysis establishes that there are no reasonably available alternative sites for the Regulator Station that will achieve an equivalent public benefit.

## **V. JURISDICTION AND REGULATORY STANDARD FOR APPROVAL**

26. Holmdel's land use ordinances and regulations permit, under certain circumstances, the installation and operation of public utility facilities, public service infrastructure, public

purpose uses and public improvements. In some instances, as is the case with the Facility, site plan review is required—or may be waived—by the local zoning authorities. In other words, the Facility generally and/or certain elements of it are subject to and require local zoning site plan approval. The Municipal Land Use ordinances, Site Plan Review ordinances and other ordinances and regulations applicable to and affecting the Proposed Site, on which the Regulator Station will be constructed and operated, have been enacted pursuant to the authority of the MLUL, N.J.S.A. 40:55D-1 et seq.

27. On March 17, 2015, NJNG filed an application with the Holmdel Zoning Board of Adjustment (the “Zoning Board”), requesting Site Plan Approval, “C” and “D” variances, and Conditional Use approval. Specifically, NJNG sought variances (a) to construct the Regulator Station as an additional principal use on the Proposed Site; (b) to construct the Regulator Station within the buffer required between a non-residential use and residential zone (a 384.25 feet buffer is required, but NJNG proposes a buffer of 89.78 feet); and (c) to install an eight-foot high fence with wooden slats in the front, side and rear yard of the Facility (only eight-foot high open wire fencing is permitted). NJNG also requested (a) relief from two conditions of the Zoning Board’s prior resolution approving the Cornerstone solar farm; (b) variances for NJNG’s proposed sign and driveway access width (to the extent the Zoning Board deemed such variances necessary); and (c) several design waivers.

28. Importantly, the Proposed Site is located in the OL-2 zone. As a result, the proposed Facility is a conditionally permitted public utility use under Holmdel’s municipal zoning ordinances. The Company demonstrated before the Zoning Board that this public utility use is both appropriate for the property and for the OL-2 zone. As set forth in its application and as demonstrated at the numerous Zoning Board hearings, the Facility is an inherently beneficial use.



NJNG further demonstrated before the Zoning Board the suitability of the Proposed Site and that there are no reasonable alternative sites available, even though it had no obligation to do so (because the Facility is an inherently beneficial use).

29. The first Holmdel Zoning Board hearing on NJNG's application took place on February 3, 2016, followed by an onsite inspection of the Proposed Site on February 27, 2016. Six subsequent hearings were conducted on March 2, May 18, July 20, August 17, September 21 and December 7, 2016. During those seven hearings, the Company presented voluminous testimony from six witnesses (nearly all of whom testified and/or answered Board and public questions on multiple occasions). Two witnesses—Mr. Kraig Sanders and Mr. Marc Panaccione—are NJNG employees directly involved in the design, construction and operation of the proposed Facility and/or the Site Analysis. The four other witnesses were independent outside experts in the fields of engineering, landscape architecture, noise impacts and planning.

30. NJNG made significant adjustments to its original site plan based on comments and concerns raised by the Zoning Board and members of the public during the numerous hearings. For example, based on concerns regarding the possibility of vehicular collision with the Facility (an extremely unlikely event), NJNG proposed to expand an earthen berm to surround the front and two sides of the property, install bollards and a New Jersey Department of Transportation (“NJDOT”) compliant guardrail. Also based on concerns raised during the Zoning Board hearings, NJNG proposed to (i) install bollards and a NJDOT-compliant guardrail; (ii) expand an earthen berm with a retaining wall to surround the front and two sides of the property, which would significantly increase the height of the proposed landscaping; and (iii) lower the ground level of the Facility in order to reduce, if not completely remove, any visual impacts to the surrounding homeowners.

31. After ten months of extensive hearings at which NJNG's counsel and witnesses labored to answer every question and concern raised by the Board and the public, the Zoning Board denied NJNG's application on December 7, 2016. Surprisingly, six of the seven voting Board members acknowledged that NJNG had established that the Facility is an inherently beneficial use, but yet the Board nonetheless voted to deny the Company's application (by a vote of six to one). (Exhibit P-5.)

32. As a result, pursuant to N.J.S.A. 40:55D-19, the Company appeals the Zoning Board's decision, thereby seeking Board approval of the proposed Facility and an order that the zoning, site plan review and all other Municipal Land Use Ordinances and Regulations promulgated under the auspices of the MLUL shall not apply to the Regulator Station.

33. N.J.S.A. 40:55D-19 provides in pertinent part as follows:

If a public utility, as defined in [N.J.S.A.] 48:2-13 . . . is aggrieved by the action of a municipal agency through said agency's exercise of its powers under this act, with respect to any action in which the public utility or electric power generator has an interest, an appeal to the Board of Public Utilities of the State of New Jersey may be taken within 35 days after such action without appeal to the municipal governing body pursuant to section 8 of this act unless such public utility or electric power generator so chooses. . . . A hearing on the appeal of a public utility to the Board of Public Utilities shall be had on notice to the agency from which the appeal is taken and to all parties primarily concerned, all of whom shall be afforded an opportunity to be heard. *If, after such hearing, the Board of Public Utilities shall find that the present or proposed use by the public utility or electric power generator of the land described in the petition is necessary for the service, convenience or welfare of the public*, including, but not limited to, in the case of an electric power generator, a finding by the board that the present or proposed use of the land is necessary to maintain reliable electric or natural gas supply service for the general public and *that no alternative site or sites are reasonably available to achieve an equivalent public benefit*, the public utility or electric power generator may proceed in accordance with such decision of the Board of Public Utilities, any ordinance or regulation made under the authority of this act notwithstanding.

34. The Appellate Division first interpreted the “necessary for the service, convenience of welfare of the public” standard (as set forth in a predecessor statute) in In re Hackensack Water Co., 41 N.J. Super. 408 (App. Div. 1956). In Hackensack Water, the Appellate Division concluded that the legislative intent was to empower the BPU to approve projects that are in the public interest, even when those projects conflict with local interests as “expressed through prohibiting provisions of a municipal zoning ordinance.” Id. at 419-20. The Appellate Division explained that while municipal ordinances are important to the public welfare, “such regulation is basically from the local aspect for a local public purpose,” and “the legislative intent is clear that such local regulation, however beneficent and important, is of secondary importance to the broader public interest involved in assuring adequate [] service to a much larger area.” Id. at 423.

35. In Petition of Monmouth Consol. Water Co., 47 N.J. 251 (1966), the New Jersey Supreme Court summarized the policies underlying the standard set forth in N.J.S.A. 40:55D-19 (again in the context of the predecessor statute) as follows:

In enacting this section the Legislature recognized that local municipal authorities are ill-equipped to comprehend adequately the needs of the actual and potential users of the utility’s services beyond as well as within their territorial limits. The lawmakers knew that if the zoning power of a municipality were paramount, it would probably be exercised with an eye toward the local situation and without consideration for the best interests of the consumers at large in other communities whose convenience and necessity require service. The exemption [from local zoning regulation] also signifies an awareness that if the local authorities were supreme the Board of Public Utility Commissioners could not compel a utility to provide adequate service if the zoning ordinance conflicted with the need for expansion or extension of its facilities within the municipality.

Id. at 258.

36. Soon after Hackensack Water, the New Jersey Supreme Court, in In re Public Service Electric & Gas Co., 35 N.J. 358 (1961) (“PSE&G”), announced a series of guiding

principles for application of the standard set forth in N.J.S.A. 40:55D-19.<sup>1</sup> First, the Supreme Court held that “[t]he statutory phrase, ‘for the service, convenience and welfare of the public’ refers to the *whole* ‘public’ served by the utility and not the limited local group benefited by the zoning ordinance.” PSE&G, 35 N.J. at 376-77 (emphasis added). Second, the Court held that “[t]he utility must show that the proposed use is reasonable, not absolutely or indispensably, necessary for public service, convenience and welfare at some location.” Id. at 377. Third, “[i]t is the ‘situation,’ *i.e.*, the particular site or location . . . which must be found ‘reasonably necessary,’ so the Board must consider the community zone plan and zoning ordinance, as well as the physical characteristics of the plot involved and the surrounding neighborhood, and the effect of the proposed use thereon.” Id. Fourth, “[a]lternative sites or methods and their comparative advantages and disadvantages to all interests involved, including cost, must be considered in determining such reasonable necessity.” Id. Fifth, “[t]he Board’s obligation is to weigh all interests and factors in the light of the entire factual picture and adjudicate the existence or non-existence of reasonable necessity therefrom,” and, “[i]f the balance is equal, the utility is entitled to the preference, because the legislative intent is clear that the broad public interest to be served is greater than local considerations.” Id.

37. In sum, to obtain an order from the Board exempting a project from local zoning ordinances and regulations, a public utility must demonstrate two things. First, the public utility must demonstrate that the proposed project is reasonably—but not absolutely or indispensably—necessary for the service, convenience or welfare of the entire public served by the public utility, taking into account the affected municipalities’ zone plans and zoning ordinances and the physical

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<sup>1</sup> The Appellate Division has held that while Hackensack Water and PSE&G analyzed a predecessor statute, the holdings and principles announced in those cases are applicable to N.J.S.A. 40:55D-19, which contains the same standard. In re Public Serv. Elec., 2013 N.J. Super. Unpub. LEXIS 304 at \*25-26.

characteristics of the affected land and surrounding neighborhood (and the effect of the proposed use on that land and neighborhood). **Second**, the public utility must demonstrate that the site, method or route chosen for the proposed project is the best available, and thus its use is reasonably necessary, based on consideration of alternative sites, methods and routes and their comparative advantages and disadvantages to all interests involved, including costs.

38. Here, NJNG has presented overwhelming evidence on this Petition establishing both of these requirements.

#### **VI. REASONABLE NECESSITY AND BEST AVAILABLE SITE**

39. As demonstrated above and in the accompanying testimonies (particularly that of Kraig Sanders), the Facility is required in order to maintain the integrity and reliability of NJNG's local distribution system because it will allow the Company to reliably, efficiently and safely achieve the 600 psig reduction in gas pressure between the upgraded transmission system in Holmdel and the local distribution system, which serves customers in Holmdel and surrounding municipalities. The design of the Regulator Station—most importantly, the above-ground heating unit—will prevent the regulators and associated equipment at the Facility from becoming encased in thick ice, which could well result in a harmful loss of service to the customers served by the local distribution system. The present configuration of NJNG's delivery apparatus does not adequately accomplish this goal because, inter alia, the temporary regulator being used as a stop gap does not employ and cannot accommodate a heater. As a result, NJNG has demonstrated that the proposed Facility is reasonably necessary for the service, convenience or welfare of the entire public served by the public utility.

40. Moreover, NJNG has presented significant evidence establishing that there are no reasonably available alternatives that could achieve an equivalent public benefit. As detailed

above and in the evidence submitted on this application (particularly, the testimony of Marc Panaccione), NJNG conducted a comprehensive Site Analysis of every property along the Holmdel transmission line corridor. That search yielded just four alternative properties, in addition to the Proposed Site, that could even arguably have served as the location for the Regulator Station (though several of them were less than ideal). For various reasons, none of those properties ultimately proved to be a viable option.

41. In any event, NJNG's Site Analysis made clear that the Proposed Site is the most appropriate available location for the Regulator Station because it (a) is located at the southern end of NJNG's Holmdel transmission line; (b) is of sufficient size; (c) is adjacent to the transmission line; (d) is non-residential and conditionally permits public utilities; (e) presents no environmental constraints; (f) has no Green Acres or Farmland Preservation restrictions; (g) has no low elevation, wetlands or flooding issues; (h) requires no tree clearing; and (i) presents an opportunity to co-locate NJNG's station with another energy company's existing facility. Moreover, NJNG was able to obtain an easement to construct and operate the Facility on the Proposed Site. In short, the record evidence demonstrates beyond dispute that the Proposed Site is the best available location for the Regulator Facility, and thus its use is reasonably necessary, based on consideration of alternative sites, and their comparative advantages and disadvantages to all interests involved, including costs.

