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Michael Tousley, Esq.
Hearing Officer
Vermont Public Service Board
112 State St.
Montpelier VT 05620-2701

Via ePUC

Re: Docket 17-3550-INV - Request for Immediate Status Conference

Dear Mr. Tousley:

I write on behalf of the Intervenors in this matter to ask for a status conference as soon as possible.

Four months have passed since we were informed of the difficulty the Commission was experiencing in finding an independent expert or experts. We have received no notice from the Commission that any progress has been made since then.

Since that time, however, Intervenors have obtained additional information which confirms that the Addison Natural Gas Pipeline was constructed in a manner that fell below the level of care required by the Commission. The new information again raises the specter that Vermont Gas Systems has placed in jeopardy the safety of the public, the health of Vermont's wetlands and streams, and the integrity of the Commission's permitting process. An independent investigation is needed, as quickly as possible. For example, documents recently provided to us¹ reveal that in 2016-2017 VGS excavated six sites to look for pipeline anomalies. VGS photographed and made notes of what they found. See attached report, 12" ANGP Transmission Pipe Excavation Inspections, June 21, 2018, by VGS's Christopher LeForce. The photographs, reports and field notes from the six excavations show that at two of the six sites VGS blatantly failed to comply with the commitments it made to the Commission:

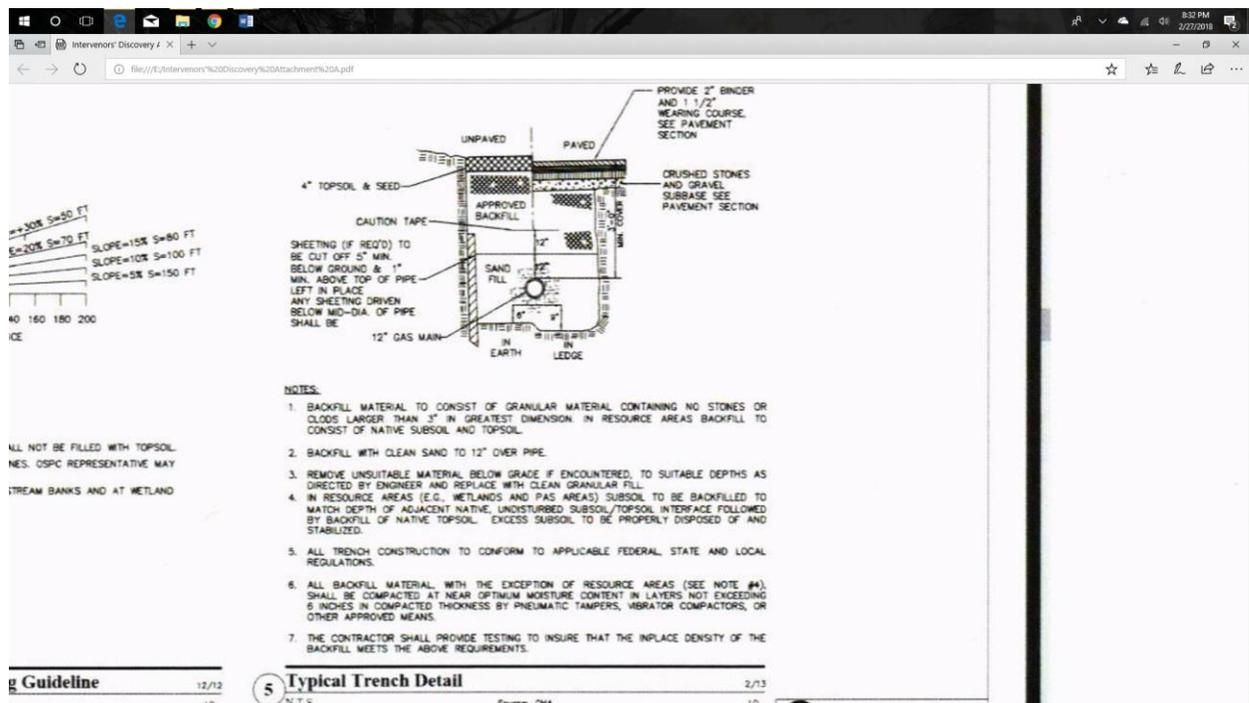
Site #1: Photographs show pipeline enveloped in clay. No sand bedding was used. Notes say that clay and sand were found; however, that no soil samples were collected.

Site #2: Photographs show pipeline in clay with no sand bedding, surrounded by rock fragments as large as half a foot long (in comparison

¹ Intervenors objected to Vermont Gas Company sharing new documents with the Department while refusing to provide discovery to Intervenors; the company then agreed to provide Intervenors with the same documents it had provided the Department.

to the 12” pipeline). Notes in the report say “pipe padded with damp clay like material” and “Backfill was mostly shot rock above the pipe.” The field notes say the soil the pipeline was found in was “Rock.” The field notes also say “padded in clay, buried in shot rock.”