42. As a result, the Board should approve the construction and operation of the Regulator Station; determine that the construction and operation of the Regulator Station is necessary to maintain system integrity and reliability and reasonably necessary for the service, convenience or welfare of the public, and that no alternative site or sites are reasonably available to achieve an equivalent public benefit; and issue an order that the zoning, site plan review and all other

Municipal Land Use Ordinances or Regulations promulgated under the MLUL shall not apply to the Regulator Station.

#### VII. OTHER APPROVALS

43. The Company has applied for and obtained a Freehold Soil Erosion & Sediment Control Permit and approval from the Monmouth County Planning Board.

44. A New Jersey Department of Environmental Protection (“DEP”) Air Permit is not required due to the insignificant source of emissions. Also, a DEP Land Use Permit is not required due to the limited scope of the Facility and the absence of environmentally sensitive features at the Proposed Site.

45. NJNG will apply for a Monmouth County Road Opening Permit once the approval requested herein has been obtained from the Board.

#### VIII. REQUEST FOR EXPEDITED RELIEF

46. NJNG designed the Facility to provide much needed reliability and supply security to the residents of Holmdel and surrounding municipalities. As a result, NJNG requests an expedited review of this Petition to avoid any delays in the completion of the Regulator Station, so that it will be operational by the 2017-2018 heating season.

**WHEREFORE**, New Jersey Natural Gas Company requests that the Board:

- (1) retain jurisdiction over this matter, designate a Commissioner as Presiding Officer, set a date for the submission of Motions to Intervene, establish an expedited hearing date and procedural schedule, and designate the time and manner of notice and persons in interest to be given notice;

- (2) determine that the location and construction of the Regulator Station, as more specifically described herein, is reasonably necessary for the service, convenience and welfare of the public;
- (3) determine that no alternative site or sites are reasonably available for the Regulator Station to achieve an equivalent public benefit;
- (4) order that the zoning, site plan review and all other Municipal Land Use Ordinances or Regulations promulgated under the MLUL, including specifically the Zoning and Land Use Ordinances and all regulations promulgated thereto by Holmdel, shall have no application to the Regulator Station; and
- (5) grant such other and further relief as may be required.

Respectfully submitted,

By 

Andrew K. Dembia, Esq.  
Attorney for Petitioner  
New Jersey Natural Gas Company



VERIFICATION

MARK R. SPERDUTO of full age, being duly sworn according to law, on his oath  
deposes and says:

1. I am Senior Vice President, Regulatory Affairs for New Jersey Natural Gas Company,  
the Petitioner in the foregoing Petition.

2. I have read the annexed Petition, along with the Exhibits attached thereto, and the  
matters and things contained therein are true to the best of my knowledge and belief.

Mark Spurduto

Mark R. Spurduto

Sworn and subscribed to )  
before me this 10<sup>th</sup> day )  
of January 2017 )

*Kathleen Kleiner*

SUBSCRIBED AND SWORN TO  
BEFORE ME ON THIS DAY

JAN 10 2017

KATHLEEN KLEINERTZ  
NOTARY PUBLIC, STATE OF NEW JERSEY  
MY COMMISSION EXPIRES 08/30/2021



**NEW JERSEY NATURAL GAS COMPANY**  
**PREPARED DIRECT TESTIMONY OF**  
**KRAIG SANDERS**

1 **I. INTRODUCTION**

2 **Q. Please state your name, affiliation, business address and educational background.**

3 **A.** My name is Kraig Sanders, and I am Director of Pressure Management & Transmission  
4 for New Jersey Natural Gas Company (the “Company” or “NJNG”). My business address  
5 is 1415 Wyckoff Road, Wall, New Jersey 07719. I have been employed by the Company  
6 for over 18 years. I have a Bachelor’s Degree in Civil Engineering and Software  
7 Engineering from Stanford University.

8 **Q. Please describe your responsibilities as Director of Pressure Management &**  
9 **Transmission for NJNG.**

10 **A.** I am responsible for the maintenance and operation of NJNG’s metering and regulator  
11 stations, as well as the Company’s gas control center, which remotely handles the  
12 operations and control systems for NJNG’s entire delivery system. I am also responsible  
13 for the maintenance and operations of NJNG’s transmission facilities.

14 **Q. What is the purpose of your testimony in this proceeding?**

15 **A.** My testimony describes the need for NJNG’s new regulator station (the “Regulator  
16 Station” or “Facility”) in Holmdel Township (“Holmdel”), as well as NJNG’s efforts to  
17 ensure the safe, reliable and adequate delivery of natural gas to its customers.

18 **Q. Please provide an overall summary of the Facility.**

19 **A.** As explained more fully below, the Facility is needed to support the reliability and integrity  
20 of NJNG’s local distribution system, especially in Holmdel and the surrounding areas,

1 because it will allow the Company to drastically reduce the gas pressure (by more than 600  
2 pounds per square inch gauge (“psig”)) from the transmission system in Holmdel to  
3 NJNG’s distribution system for delivery to customers in Holmdel and the surrounding  
4 municipalities. Critically, the design of the Regulator Station—particularly, an  
5 aboveground heating unit—will prevent the regulators and associated equipment from  
6 freezing and becoming encased in thick ice, which can result in a loss of service to the local  
7 distribution system.

8 **Q. Please generally explain the purpose, configuration and location of the Facility.**

9 **A.** The Regulator Station is a natural-gas pressure reduction facility. It will consist primarily  
10 of underground gas piping with one heating unit, one filter, one control box and two  
11 regulator runs, all of which will be located above-ground. The Regulator Station will have  
12 dual regulator runs to ensure the reliability and adequacy of gas delivery to NJNG’s  
13 customers. The redundancy of regulator runs is an industry best practice employed to  
14 manage risk; if one run is deactivated for maintenance or fails due to an equipment  
15 malfunction, the second run will continue operating to seamlessly maintain system pressure  
16 and delivery of natural gas, thereby avoiding any system interruption. The Regulator  
17 Station will replace a temporary station at a nearby location that NJNG has been operating  
18 since 2012 (when it completed an upgrade of the transmission system in Holmdel). It will  
19 occupy an easement on a parcel of property located at 970 Holmdel Road, Holmdel, New  
20 Jersey (Block 13, Lot 14) (the “Proposed Site”).

21 **II. THE NJNG DELIVERY SYSTEM**

22 **Q. Please provide an overview of NJNG’s delivery system.**

23 **A.** NJNG serves more than 523,000 retail customers in Monmouth, Ocean, Morris, Middlesex  
24 and Burlington counties. NJNG’s operations are separated into the Northern, Bay, Central

1 and Ocean Divisions. The Company operates a network of 227 miles of large diameter  
2 transmission lines, approximately 7,200 miles of distribution mains, and approximately  
3 473,400 service lines exceeding 7,100 miles in total length. NJNG's distribution mains  
4 range in diameter from 1.25 to 16 inches.

5 The distribution system includes various other components and facilities, including  
6 line valves, pressure-reducing regulators and meter stations. NJNG's system also includes  
7 two liquefied natural gas peak shaving facilities that provide important pressure support to  
8 the local distribution system.

9 The configuration of NJNG's system varies depending on a number of factors,  
10 including customer demand, population density and pipe vintage. Some segments of  
11 NJNG's system operate at a maximum allowable operating pressure ("MAOP") of 722  
12 psig, while others (e.g., distribution mains and service lines) operate at various lower  
13 pressures. NJNG designed the system based on engineering requirements and design day  
14 criteria in order to provide safe, adequate and reliable service to NJNG customers  
15 throughout the entire year.

16 **Q. Please describe NJNG's operational goals and objectives.**

17 **A.** The Company's primary operational goal is to provide safe and reliable service to its  
18 customers. Indeed, safety and reliability are essential to the health and well-being of the  
19 residents and businesses in the communities NJNG serves, and thus of paramount  
20 importance to the NJNG employees responsible for operating the system. Reliability  
21 requires planning to meet customer needs during cold weather when demand is highest, as  
22 well as all other times when unplanned major storm events or system disruptions may  
23 occur. This is essential because natural gas is a critical lifeline service, especially during

1 the winter. Importantly, the Company strives to achieve the safe and reliable operation of  
2 its system in an environmentally responsible and efficient manner.

3 NJNG has several operational requirements essential to meeting the above goals.  
4 One is vigilance in the ongoing repair and maintenance of existing infrastructure facilities.  
5 A second is engineering, planning and constructing new facilities to provide operational  
6 flexibility, including appropriate operating redundancies. A third is the need to rehabilitate  
7 or replace existing facilities to address aging infrastructure concerns and to meet enhanced  
8 safety goals and regulatory requirements. In all aspects of its operations, the Company  
9 continuously works to improve its operations and to adopt the best practices of the gas  
10 distribution industry.

11 **Q. Does NJNG continually upgrade and modernize its system?**

12 **A.** Yes. Over the last five years, the Company has invested more than \$800 million in facility  
13 enhancements in order to ensure the safe and reliable operation of NJNG's natural-gas  
14 delivery system. This work included looping and back feed projects, reinforcements,  
15 replacements, retirements, remote control valves, regulator stations and line inspection  
16 projects. Such capital expenditures to replace and upgrade system facilities occur under  
17 normal capital planning, as well as several accelerated infrastructure projects approved by  
18 the Board of Public Utilities ("BPU") since 2009.

19 **Q. Did the Company recently upgrade its transmission line in Holmdel?**

20 **A.** Yes. In 2012, as part of its efforts to continually upgrade and modernize its system,  
21 NJNG replaced the existing transmission line located in Holmdel due to its age and to  
22 comply with federal pipeline integrity requirements. The upgraded transmission line has  
23 an MAOP of 722 psig. As a result of the 2012 installation of the upgraded transmission  
24 line, there is a difference in gas pressure of more than 600 psig between NJNG's

1 transmission system, which transports large volumes of gas over long distances at high  
2 pressure (an MAOP of 722 psig), and the local distribution system, which operates at  
3 approximately 100 psig.

4 **III. NEED FOR THE HOLMDEL REGULATOR STATION**

5 **Q. Why is the Regulator Station needed within the NJNG delivery system?**

6 **A.** The need for the Regulator Station stems from NJNG's 2012 upgrade to the new Holmdel  
7 transmission line. Specifically, the Regulator Station is needed to adequately, safely and  
8 reliably accomplish the more than 600 psig reduction in gas pressure between the  
9 transmission system and the distribution system, so that pressure is reduced for the safe  
10 and efficient delivery of gas to NJNG's local customers. For the reasons set forth below,  
11 the temporary regulator station that is currently managing the 600 psig pressure reduction  
12 is an interim solution on which NJNG cannot rely to ensure the adequate, reliable and  
13 efficient delivery of natural gas on a long-term basis.

14 **Q. What other equipment is necessary to operate the Regulator Station safely, efficiently**  
15 **and reliably?**

16 **A.** Most significantly, NJNG will equip the Regulator Station with an aboveground natural-  
17 gas fueled heating unit designed to pre-heat the natural gas traveling through the regulators  
18 connecting the transmission system to the distribution system. This heating unit is a critical  
19 component of the Regulator Station precisely because of the 600 psig pressure reduction  
20 that will take place from the transmission system to the distribution system. Specifically,  
21 due to the thermodynamic principle known as the Joule-Thomson Effect, that significant  
22 pressure reduction will result in an approximately 40 degree Fahrenheit decrease in the  
23 temperature of the natural gas running through the regulators. (For every 14.7 psig  
24 reduction, the temperature of natural gas drops one degree Fahrenheit.)

1 Such a temperature change will result in gas temperatures well below freezing,  
2 especially during the winter months, because gas within a pipeline typically travels at the  
3 temperature of the surrounding ground. For example, in winter—when the average ground  
4 temperature in New Jersey is slightly below 40 degrees Fahrenheit, and possibly colder—  
5 gas will flow into the Regulator Station at that temperature, and as a result of the 600 psig  
6 reduction, will drop to 0 degrees Fahrenheit or lower (absent a heater).

7 Without a heating unit, that drastic temperature reduction will cause significant  
8 amounts of ice to form on the regulators and other instrumentation controlling the flow and  
9 pressure of natural gas in NJNG's system. Such an ice casing can easily reach of a  
10 thickness of more than 12 inches, and possibly even 24 inches. This icing effect occurs  
11 not just in the winter months, but rather throughout the year; because the average ground  
12 temperature in the summer is approximately 55 degrees Fahrenheit, a forty degree  
13 temperature drop would result in sub-freezing gas temperatures and icing around the  
14 regulator equipment, even during those warm months.

15 Such significant ice encasing can cause the regulator equipment to malfunction or  
16 to cease operating entirely, which can cause damage to the equipment itself and result in  
17 the loss of service to some or all of the many NJNG customers serviced by the subject  
18 regulator station. In extreme cases, ground moisture around the downstream underground  
19 piping can freeze, causing upheaval of the surrounding area or roadway.

20 The loss of gas service to a segment of Holmdel and the surrounding communities  
21 could prove devastating to the affected customers, especially in the winter when heat and  
22 hot water are critical. If, for example, a regulator failure resulted in the loss of service to  
23 dozens or even a hundred homes, there would be a significant delay in service restoration.

1 That is because once gas service is interrupted, NJNG cannot simply flip a switch to  
2 instantaneously turn service back on after the regulator is thawed and repaired (a process  
3 that itself could take some time). Rather, before service could be restored, NJNG personnel  
4 would have to visit each of the affected premises to manually turn off the gas at each service  
5 line. Once NING accomplished that task, it could re-pressurize the gas mains, but would  
6 have to return again to each individual affected property in order to turn the gas back on  
7 manually and re-light the pilot for each appliance and furnace. If NJNG did otherwise—if  
8 it simply turned the gas back on en masse without visiting each property—each premises  
9 with unlit pilot lights would slowly fill up with gas, which could result in a dangerous,  
10 potentially, life-threatening condition. If 50 or 100 houses lost service due to a regulator  
11 station failure, the totality of the restoration process could leave homes without heat for  
12 days, which in the winter months could lead to significant damage to homes (through  
13 freezing pipes, etc.) and/or the health and well-being of residents.

14 As is customary in the industry, NJNG will address the pressure-reduction icing  
15 effect at the Regulator Station by pre-heating the transmission-line natural gas with a heater  
16 located at the Facility prior to the pressure reduction. The heater will allow NJNG to heat  
17 the natural gas to approximately 80 or 90 degrees Fahrenheit, so the temperature after the  
18 pressure reduction stays above freezing, preventing ice from encasing the equipment and  
19 ensuring reliable operation of the Facility and the local distribution system. In short, the  
20 heating unit is an extremely important component of the Regulator Station and is critical  
21 to NJNG's ability to provide safe, adequate and reliable natural gas service to the residents  
22 of Holmdel and the surrounding municipalities. Indeed, as discussed further below, one of  
23 the major deficiencies of the current temporary regulator station and reasons why it is not



1 a permanent solution is that it does not—and cannot—have a heating unit, and thus  
2 experiences frequent and significant ice encasing.

3 **Q. Could you describe the potential impact from relying on the temporary regulator  
4 station as a long-term solution?**

5 **A.** As stated above, without a heating unit to raise the temperature of the natural gas in the  
6 transmission pipe before it enters the regulator (and drops more than 600 psig), the  
7 regulator equipment will become encased in thick ice and, quite possibly, cease functioning  
8 properly (or at all). The temporary regulator that NJNG is currently utilizing does not and  
9 cannot have a heating unit because the parcel on which it is located is not large enough to  
10 accommodate a heater, filter and regulator runs, all of which must be located above ground.  
11 Moreover, the temporary station is in an underground vault within the public road right-of-  
12 way, where an aboveground heater cannot be located.

13 Because the temporary regulator station does not have a heater, it experiences  
14 frequent incidents of severe icing. To avoid the equipment failures and service interruptions  
15 that are a very real risk from such ice encasing, NJNG must monitor the regulator station  
16 constantly, especially in the winter, to ensure that significant ice formation does not result  
17 in equipment malfunction or total failure.

18 If such inspection reveals that the regulator equipment is encased in ice, the  
19 Company undertakes the laborious and time consuming task of thawing out the equipment.  
20 Doing so requires NJNG to shut down the temporary station, which results in a supply  
21 reduction to the rest of the Company's distribution system. Simply put, in the absence of  
22 a heating unit, the temporary regulator station is untenable and must be replaced as soon  
23 as possible.

1 **Q. Please identify other operational benefits of the Facility.**

2 **A.** As explained above, because the Regulator Station will more reliably and efficiently  
3 manage the significant pressure reduction from that upgraded transmission line to  
4 distribution system, the proposed Facility will allow the Company to operate the flow of  
5 natural gas to the residents of Holmdel and the surrounding municipalities more efficiently,  
6 reliably and safely. Critically, the proposed Facility is designed and intended primarily to  
7 provide natural gas service to the residents of Holmdel, though it will certainly also benefit  
8 customers in adjacent communities. In fact, NJNG estimates that the Regulator Station  
9 will allow it to provide improved service to 5,552 residential meters (serving 6,566  
10 Holmdel residences), or over 98% of the municipality, as well as 310 active commercial  
11 meters. Further, because it will be equipped with a heater, the Regulator Station will  
12 eliminate the need for the Company to dispatch a work crew to inspect and monitor the  
13 temporary regulator.

14 **Q. Does the Company have heaters on other regulators associated with its facilities?**

15 **A.** Yes. NJNG has heaters at approximately 35 regulator stations similar to the Proposed  
16 Facility, many of which have been operating for decades.

17 **Q. Is it standard industry practice for the Company to continue operating the temporary**  
18 **regulator facility?**

19 **A.** No. A regulator station fed by a high-pressure transmission line requires a heater and filter  
20 in order to properly operate and maintain the natural gas delivery system over the long  
21 term.

22 **Q. Will the Regulator Station be operated in compliance with all federal and state safety**  
23 **standards?**

1     **A.**     Yes. NJNG complies with all federal, state and local safety laws and regulations. The  
2     Regulator Station will be subject to the federal safety regulations set forth at Title 49 of the  
3     Code of Federal Regulations, Part 192 and the BPU's pipeline safety rules and regulations  
4     set forth in N.J.A.C. 14:7. The Regulator Station will be remotely monitored by competent  
5     and highly trained Company personnel 24 hours a day, seven days a week, 365 days a year  
6     at NJNG Corporate Headquarters in Wall, New Jersey. Specifically, the Regulator Station  
7     will be equipped with individual transmitters that monitor natural gas flows, pressures and  
8     temperatures. Thus, NJNG will be able to detect, investigate and rectify any abnormality.

9     **Q.**     **Does this conclude your prepared direct testimony?**

10    **A.**     Yes, it does. I reserve the right to supplement and/or amend this testimony.



1 integrity of NJNG’s local distribution system because it will allow the Company to reliably,  
2 efficiently and safely reduce the gas pressure by more than 600 pounds per square inch  
3 gauge (“psig”) from the transmission system in Holmdel to the Company’s distribution  
4 system for delivery to customers in Holmdel and surrounding municipalities. Critically,  
5 the design of the Regulator Station, through the use of an above-ground heating unit, will  
6 prevent the regulators and associated equipment from freezing and becoming encased in  
7 thick ice, which can result in a loss of service to the local distribution system. Indeed, as  
8 explained in Kraig Sanders’s testimony, the above-ground heating unit is absolutely  
9 essential to the Regulator Station’s ability to reliably and efficiently manage the significant  
10 pressure reduction between NJNG’s transmission system and distribution system, and  
11 thereby to provide safe, adequate, reliable and efficient gas service to NJNG’s customers  
12 in the nearby geographic area.

13 **Q. Please generally explain the location and scope of the Facility.**

14 **A.** The Regulator Station is a natural-gas pressure reduction facility. It will consist primarily  
15 of underground gas piping with one heating unit, one filter, one control box and two  
16 regulator runs, all of which will be located above-ground. The Regulator Station will  
17 occupy an easement area of approximately 100 feet-by-85 feet) on a parcel of land located  
18 on Block 13, Lot 14 in Holmdel (the “Proposed Site”). The street address is 970 Holmdel  
19 Road, Holmdel, New Jersey, where Cornerstone Power Holmdel (“Cornerstone”) operates  
20 a solar energy farm. The Regulator Station will be situated on a small section of the  
21 property between the solar farm and Holmdel Road on which no solar panels or related  
22 equipment is located.

23 **III. NEED FOR THE HOLMDEL REGULATOR STATION**

24 **Q. Can you describe the Facility in more detail?**

1     **A.**     Yes.   As noted above, the Facility will consist of a filter, heater, two regulator  
2     runs, associated piping, and a control box. The Regulator Station's filter, which acts as a  
3     scrubber cleaning the gas of impurities, will be approximately 7 feet long, 3 feet wide and  
4     2 feet tall, and will be placed on a concrete pad. The heating unit, which is manufactured  
5     by Cold Weather Technologies, is the largest piece of equipment. It is 30 feet long and 7½  
6     feet wide, and has three vent stacks, each of which is 10 inches in diameter and 15 feet tall.  
7     The regulators will be connected to 6-inch and 8-inch piping primarily located 3 feet  
8     underground. A small section of the piping will be above-ground, where the regulators are  
9     located. The Facility will also have a control box housing communications and electrical  
10    equipment.  
11    The Proposed Site will be covered with crushed stone and equipped with a fence  
12    with privacy slats for security purposes. An earthen berm in front of the Facility will serve  
13    two purposes: (1) obscuring the Facility from view; and (2) protecting it from vehicular  
14    impact. NJNG will also install a New Jersey Department of Transportation ("NJDOT")  
15    compliant guardrail in front of the Facility (facing the roadway) and a retaining wall around  
16    three of its sides, as well as protection bollards to replace traditional fence posts. The  
17    Facility's perimeter will be extensively landscaped with a variety of trees and shrubs to  
18    create a buffer and obscure visibility of the Facility to the general public.

1 **Q. Can the Regulator Station be located underground?**

2 **A.** No. NJNG must locate the heater and filter equipment above-ground to ensure adequate  
3 ventilation and air flow. Also, NJNG needs above-ground access to the equipment to  
4 perform regular inspection and maintenance.

5 **Q. Can the Regulator Station be located on the same geographic footprint as the**  
6 **temporary station currently in operation?**

7 **A.** No. The location of the current temporary regulator station is not large enough to  
8 accommodate the heater, filter and regulator runs. Also, the temporary location cannot  
9 accommodate the required above-ground heater and filter equipment because the regulator  
10 is in a vault underground within the public road right-of-way.

11 **Q. Can you describe construction of the Facility?**

12 **A.** NJNG expects construction to last approximately one month. The majority of the work—  
13 such as grading, piping and equipment installation, landscaping, and fence installation—  
14 will take place on the Proposed Site. NJNG anticipates that work on the travelled portion  
15 of Holmdel Road will last two to three days. Material deliveries and hauling are limited  
16 and will have a minimal impact on the surrounding roadways. NJNG plans to perform  
17 construction during normal working hours, Monday through Friday, so as to minimize  
18 disturbance to residents.