The trench detail plans submitted to the Commission prior to issuance of the CPG², which were incorporated into the CPG, were set forth in Discovery Attachment A and Answer to Request to Discovery Question 1-12 (Agreeing that Attachment A was the trench construction detail plan submitted to the Commission to obtain the CPG.) The details from Attachment A are reproduced here:



The diagram shows the pipe entirely surrounded by “SAND FILL.” It shows a minimum depth of sand fill of 6” on earth trench bottom and 9” on ledge trench bottom. It shows 12” of SAND FILL above the pipe.

Above the SAND FILL its shows “APPROVED BACKFILL.” Note 1 states: “BACKFILL MATERIAL TO CONSIST OF GRANULAR MATERIAL CONTAINING NO STONES OR CLODS LARGER THAN 3” IN GREATEST DIMENSION. IN RESOURCE AREAS BACKFILL TO CONSIST OF NATIVE SUBSOIL AND TOPSOIL.”

² The Certificate of Public Good stated, in paragraph 2 that “Construction of the proposed Project shall be in accordance with plans and evidence as submitted in this proceeding.”

Note 2 states: “BACKFILL WITH CLEAN SAND TO 12” OVER PIPE.”

The purposes of requiring clean sand or other select backfill under and over the pipe are to avoid abrading the pipe coating, to provide support to withstand loading, and to prevent corrosion. The varying oxygen and moisture of native soils can accelerate corrosion, and nongranular objects can “shield” the pipeline and thereby render Cathodic Protection ineffective. The company did not understand this until the Department explained this to the company in June of 2016. See the previously filed David Berger email to John McCauley June 20, 2016; and the previously filed John St. Hilaire email to GC Morris, July 1, 2016.

And yet, even in its June 21, 2018 report, VGS informs the Department that it found no problem with sites completely lacking sand bedding, completely lacking sand backfill 12” over the pipe, and with backfill riddled with rocks as big as a half foot in length. Other than noting that a scratch in the coating was found at the second location, the June 21, 2018 report concludes that no problems were found at either location.

Also very troubling is what the recently disclosed documents have revealed about the Cathodic Protection system. The CP system is critical to pipeline safety. You may recall that the federal Pipeline and Hazardous Materials Safety Administration (PHMSA) has explained that the two most critical public safety defenses when building natural gas pipelines are quality control during installation and effective CP throughout the system at all times during operation. According to PHMSA, “Experience has shown that corrosion can do significant damage to a pipeline if CP is not adequate, even for a period of a few months.” PHMSA Pipeline Construction; FAQs, Question 4.

The company hired the ARK engineering firm to study how well the CP system is working. ARK relied upon the method known as “Close Interval Survey” or CIS. The consultants informed VGS that in several locations CIS had found problems with CP. The company is responding to those problems.

ARK also explained, however, that CP cannot be tested in areas where the pipeline lies under a paved road, or was buried using Horizontal Directional Drilling, or is inaccessible because it lies in a wetland – which adds up to 13% of the length of the pipeline. The integrity of the CP system for all of the pipeline under each wetland and river and Geprags Park cannot be tested. See the attached Addison 12” Natural Gas Pipeline CIS & DCVG Overlay, March 19, 2018, by ARK Engineering & Technical Services, p.2.

This revelation by ARK shocked my clients. We then visited the website of the National Association of Corrosion Engineers (NACE), an association which sets corrosion standards for PHMSA. A recent NACE report (Paper No. 7575, 2016) states “Although cathodic protection monitoring at HDD locations can be validated within the entry/exit extremes; the region between is either assumed or speculated. Additionally, soil resistivity variation may adversely affect CP current distribution, leaving some coating

defects in high resistivity areas unprotected and susceptible to corrosion.”

Did VGS not understand that CP, which PHMSA states is essential to pipeline safety, could not be tested when it proposed HDD for significant wetlands and streams and for all of Geprags Park? Or did it know this but withhold this information from the Commission, the public -- and then the Supreme Court?

An earlier report from another engineering consultant, EN Engineering, heightens the risk to the public, and the need for an independent investigation. Testing for “coating holidays” (gaps in a pipeline’s protective coating) is not reliable where the pipeline is buried to a depth greater than 20 feet. See the previously filed Discovery Attachment Intervenors.VGS.1-84.a-1.pdf, pp.108-09 (these pages are attached).

The NACE paper goes further. It states pipelines installed using HDD “have an increased likelihood of experiencing coating damage” during construction, and yet “Current methods for identifying damaged coating regions on buried pipe cannot always provide absolute or accurate information on the location, size and geometry of the holidays.”

It now appears that at every significant stream crossing, every significant wetland crossing, and throughout Geprags Park, the likelihood of coating damage during construction is heightened, the ability to check for coating holidays is not reliable, and therefore the need for effective CP protection is greatest -- but there is no way to know if the CP system is working.

Intervenors therefore ask that a status conference be held soon, and that all steps needed to commence the independent investigation be implemented as soon as possible.

Thank you for your attention to these matters.

Sincerely,

Jim

James A. Dumont, Esq.