19 **IV. SITE SELECTION AND ALTERNATIVES**

20 **Q. Please describe the criteria NJNG utilized to select the location for the proposed**  
21 **Facility.**

22 **A.** Over the course of several years beginning in 2011, NJNG engaged in a laborious and  
23 detailed site selection and alternative site analysis (the “Site Analysis”) in an effort to find

1 the most suitable location for the Facility that would have a minimal impact on Holmdel  
2 and its residents. As an initial matter, several siting constraints guided and informed the  
3 Site Analysis, and ultimately limited the available site options.

4 First, it was important from an operational and engineering standpoint to locate the  
5 Regulator Station as close as possible to the southern end of the Holmdel transmission line  
6 (where the line begins at the intersection of Newman Springs Road and Holmdel Road).  
7 That is because the pump station for the Holmdel transmission line (which feeds Holmdel  
8 and the surrounding areas) is located at the southern end of the line. Siting the Regulator  
9 Station near that pump station will allow NJNG to feed that station, and provide natural  
10 gas to customers from that location northward, where the supply is back-filled from other  
11 pump stations. A site at the southern end of the line is also optimal from a system-design  
12 standpoint in light of the locations of other pump stations within NJNG's system (NJNG  
13 has two other gas feeds to the north and southeast). NJNG prefers to have adequate spacing  
14 between its various feeds to minimize system vulnerability and service interruptions in the  
15 event one of the pump station becomes inoperable.

16 Second, the chosen site had to be large enough to accommodate the proposed  
17 Facility. As explained above, the proposed Facility requires an area of approximately 100  
18 feet-by-85 feet in order to house all of the necessary equipment, including a filter, heater,  
19 two regulator runs, associated piping, and control box, as well as provide for the buffering  
20 and screening devices explained above.

21 Third, the Regulator Station should be located in close proximity to the  
22 transmission line because the gas delivery system experiences a loss in pressure, and a  
23 corresponding dip in efficiency and reliability, when a regulator station is located at a



1 distance from the transmission line. There are also security-related reasons to locate a  
2 regulator station close to the transmission line in a more well-travelled area. A more remote  
3 and hidden facility is more likely to experience vandalism and tampering because  
4 individuals typically avoid interfering with utility equipment that is out in the open and  
5 easily viewed by the general public.

6 Fourth, there are several types of properties that NJNG either avoids or cannot use  
7 for its gas delivery facilities. Most significantly, NJNG makes every effort to avoid placing  
8 its facilities in residential zones; instead, it endeavors to find locations with commercial,  
9 industrial or utility zoning. Such commercial, industrial and utility zoned areas—in  
10 addition to minimizing disruption to people’s homes—typically offer a greater likelihood  
11 of acquiring an easement and obtaining the necessary zoning approvals.

12 Moreover, NJNG is prohibited under any circumstances from locating its facilities  
13 on Farmland Preserved properties. NJNG is also prohibited, without first getting difficult  
14 to obtain authorization from the State, from using properties purchased with Green Acres  
15 funding. The Company also avoids wetlands and low lying areas because they present a  
16 heightened risk of flooding and, more importantly, freezing during the winter months.  
17 Further, NJNG looks for sites with no environmental or contamination issues, and prefers  
18 sites with little or no required tree clearing to minimize any environmental impact. Finally,  
19 again to minimize any environmental impact, NJNG prefers to build its facilities on already  
20 developed land, as it typically only requires a relatively small parcel.

21 With those restrictions in mind, NJNG’s Site Analysis focused on determining the  
22 most operationally suitable location that would enable NJNG to improve and reinforce  
23 existing service reliability with minimal impact to the surrounding properties. To that end,

1 NJNG's Site Analysis considered potential impacts of each possible site from several  
2 perspectives: (1) impacts to residential areas; (2) existing environmental conditions; and  
3 (3) engineering considerations. Potential properties located in residential neighborhoods  
4 and/or close to other community-valued buildings (e.g. schools) were disqualified from  
5 consideration, because the Facility would not typically be permitted on those properties  
6 due to local community discontentment and restrictions under Holmdel zoning ordinances.  
7 Existing environmental conditions—e.g., tree clearing, wetlands, contaminated sites,  
8 Preserved Farmland and Green Acres habitats—were also relevant factors; NJNG avoided  
9 potential sites that had one or more of those environmental conditions. Finally, NJNG's  
10 engineering considerations included the importance of a location at the southern end of the  
11 transmission line; minimization of the Facility's distance to the transmission line; adequacy  
12 of the property's size; sufficient access for inspection, maintenance and repair; property  
13 elevation levels; and security.

14 **Q. Were alternative locations considered?**

15 **A.** Yes. Even though it is important to locate the Regulator Station as far south as possible,  
16 NJNG examined the entire transmission line corridor between Route 35 (at the northern  
17 end) and Newman Springs Road (at the southern end) for potential locations. As the below  
18 discussion demonstrates, NJNG's analysis revealed very few possibly suitable locations  
19 for the Regulator Station. To aid in that discussion, Exhibit P-3 to the Petition is a map  
20 depicting the transmission line corridor and adjacent zoning/environmental restrictions that  
21 was presented to the Holmdel Zoning Board.

22 As an initial matter, the northernmost portion of the corridor on South Laurel  
23 Avenue (at and near the intersection of Route 35) offers no suitable locations because it is

1 largely a developed business district that includes retention ponds and wetlands occupying  
2 non-developed areas. Likewise, the area to the immediate south on South Laurel Avenue  
3 (stretching until a property occupied by AT&T) is unsuitable because it is a developed  
4 residentially zoned land. That area also contains medium-to-high density sites with water  
5 drainage retention basins, creeks, wetlands, significant elevation changes and heavily  
6 wooded segments, as well as a Jersey Central Power and Light Company right-of-way and  
7 a railroad track. As a result of these factors, NJNG removed all properties in this area from  
8 consideration as possible locations.

9 Farther south on South Laurel Avenue, Steiner Equities owns the property occupied  
10 by AT&T, as well as several surrounding properties. Even though these sites are much  
11 farther north than is operationally optimal, NJNG considered them because of the very  
12 limited options along the transmission line corridor. Although these sites are zoned for  
13 residential use (which NJNG typically avoids), they were vacant and unoccupied by current  
14 residential uses, advertised for sale, and adjacent to the AT&T property, which is zoned  
15 for commercial use. Because those factors somewhat mitigated the existence of residential  
16 zoning, NJNG attempted, albeit unsuccessfully, to obtain an easement on two of the  
17 properties (as explained below). Further, the Beau Ridge and Laurel Greene developments  
18 in that area are dense residential communities, which automatically renders them unusable.  
19 In addition, there are neighborhood amenities and wetlands occupying nearby non-  
20 developed areas, which was another reason NJNG eliminated these sites from  
21 consideration. Finally, the intersection of South Laurel Ave and Holland Road is zoned  
22 residential and encumbered by wetlands, with the exception of a parcel owned by  
23 Monmouth County. NJNG subsequently discovered that the Monmouth County property

1 is encumbered by Green Acres deed restrictions that permit it to be used solely for  
2 recreation and conservation purposes.

3 Continuing further south along the transmission line corridor, the properties on  
4 Holland Road are zoned for and have residential developments, which again makes them  
5 unusable. In addition to this disqualifier, the properties adjacent to this segment of the  
6 transmission line have significant elevation changes, would require tree clearing and/or  
7 have wetlands along the roadside.

8 On South Holland Road, the properties are once again zoned for and have  
9 residential developments. Also, the area has significant elevation changes, heavily wooded  
10 areas, roadside wetlands, and multiple Green Acres deed restricted properties.

11 The next area of examination is that occupied by the Garden State Parkway  
12 (“GSP”), which crosses over South Holland Road. The New Jersey Turnpike Authority  
13 controls the GSP and has a strong policy and practice of refusing to encumber its property  
14 with easements. The GSP property is also zoned as Public Land, which does not permit  
15 public utilities. Thus, the GSP property was not an option.

16 After the GSP, the transmission line corridor continues along South Holland Road  
17 before turning onto Crawfords Corner Road. That entire area is zoned for and has  
18 developed residential properties. Also, Holmdel High School is located at 36 Crawfords  
19 Corner Road. There are wetlands throughout the High School property, and the non-  
20 wetland section is developed with a football field, making it unusable. The High School  
21 property is also zoned as Public Land, which does not permit public utilities.

22 Next along the corridor is Longstreet Road, which borders Holmdel Park on the  
23 entire north side; the park is Green Acres encumbered and zoned as Public Land, thereby

1 removing it from consideration for the Regulator Station. The entire south side of  
2 Longstreet Road is zoned for and has developed residential properties. The area also  
3 contains wetlands.

4 To the south of Longstreet Road is Roberts Road, which is bordered by Holmdel  
5 Park and Longstreet Farm on the north side, both of which are Green Acres encumbered.  
6 In addition, the Holmdel Park property is zoned as Public Lands, which does not permit  
7 public utilities. Wetlands also exist in this area. The south side of Roberts Road is a mix  
8 of developed residential and office/laboratory zoning with wetlands. The Ramannessin  
9 Section of Holmdel Park (to the south of Roberts Road) is also Green Acres encumbered.  
10 As a result, no portion of this area was a viable option.

11 The intersection of Roberts Road and Holmdel Road—where the transmission line  
12 corridor begins to follow Holmdel Road until it meets Newman Springs Road—is bordered  
13 on the west by Triple C Nurseries, an active farm that has been preserved through the  
14 Farmland Preservation program. The property on the east side of Holmdel Road is also an  
15 active farm with portions covered by wetlands. On the far side of the Holmdel  
16 Road/Roberts Road intersection is the Holmdel Cemetery, which is also unusable.

17 On the northern portion of Holmdel Road, the west side consists of a residential  
18 zone currently in development, and the east side consists of an office/laboratory zone that  
19 contains wetlands and an active farm. As a result, no location on that portion of Holmdel  
20 Road was a possible location.

21 On the southern portion of Holmdel Road, the east side includes part of the  
22 Ramannessin Section, a developed residential zone, and a dense business district at the  
23 southern end (by Newman Springs Road). The west side of the southern portion of

1 Holmdel Road includes an office/laboratory zone that has been developed with office  
2 complexes, the Cornerstone solar farm and a dense business district. The Proposed Site of  
3 the Regulator Station is on a portion of the solar farm property located within that  
4 office/laboratory zone.

5 **Q. Please describe why NJNG chose the subject location in Holmdel for the Facility and**  
6 **why it is the best suited location for that use?**

7 A. The Regulator Station will be located on a small portion of a 33.3 acre site that is already  
8 improved with a solar farm. Exhibit P-4 attached to the Petition, which was presented to  
9 the Zoning Board, contains the site plans for the Facility at this location. NJNG proposes  
10 to construct the Facility within a 100 foot-by-85 foot easement area located outside the  
11 fence of the solar farm. This site is of sufficient size and it is a natural fit to co-locate the  
12 station with another energy company's facility, especially since the Proposed Site allows  
13 NJNG to locate the Facility adjacent to the transmission line. Significantly, the Proposed  
14 Site is located at the southern end of NJNG's Holmdel transmission line, which (as  
15 explained above) will minimize the risk of customer exposure to outages. Moreover, the  
16 zoning for the site is non-residential and conditionally permits public utilities. There are  
17 no environmental constraints that would impact the development of a regulator station at  
18 this site. The site is not encumbered with Green Acres or Farmland Preservation  
19 restrictions. There are no low elevations in the easement area. And NJNG is not required  
20 to clear a significant number trees. Finally, as discussed below, NJNG has been able to  
21 obtain an easement for the Proposed Site.

22

1 **Q. Please explain why the other alternative locations were not selected.**

2 **A.** Beginning in 2011, NJNG considered four other properties for the location of the Facility.  
3 As an initial matter, based on the conditions discussed above, NJNG concluded that there  
4 are only two possibly viable areas along the Holmdel transmission line corridor: (1) the  
5 west side of the southern portion of Holmdel Road (where the Proposed Site is located);  
6 and (2) the southern portion of South Laurel Avenue near the AT&T property. As a result,  
7 NJNG simultaneously conducted appraisals for both areas as part of its due diligence.

8 With respect to the four alternative sites located within these two areas, NJNG first  
9 approached Steiner Equities regarding two vacant properties on South Laurel Avenue (one  
10 to the north of AT&T and one to the south). Steiner Equities, however, twice declined  
11 NJNG's requests for an easement for either of those two possible sites. In any event, those  
12 two properties presented significant disadvantages because they were too far north and  
13 were zoned residential. As a third alternative, NJNG then considered the parcel on Holland  
14 Road owned by Monmouth County. Unfortunately, the appraisal revealed that that  
15 property was purchased with Green Acres funding, which caused NJNG to eliminate it  
16 from consideration. Moreover, that property is much farther north than is operationally  
17 optimal. Fourth and finally, NJNG engaged in extensive negotiations with Mack-Cali,  
18 owner of the property on the west side of Holmdel Avenue, on which Vonage is located,  
19 at the southernmost end of transmission line (the "Vonage Property"), concerning various  
20 locations on the Vonage Property for the Regulator Station. In April of 2013 (after NJNG  
21 had been searching for a site for approximately two years), Vonage tentatively approved  
22 an easement for a parcel of land fronting on Holmdel Road. Several months later, in July  
23 2013, Vonage conveyed to NJNG certain concerns with the proposed easement. After

1 addressing Vonage’s concerns in the middle of October 2013, NJNG drafted and circulated  
2 a final easement for execution. At the end of that month, however, Vonage notified NJNG  
3 that it would not consent to the easement, and negotiations ended. As a result, NJNG was  
4 left with only one possible location for the Regulator Facility: the Proposed Site.

5 **Q. Did NJNG consider any property owned by the Township of Holmdel?**

6 A. Based on the Site Analysis, NJNG concluded that there is no suitable property owned by  
7 Holmdel in close proximity to the transmission line.

8 **Q. Can you please describe NJNG’s efforts to date to obtain required land use approvals  
9 from Holmdel Township?**

10 A. Yes. On March 17, 2015, NJNG filed an application with the Holmdel Zoning Board of  
11 Adjustment (“Holmdel Zoning Board”) requesting Site Plan Approval, “C” and “D”  
12 variances, and Conditional Use approval. Specifically, NJNG sought variances (a) to  
13 construct the Regulator Station as an additional principal use on the site; (b) to construct  
14 the Regulator Station within the buffer required between a non-residential use and  
15 residential zone (a 384.25 foot buffer is required, but NJNG proposes one of 89.78 feet);  
16 and (c) to install an eight-foot-high fence with wood slats in the front, side and rear yard  
17 (only eight-foot-high open wire fencing is permitted). NJNG also requested (a) relief from  
18 two conditions of the Zoning Board’s prior resolution approving the Cornerstone solar  
19 farm; (b) variances for NJNG’s proposed sign and driveway access width (to the extent the  
20 Zoning Board deemed such variances necessary); and (c) several design waivers.

21 After seven lengthy and in-depth hearings over 10 months (at which NJNG  
22 presented extensive testimony from six witnesses), the Holmdel Zoning Board denied

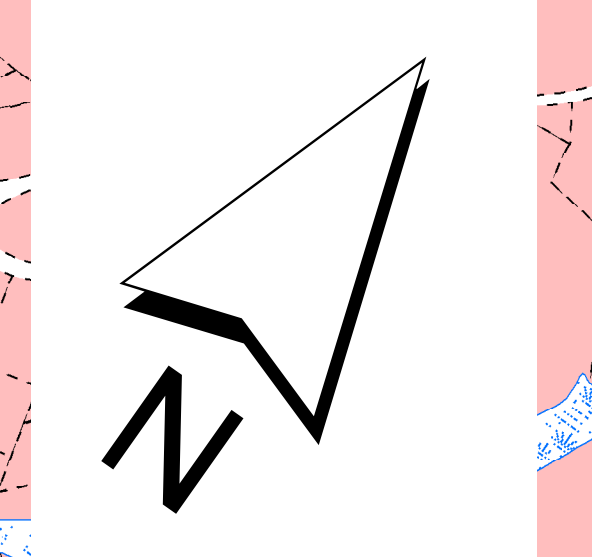
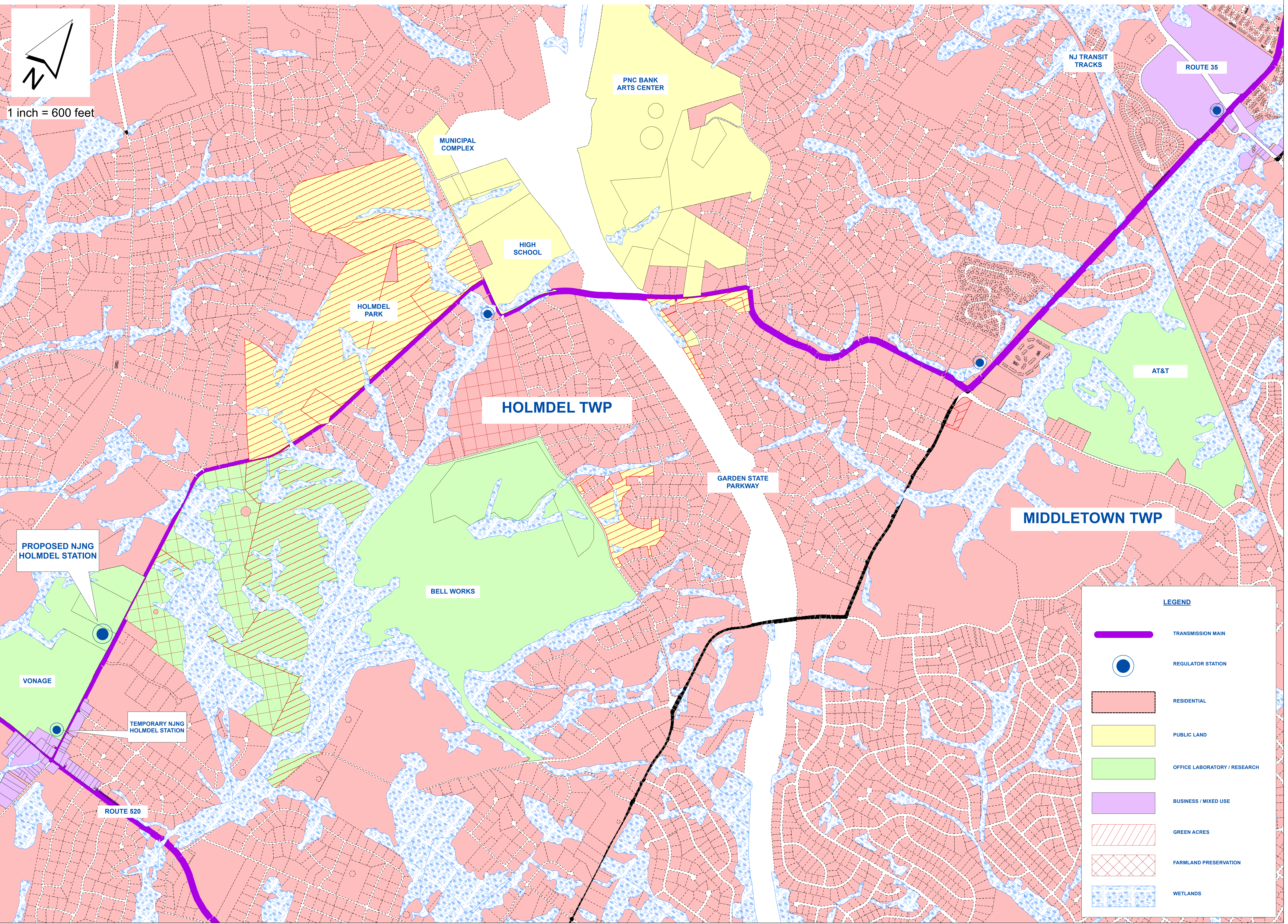


1 NJNG's variance requests on December 7, 2016, even though six of the seven voting  
2 members agreed that the Regulator Station is an inherently beneficial use.

3 **Q. Does this conclude your prepared direct testimony?**

4 **A.** Yes, it does. I reserve the right to supplement and/or amend this testimony.

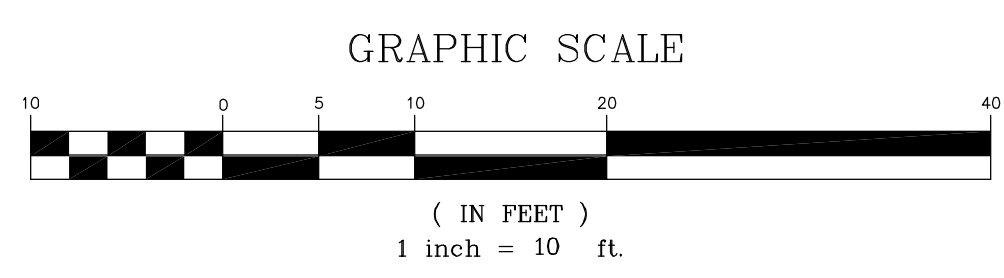
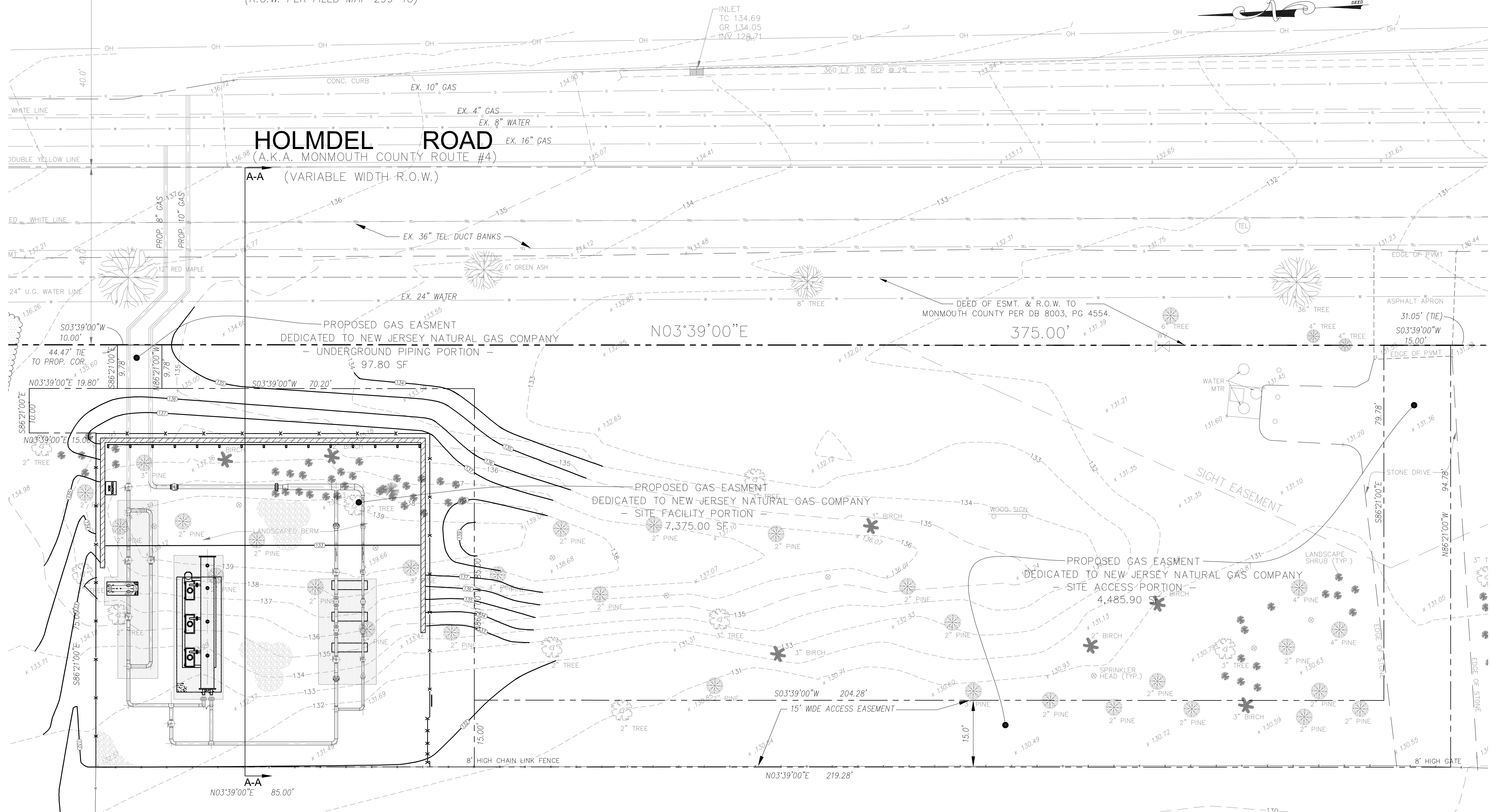
# HOLMDEL TOWNSHIP ZONING BOARD



1 inch = 600 feet

| LEGEND |                              |
|--------|------------------------------|
|        | TRANSMISSION MAIN            |
|        | REGULATOR STATION            |
|        | RESIDENTIAL                  |
|        | PUBLIC LAND                  |
|        | OFFICE LABORATORY / RESEARCH |
|        | BUSINESS / MIXED USE         |
|        | GREEN ACRES                  |
|        | FARMLAND PRESERVATION        |
|        | WETLANDS                     |

(R.O.W. PER FILED MAP 299-18)



| NO. | DESCRIPTION   | DATE    | BY     |
|-----|---|---------|--------|
| 4.  | REV. SITE GRADES, ADD WALL, BERM & GUIDERAIL                          | 3/16/16 | M.J.F. |
| 3.  | REVISE PER ENGINEERING REVIEW DATED 11/11/15                          | 12/8/15 | M.J.F. |
| 2.  | REVISE PER COUNTY COMMENTS DATED 7/13/15                              | 8/21/15 | M.J.F. |
| 1.  | REVISE PER COUNTY COMMENTS & HOLMDEL TWP PLANNER REVIEW DATED 4/29/15 | 6/12/15 | M.J.F. |
|     |   |         | D/C    |

**CREST**  
Engineering Associates Inc.  
Civil & Environmental Engineers  
Professional Planners • Surveyors • Landscape Architects  
• CERTIFICATE OF AUTHORIZATION NO. 24GA27989300 •

100 RKE DRIVE  
MILLSTONE TOWNSHIP, N.J. 08535  
PH: (609) 448-5500

12 ROBENS PKWY.  
AT WATER STREET  
TOMAS RIVER, N.J. 08753  
PH: (732) 244-0855

**MICHAEL B. INTILE**  
P.E. & P.P. NJ LIC. NO. 35271

|         |          |
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| DATE    | 11/17/14 |
| SCALE   | 1"=10'   |
| DRAWN   | M.J.F.   |
| CHECKED | MBI      |
| SHEET   | 4 OF 7   |
| POCKET  |          |

PRELIMINARY & FINAL MAJOR SITE PLAN FOR PUBLIC UTILITY CONDITIONAL USE

**LOT 14  
BLOCK 13**

HOLMDEL TOWNSHIP  
MONMOUTH COUNTY, NEW JERSEY

**OVERALL PLAN  
ACCESS EASEMENT PLAN**

FILE NO. N-5542  
DATE FILED: 05/07/2016 10:00 AM  
LAYOUT: NORTH ROTATION

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1 HOLMDEL ZONING BOARD OF ADJUSTMENT  
2 COUNTY OF MONMOUTH - STATE OF NEW JERSEY

3 -----  
4 REGULAR MEETING FOR: TRANSCRIPT OF  
5 NEW JERSEY NATURAL GAS COMPANY PROCEEDINGS  
6 Wednesday, December 7, 2016  
7 -----

7 8: 00 p. m.

8  
9 BEFORE:

10 DEMETRI ORFANI TOPOULOS, Chairman  
11 VALERIE AVRIN-MARCIANO  
12 ROB JAFFE  
13 ART FRANK  
14 THOMAS SCARANO  
15 ANTHONY PESCE  
16 FRANK AINELLO

17 ALSO PRESENT:

18 RICK DeNOIA, ESQ., Board Attorney  
19 GREGORY PLOUSSAS, P.E., Board Engineer  
20 MEGAN STANLEY, P.P., Board Planner  
21 LORETTA COSCIA, Board Secretary

22  
23  
24 LISA NORMAN, Certified Court Reporter  
25 15 Girard Avenue  
West Long Branch, New Jersey 07764  
732-229-5897

♀

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1 A P P E A R A N C E S : Page 1

Holmdel township NJNG 12-16\_1. txt

2 CONNELL FOLEY, LLP  
3 Harborside Financial Center  
4 185 Hudson Street  
5 Jersey City, New Jersey 07311  
6 201-521-1000  
7 BY: NANCY SKIDMORE, ESQ.  
8 Attorney for the Applicant  
9

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1 I N D E X  
2 WITNESS NAME PAGE NO.

3 RICK WIENER, AIA  
4 By Ms. Skidmore 13  
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| 1 | E X H I B I T S |                           |          |
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| 3 | EXHIBIT NO.     | DESCRIPTION               | PAGE NO. |
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1 MR. ORFANI TOPPOULOS: Okay. Ready, Rob?  
2 (Mr. Jaffe reads the Call to Order.)  
3 MR. ORFANI TOPPOULOS: Roll call?  
4 MS. COSCIA: Mr. Ainelio?  
5 MR. AINELLO: Here.  
6 MS. COSCIA: Ms. Avri n-Marci ano?  
7 MS. AVRIN-MARCIANO: Here.  
8 MS. COSCIA: Mr. Frank?  
9 MR. FRANK: Here.  
10 MS. COSCIA: Mr. Jaffe?  
11 MR. JAFFE: Here.  
12 MS. COSCIA: Mr. Pesce?  
13 MR. PESCE: Here.  
Page 4

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14 MS. COSCIA: Mr. Scavano?

15 MR. SCARANO: Here.

16 MS. COSCIA: Mr. Orfani topoulos?

17 MR. ORFANI TOPULOS: Here. Item Number  
18 1, please?

19 MR. JAFFE: Continued public hearing,  
20 New Jersey Natural Gas, 970 Holmdel Road, site  
21 of Cornerstone Power Solar Farm, Preliminary  
22 Site Plan Number 2015-2, Block 13, Lot 14 in the  
23 OL2 zone. Applicant seeks variance relief to  
24 construct a regulator station, a regulator  
25 station, which is an additional principal use on

6

1 the site. Variance relief to construct the  
2 proposed regulator station within the buffer  
3 required between a non-residential use and  
4 residential zone where 384.25 feet is required  
5 and 74.5 is proposed. Variance relief for fence  
6 height in front, side and rear yard, 8 foot  
7 proposed, 6 foot permitted.

8 MR. ORFANI TOPULOS: Thank you. Do you  
9 want to do a recap where we are and where we are  
10 left to do today?

11 MS. SKIDMORE: Absolutely. Good  
12 evening, Board Members. Nancy Skidmore, Connell  
13 Foley, on behalf of the Applicant, New Jersey  
14 Natural Gas. The first hearing, on this matter,  
15 was February 3rd, followed by an onsite  
16 inspection on February 27th. The second hearing  
17 was conducted on March 2nd, on May 18, July 20,  
Page 5



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18 August 17 and the last hearing was on September  
19 21st.

20 At the last hearing, you heard testimony  
21 from NJNG planner, Mr. Peter Van den Kooy  
22 concerning his expert opinion on the design  
23 waiver that NJNG seeks. Mr. Van den Kooy  
24 testified that the proposed regulator station is  
25 an inherently beneficial use and that the

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1 application meets the proofs required for the  
2 variances and waivers that we seek.

3 We have now completed our presentation  
4 and all of my witnesses are here to answer any  
5 remaining questions, relevant remaining  
6 questions and non-repetitive questions that  
7 members of the public or Members of the Board  
8 may still have.

9 As I indicated, in my letter to the  
10 Board, we would respectfully request any  
11 remaining questions and answers have been  
12 provided that the Board render its decision on  
13 the application this evening.

14 MR. ORFANI TOPULOS: Thank you very  
15 much. Great summary. So what we will do is, if  
16 I remember correctly, we were doing questions  
17 when we stopped last time. So I will get an  
18 idea how many people have questions. Once the  
19 questions are calculated, I will see how much  
20 time that's going to take and then we will see  
21 how many people have comments. And then what

In order to conserve paper and preserve the environment,  
pages 7 to 79 have been omitted.

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1 MS. BALMER: Thank you. I appreciate  
2 you appreciating it.

3 MR. ORFANI TOPoulos: Last one. Come on  
4 up.

5 MR. GOLDSTEIN: Scott Goldstein, 24 East  
6 Lawn Drive.

7 (Mr. Goldstein, sworn.)

8 MR. GOLDSTEIN: So, with the help of an  
9 expert, who is a realtor in town, we ran the  
10 numbers for Hop Brook Lane to see what the  
11 inherent benefit to Holmdel would be. From a  
12 tax point of view, to start off with, this will  
13 cost the Town \$100,000.00 in lost tax revenues.

14 MR. ORFANI TOPoulos: That is it?

15 MR. GOLDSTEIN: That is it.

16 MR. ORFANI TOPoulos: We will have Nancy  
17 give her summation. You do not mind that I call  
18 you, Nancy?

19 MS. SKIDMORE: Not at all. I am  
20 changing locations, so I can see everyone.  
21 First off, I just want to say I recognize all of  
22 the time that everyone here involved has put  
23 into this and not just Members of the Board and  
24 also the public. I also realize it's 9:30, at  
25 night, and each one of you is probably very

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1 tired. Every member of the public is very  
2 tired. I am tired. But I am just going to ask

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3 for each one of you to listen as best you can  
4 for the next, I didn't time myself, but eight or  
5 nine minutes, because what I have to say is  
6 really important.

7 I am going to use some notes. I  
8 typically don't do that, but I am a little weary  
9 at this stage of the game and I want to make  
10 sure I tell you everything that I think is  
11 really important to this application. So, with  
12 that, to start out, I, again, thank each and  
13 every one of you for all of the time and effort  
14 that each of you has put into running the  
15 details of this application, the need and the  
16 purpose of this regulator station, in Holmdel.  
17 We've been here for 11 months, 308 days. I  
18 didn't count hours, but quite a long time. Both  
19 listening to the testimony of our experts and  
20 professionals and comments and questions from  
21 the public and comments and questions from the  
22 Board so I appreciate that.

23 Since the commencement of this public  
24 hearing, in February, you've heard testimony  
25 from NJNG, clearly indicating the absolute need

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1 for this regulator station, at this site, in  
2 order to ensure continued safe and reliable  
3 natural gas service to Holmdel residents.  
4 Providing safe and reliable NJNG mandates, as a  
5 public utility, under Federal and State law.  
6 But it is more to them.  
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7 I have represented them now, at this  
8 point, for almost 10 years and I can tell you  
9 each and every person that I've come into  
10 contact with, at NJNG, takes it very seriously  
11 and in a very personal way. In the same way  
12 they are my client, you are theirs. They are  
13 your neighbors. They've been here for 60 years  
14 and they intend to be here in future  
15 generations. We need to install this regulator  
16 station at this site in order for Holmdel to  
17 receive natural gas service that is both safe  
18 and reliable. They mean it.

19 In particular, you've heard testimony  
20 from NJNG indicating that if it doesn't install  
21 this regulator station, at this site, freezing  
22 to a critical level will occur which may result  
23 in a gas outage. Unlike a power outage, when a  
24 gas outage occurs, there is much more of a  
25 safety risk. NJNG must lock off all customers,

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1 evacuate homes, in some instances, and each home  
2 must be individually related.

3 We've been searching for a site along  
4 the Holmdel Road corridor for close to four  
5 years. This property is the only site that  
6 meets the criteria for selection and available  
7 to them. You heard testimony from NJNG's expert  
8 landscape architect, who has proposed an  
9 alternative screening and buffering proposal  
10 that will hide the facility from public view and  
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11 protect the facility from vehicles coming into  
12 contact with it.

13 You've also heard testimony from NJNG  
14 noise expert, Ed Potenta. Not only will the  
15 station comply with both state and local noise  
16 regulations, it also will have no impact upon  
17 existing noise levels at the surrounding  
18 properties with the installation of a sound  
19 wall.

20 You've also heard testimony from NJNG  
21 Director of Transmission Pressure Measurement,  
22 Kraig Sanders, that this station will be very  
23 secure and monitored on a 24/7 basis and that  
24 it, like every other station at NJNG's system,  
25 will be very safe.

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1 Finally, you've heard the testimony from  
2 NJNG's expert planner, Peter Van den Kooy, and  
3 in his testimony he states his station is an  
4 inherently-beneficial use. He testified that  
5 the application meets the proofs required for  
6 the variances and waivers that we seek.

7 NJNG would like to remind the Board that  
8 this use is indeed a permitted public utility  
9 use in the OL-2 zone, where the property is  
10 located. So there already has been a municipal  
11 determination that this use, this public utility  
12 use is both appropriate for the property and for  
13 the zone, but because we require an additional  
14 principal use on the site, we are here for a use

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15 variance. But as Mr. Van den Kooy confirmed  
16 that, yes, it is an inherently beneficial use,  
17 there is no need to demonstrate either site  
18 suitability or that there is no reasonable  
19 alternative sites available.

20 Nonetheless, we did present testimony  
21 proving both of these things, because they  
22 appear to be a significant issue from some of  
23 the Members of the Board and members of the  
24 public. But as an Applicant for an inherently  
25 beneficial use, we are absolutely not required

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1 to prove site suitability or that there are no  
2 alternative sites, In order for the proposal to  
3 meet the legal requirements that warrant the  
4 Board's approval for this application.

5 On the other hand, as Peter highlighted,  
6 the legal standards are all required for an  
7 inherently beneficial use variance require that  
8 the Board conduct a balancing test between the  
9 positive and the negative, in relationship to  
10 the use. To be more specific, in the case of  
11 SICA Township versus Township Board of  
12 Adjustment, the New Jersey Supreme Court, in  
13 this case, declared four steps that a Zoning  
14 Board must undertake when conducting the  
15 balancing test for an inherently beneficial use.

16 First, the Board must assess the public  
17 interest or public benefit at stake. Here, NJNG  
18 is proposing this regulator station for the  
Page 74

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19 primary purpose of ensuring that Holmdel  
20 residents continue to receive safe and reliable  
21 natural gas service to heat their homes. It's  
22 difficult to imagine more of a compelling public  
23 interest than safeguarding the reliable delivery  
24 of heat and hot water to every resident, in  
25 Holmdel, particularly during the coldest winter

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1 months.

2 The second and third steps require the  
3 Board to identify a detrimental effect. And if,  
4 in fact, there is a detriment present, the Board  
5 may then be permitted to impose reasonable  
6 conditions, if any. As to both of these steps,  
7 you've heard repeated uncharted testimony, from  
8 NJNG experts and professionals, that there will  
9 be no detrimental impacts, and certainly,  
10 substantially no detrimental impacts. Even if  
11 some nominal impacts are as to noise and  
12 aesthetics, NJNG will mitigate those impacts,  
13 including the installation of a sound wall and  
14 the addition of a berm, guardrail, retaining  
15 wall to the already robust Landscape Plan, as  
16 well as lowering the facility behind those  
17 screened devices.

18 As NJNG has demonstrated, over the  
19 course of the past 11 months, this station will  
20 be concealed from public view, the neighboring  
21 property owners will not be able to hear it.  
22 There will be no odors, practically no traffic



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23 impacts and the station will be very safe.

24 Finally, the fourth step is that the  
25 Board must weigh the positives of the public

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1 benefits against any negatives and determine  
2 whether on balance the grant of this variance  
3 will or will not cause a substantial detriment  
4 to the public good.

5 In this case, the Board must consider  
6 whether the reliable provision of heat and hot  
7 water to every single resident of Holmdel  
8 outweighs what NJNG has shown to be a virtually  
9 non-existent impact on a handful of property  
10 owners. The law requires, when the Board assess  
11 negative impacts, in the case of an inherently  
12 beneficial use, those impacts must be  
13 substantial in order to overcome the positive  
14 benefits of the use. And, under the law, any  
15 negative impact that a Board may find must be  
16 based upon evidence that is in the record and  
17 not nearly speculation or conjecture.

18 A Zoning Board is not permitted to deny  
19 an application for an inherently beneficial use  
20 simply because the Board would prefer it to be  
21 located somewhere else or that the Board doesn't  
22 want it in the Municipality. The Supreme Court,  
23 in SLCA, specifically protects against that  
24 determination and directs the Zoning Board to  
25 follow what the Court has mandated. In this

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1 regard, there is no evidence, in the record,  
2 that demonstrates any substantial negative  
3 impact that would exceed the public benefits  
4 afforded to almost every single Holmdel resident  
5 on this application. To put it more simply, the  
6 number of Holmdel residents estimated the  
7 benefit from the heat provided by this facility  
8 are more than 16,500, many of which are the  
9 elderly or small children, who are the most  
10 susceptible to serious injuries, in the event  
11 they are left without heat. Even if we are only  
12 talking about one elderly person or one small  
13 child, can any of you say, there is any evidence  
14 of even one negative impact that would be with  
15 the risk of putting that one elderly person or  
16 that one small child in harm's way?

17 Now, multiply that risk by 16,500 people  
18 and ask yourself that same question. Based upon  
19 all of the undisputed expert and professional  
20 testimony that you've heard, NJNG submits that  
21 it has not just met, but has exceeded all of  
22 these legal requirements to earn approval of  
23 this application by the Board and we  
24 respectfully request your approval of this  
25 application this evening. Thank you very much,

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1 again, for all of your time and consideration.

2 MR. ORFANI TOPoulos: Thank you very

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3 Holmdel township NJNG 12-16\_1.txt  
4 much. Okay. At this point, the Board can have  
5 some internal discussion, if they would like.  
6 If not, we would entertain a motion from  
7 somebody. I refrain the public from any  
8 comments, statements, laughters, cheers or  
9 whatever may happen during this process. Okay.

10 So, Board Members, any discussion or  
11 does somebody want to make a motion?

12 MR. FRANK: Demetri, I will. All while  
13 long, I've been referencing the pump station  
14 that the water company built. It hides it from  
15 view and I've been referencing the substation,  
16 in Rumson, next between the church and the  
17 synagogue that hides the pump station from view.  
18 And I've continually asked, can you hide the  
19 thing from view? And I've constantly been told,  
20 no, we can't do that.

21 I used to negotiate union contracts for  
22 a living and the Union categorically told me,  
23 all of the time, no, I can't do that. And what  
24 that meant was that, I don't want to do it. It  
25 had to do with changes in the pension plan,  
26 changes in the medical plan, you know, it had to  
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1 do with changes in the work rules. It had to be  
2 done. I got every one of them, because I asked  
3 for them, again, and again and again. Here, I  
4 feel like I just got blown off, totally  
5 disregarded. Frank, you are an idiot. No, I am  
6 not an idiot.

Holmdel township NJNG 12-16\_1.txt  
I agree the project itself is

7  
8 beneficial. The way you are approaching it, to  
9 me, is not beneficial to the residents. You  
10 know, if the question is, are you going to be  
11 sued, if we say, no, you are probably going to  
12 sue us. But if we say, yes, these people, down  
13 at that end of Town, are paying a lot of taxes,  
14 and their property value is going to go down,  
15 and they will probably pull their funds and they  
16 are going to sue us. The question is, who would  
17 we rather be sued by? Who would I rather be  
18 sued by, New Jersey Natural Gas? I don't want  
19 the residents suing me, because I was not  
20 cognizant of their considerations. Yes, both  
21 sides have valid issues.

22 MR. DENOLA: If I can reel you in a  
23 little bit, discussion is fine.

24 MR. ORFANI TOPULOS: That is not exactly  
25 a discussion.

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1 MR. DENOLA: What you need to determine,  
2 is there a positive benefit and does the  
3 positive benefit substantially get outweighed by  
4 the negative and the litigation or what happens,  
5 whatever decision this Board makes, I don't  
6 think is germane to this discussion.

7 MS. AVRIN-MARCIANO: Are you okay to  
8 make a motion now and we can poll a vote?

9 MR. FRANK: Sure. Go ahead.

10 MS. AVRIN-MARCIANO: I am going to make

Holmdel township NJNG 12-16\_1.txt  
11 a motion that, all right, I will make the motion  
12 in the affirmative, that this Board grant New  
13 Jersey Natural Gas Company's application, as  
14 stated in the Agenda, to grant variance relief  
15 to construct a regulator station which is an  
16 additional principal use on the site, variance  
17 relief to construct the proposed regulator  
18 station within the buffer required between a  
19 non-residential use and residential zone and  
20 variance relief for fence height in front, side  
21 and rear yard. Okay?

22 I am going to amend my motion. I am  
23 making a motion that we deny New Jersey Natural  
24 Gas Company application. Do I need to reread  
25 it?

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1 MR. DENOLA: I believe you should state  
2 not only what your motion is, but when people  
3 vote, you know, again, I think we have Supreme  
4 Court decisions, so you have to put on the  
5 record why you feel what you feel and that you  
6 don't feel that the burden that you sustained or  
7 you do feel the burden that you sustained. This  
8 application is entitled to have the reasoning  
9 behind whatever decision you do or don't make.

10 MS. AVRILN-MARCIANO: Okay.

11 MR. DENOLA: If you're going to make a  
12 positive motion, that means you are in favor of  
13 this. If you are going to make a negative  
14 motion, you are opposed to it. Moving forward,

15 Holmdel township NJNG 12-16\_1.txt  
a yes vote, with a negative motion, you agree

16 with the denial. Why don't we start with your  
17 motion and then I will explain after I hear your  
18 motion.

19 MR. ORFANI TOPOULOS: Let's explain.

20 MS. AVRIN-MARCIANO: I am going to make  
21 a motion that we deny New Jersey Natural Gas for  
22 constructing an additional principal use on the  
23 site and deny variance relief to construct a  
24 proposed regulator station within the buffer  
25 required between a non-residential use and a

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1 residential zone and deny their variance relief  
2 for fence height in the front, side and rear  
3 yards.

4 MR. DENOLA: Okay. That is a motion.

5 Is there a second?

6 MR. SCARANO: Second.

7 MR. DENOLA: Motion made and a second.  
8 Now, when you take this vote, I feel it is  
9 appropriate and necessary that when you vote,  
10 you explain your vote and you explain it in  
11 terms of the legal parameters of why you feel  
12 what you feel and that we get an explanation of  
13 whether you feel the burdens have or have not  
14 been met under the SICCA case.

15 MR. ORFANI TOPOULOS: Okay. Let's make  
16 sure. If you vote, yes.

17 MR. DENOLA: If you vote yes, you agree  
18 with the denial.

19 Holmdel township NJNG 12-16\_1.txt  
MR. ORFANI TOPOULOS: That means you are

20 saying you want to deny it.

21 MR. DENOIA: Right. If you vote, no,  
22 you would like this application to be approved.

23 MR. ORFANI TOPOULOS: Roll call?

24 MR. AINELLO: I vote no. My reasons  
25 are, first of all, I believe that it's in the

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1 zone that allows for that type of facility. I  
2 think they've gone -- we've asked them to and  
3 they've moved their equipment, they changed the  
4 buffering on the street side and I think they've  
5 gone out of their way, not out of their way,  
6 they've agreed with our request to make some  
7 changes that would hide it, make it less  
8 visible.

9 There doesn't seem to be any problem,  
10 any major problem, according to the DEP,  
11 regarding the emissions from the facility and I  
12 personally have some experience, not in gas, but  
13 with the electric company years back and I  
14 understand the flow of how the electricity  
15 works, how the gas works the same way. It's all  
16 interconnected, just as utilities are.

17 We have an electric substation, in  
18 Holmdel, that is part of a grid that feeds  
19 Monmouth County. And, if you really look at the  
20 whole grid, it probably feeds more than from the  
21 Mississippi River east and it's all part of the  
22 same grid. The utilities work that way and I

23 Holmdel township NJNG 12-16\_1.txt  
24 understand, maybe other people don't realize it,  
but I do.

25 Again, I say that my vote is no, I do

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1 not agree.

2 MR. DENOLA: The only other thing I  
3 would add, if you have a comment on whether you  
4 feel that this use is inherently beneficial, we  
5 should put that on the record. You should also  
6 understand that you have a weighing process  
7 where your conclusion, and you've given an  
8 explanation, that any conclusion you feel is  
9 not, hypothetically, aesthetic to the zone plan,  
10 that you feel it is beneficial and that the  
11 negatives don't substantially outweigh the  
12 positives. If that is the conclusion you feel,  
13 you should cite that on the record.

14 MR. AINELLO: Okay. Let me add to my  
15 statement. I do feel there is an inherently  
16 beneficial use. I think it will state the  
17 greater good of Holmdel and the people that live  
18 in Holmdel. I think any negative issues that  
19 come along with this thing are outweighed by  
20 those positive issues.

21 MR. FRANK: A yes vote denies the  
22 application, correct?

23 MS. COSCIA: Yes.

24 MR. FRANK: In this case, I vote, yes,  
25 for some of the reasons that I've already

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1 stated. And a few others. I'm not so sure that  
2 this is the quintessential place to put. It's  
3 probably got to go in Holmdel someplace and I  
4 think there is four or five places. I think  
5 where it's spotted is detrimental to a number of  
6 citizens to selling their homes and cost them a  
7 lot of money. I don't want to hurt the  
8 citizens. I think it's inherently beneficial,  
9 but so is a garbage disposal, and a furnace  
10 where you burn the garbage and co-generate  
11 electric there, but I wouldn't put that, either.  
12 The project is beneficial. Yes, we probably  
13 need it. Nobody bothered to listen to me, all  
14 along the line, limit the impact on the  
15 citizens. I will still say that. I will say  
16 that to the day I die. I'm sorry it went this  
17 way. I'm sorry to deny the application, but  
18 like Mick Jagger said, you don't always get what  
19 you want.

20 MR. ORFANI TOPoulos: Okay. Thank you.

21 MS. COSCIA: That is a yes, Art?

22 MR. FRANK: Yes.

23 MR. JAFFE: I am a yes, also. I do  
24 understand the inherent beneficial use of it,  
25 but we don't have to approve. I have an issue

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1 with the distance from the neighbors, and the  
2 distance from the road and I have issues where  
3 the traffic risk being so close to the road.

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4 So, as I said, I understand the beneficial use  
5 for the citizens, but I have issues with the  
6 risk of it being as close as it is.

7 MR. ORFANI TOPoulos: Thank you.

8 MR. PESCE: I also vote yes. I think  
9 Mr. Jaffe said it very well, because those are  
10 my concerns, exactly. I understand that we need  
11 to make every reasonable effort to accommodate  
12 inherently beneficial use, however, for me, the  
13 negatives far outweigh the positives here. I do  
14 also feel that it is way too close to the  
15 roadway. I think there is certainly safety  
16 risks, and not to mention property values and I  
17 just can't help but feeling if I lived close to  
18 that property, my property values would be  
19 affected, amongst other things.

20 MR. ORFANI TOPoulos: Thank you.

21 MR. SCARANO: I vote, yes. I know we  
22 talk about inherently beneficial use, but I am  
23 not certain that the residents of Holmdel or  
24 those poor children are going to be denied hot  
25 water, because we don't put a regulator station

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1 in. Because, based on the testimony, things  
2 seem to be running perfectly fine at this  
3 moment. So I don't see any inherently  
4 beneficial use. I think the negatives outweigh  
5 the positive. I think the negatives are based  
6 on testimony from the professionals, from the  
7 gas company themselves that there are, in fact,

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8 environmental issues, there are, in fact, safety  
9 issues, there are issues about the value of  
10 surrounding properties, noise issues, so I don't  
11 think that the positives outweigh the negatives  
12 and I don't think there is an inherently  
13 beneficial use to residents of Holmdel.

14 MR. ORFANI TOPoulos: Thank you.

15 MS. AVRIL N-MARCIANO: I vote yes. The  
16 detriment to the neighborhood is substantial.  
17 It is surrounded by residential homes, and farms  
18 and the property values of the neighboring homes  
19 will be negatively impacted. There has been no  
20 testimony presented by New Jersey Natural Gas to  
21 overcome this. Furthermore, this gas line is  
22 too close to the road and despite the steel bar  
23 inside the fence, I had extreme concerns that a  
24 car or a truck leaving the roadway causes a  
25 substantial risk of a fire or an explosion. I

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1 know that New Jersey Natural Gas has tried very  
2 hard to address this, right, we've spent a  
3 substantial amount of time on this application.  
4 If nothing else, everyone would have to agree  
5 we've given it enormous consideration and time,  
6 and I think that we went and had the site visit,  
7 and it was really always the same issue, and we  
8 just couldn't get passed it. If it could have  
9 just been back where the solar farm is, further  
10 setback from the road, I think we would have  
11 been able to, I can only speak for myself, to

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12 get by the safety issue, but it is so close to  
13 the roadway and the site visit really magnified  
14 how close it is to the roadway there. That  
15 steel bar would not stop a truck coming through  
16 there. It's directly in the middle of the  
17 residential neighborhood there, so I just can  
18 not agree that this is the proper place for  
19 this.

20 I do agree that it is an inherently  
21 beneficial use for Holmdel, as a gas utility and  
22 a warming station, but I think having spent a  
23 tremendous amount of time weighing the positive  
24 and the negative criteria, the positive does not  
25 overcome the negative. I would like to say,

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1 however, that you did an outstanding job. Your  
2 client should be extremely pleased. I guess we  
3 are not going to be pleased with the result, but  
4 they should know that you are extremely  
5 impressive in your job. I was very impressed  
6 how you conducted and handled yourselves and  
7 prepared your witnesses.

8 MS. SKIDMORE: Thank you. I appreciate  
9 that.

10 MR. ORFANI TOPoulos: Oh, boy. I get to  
11 be last. First, I want to thank the public.  
12 Your behavior has been superb. We went through  
13 a lot of meetings with a lot of uproar. I know  
14 it's important, a lot of issues, and it's their  
15 heart. I am, too, a resident of Holmdel and  
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16 served on planning boards here in this Town. I  
17 always think of what's good for the neighbors,  
18 for my neighbors, even though it's not in my  
19 backyard, it's still in my neighborhood. I  
20 always try to do the right thing for the  
21 majority of the Town.

22 I listened to this testimony for the  
23 last 11 months and, I, too, agree with your  
24 statement that Nancy has done an outstanding  
25 job.

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1 MS. SKIDMORE: Thank you.

2 MR. ORFANI TOPULOS: She has covered  
3 every base. She has tried to handle every  
4 comment from the public, and from the Board and  
5 to do everything that she can, to do the right  
6 thing for New Jersey Natural Gas.

7 Unfortunately, I am going to vote yes,  
8 also, for this denial. And the reason is that I  
9 feel that though it sounds like it might be a  
10 benefit to the Town, I feel that it is -- it is  
11 not, due to a few different things. Most of my  
12 peers here have already mentioned them, so I  
13 hate to be redundant, but I will.

14 Property values, I think, haven't been  
15 addressed and I am concerned with that. We do  
16 have residents in the area. Safety, it was a  
17 big thing for me, especially today, we talked a  
18 little bit about a truck going through that  
19 guardrail and I am pretty concerned with the

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20 safety. I, too, feel that it was brought up by  
21 Members of this Board and public why we couldn't  
22 go back and I don't believe I remember hearing  
23 any testimony from the solar farm refusing us to  
24 go back onto their property further back. I  
25 understood there was testimony about pipeline  
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1 shouldn't go too far back, but I wasn't  
2 convinced of that. If it was set back 200 to  
3 300 feet from the road then I would feel -- then  
4 it would be harder to deny this application.

5 I also feel that Kim brought up a point,  
6 which was on my mind but I never addressed, that  
7 she has her farm there. There are grapes  
8 literally across the street. And, who knows  
9 what the fumes and output could do to that  
10 farmland. She is 100 percent right. This is a  
11 historic area and I just don't see having that  
12 station located in that location going to  
13 benefit the whole of people in Holmdel.

14 As far as visual, as far as safety, and  
15 what else, oh, also, I feel that New Jersey Gas  
16 hasn't convinced me that it is necessary. We  
17 have an existing system that's been working  
18 fine. I have not heard -- I haven't felt that I  
19 heard enough to tell me that system would fail  
20 and cause the possible outage that was discussed  
21 today and it's been working fine up to now and I  
22 don't see why we need to do something in that  
23 location.

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24 So, again, my vote is a yes to deny.  
25 Thank you.

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1 MS. SKIDMORE: Thank you for all of your  
2 time.

3 MR. ORFANI TOPoulos: That concludes this  
4 portion of our meeting. We have other agenda on  
5 tonight, so I guess everybody, if you have  
6 comments, we still have a meeting.

7 (Whereupon, the hearing concludes.)

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CERTIFICATE

1  
2  
3 I, LISA NORMAN, a Notary Public and  
4 Certified Court Reporter of the State of New Jersey,  
5 do hereby certify that prior to the commencement of  
6 the examination, the witness was duly sworn by me to  
7 testify the truth, the whole truth and nothing but  
8 the truth.

9 I DO FURTHER CERTIFY that the foregoing  
10 is a true and accurate transcript of the testimony as  
11 taken stenographically by and before me at the time,  
12 place and on the date hereinafore set forth.

13 I DO FURTHER CERTIFY that I am neither a  
14 relative nor employee nor attorney nor counsel of any  
15 of the parties to this action, and that I am neither  
16 a relative nor employee of such attorney or counsel,  
17 and that I am not financially interested in the  
18 action.

19  
20 \_\_\_\_\_  
21 Notary Public of the State of New Jersey  
22 License No. 30X100177700  
23 Dated: December 11, 2016  
24  
25



A complete hard copy of the transcript will be provided upon specific request