

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
ENERGY FACILITY SITING BOARD**

In re: The Narragansett Electric	:	
Company d/b/a National Grid	:	
Growth Point Southern Rhode Island	:	Docket No. SB-2018-06
Growth Reinforcement Project	:	
Petition for Declaratory Order	:	

ORDER

On November 19, 2018, The Narragansett Electric Company d/b/a National Grid (National Grid or Company) filed with the Energy Facility Siting Board (the Board) a Petition for Declaratory Order. In the petition, National Grid asked the Board to find that the proposed construction of a new gas distribution main with a maximum allowable operating pressure of 200 pounds per square inch gauge (psig) to reinforce the existing distribution system in the Company’s southern Rhode Island service territory is not an alteration as defined by the Energy Facility Siting Act, R.I. Gen. Laws §§ 42-98-1 to 42-98-20 (Act), specifically § 42-98-3(b), and 445-RICR-00-00-1.3(A)(4) of the Board’s Rules of Practice and Procedure (Rules).

In support of its petition, National Grid filed detailed descriptions of the proposed project and the action needed to accomplish it; alternatives considered; the natural and social environments the project would affect; an impact analysis; and proposed mitigation measures. Accompanying the detailed descriptions was a volume of drawings depicting the route of the proposed project and cross sections of the various installation processes. National Grid asserted that reinforcement of

the existing main is necessary to maintain minimum code-required pressures, especially in light of forecasted growth; increased gas system reliability; and reduced reliance on Exeter liquid natural gas (LNG) for pressure support.¹ The Company described its southern service territory as consisting of over 3,000 customers served by almost 600 miles of distribution infrastructure, 77 miles of which is distribution main that operates at pressures of 99 psig and above and uses LNG vaporization to support the 99 psig system.

National Grid's current growth forecast indicates that maximum vaporization capacity at the Exeter LNG facility will be insufficient by 2019. That insufficiency could result in approximately 3,750 customers losing service if gas pressure falls below the minimums. Restoring service to those customers could cost about \$6.5 million. To address this, the Company is proposing reinforcement of the main by installation of a 20-inch steel distribution main, which will initially be operated at 99 psig but capable of 200 psig to meet future demand, parallel to the existing 12-inch main. The new main will be located beneath Route 2 in Warwick, West Warwick, and East Greenwich. The length of the main will be approximately five miles. Once the project is complete, the Company expects approximately 1,100 dekatherms per hour of additional capacity to be available. The cost of the project is expected to be about \$81.3 million.

National Grid considered four alternatives. The first, a "No-Build" alternative, did not address need and left customers at risk of losing service. The second alternative was to install a new Exeter Take Station. This alternative did not respond to the projected growth and would require a 17-mile, FERC-jurisdictional transmission pipeline. The third and fourth alternatives looked at different routes, both almost three times as long as the proposed route, one requiring construction in densely populated areas and the other requiring FERC-jurisdictional transmission

¹ Existing distribution infrastructure requires LNG is required for pressure to transport gas from the city gate to certain areas in the southern service territory.

upgrades. The Company also explained that the proposed, preferred alternative would allow the Company to tie in each phase upon completion, an option not possible with the other alternatives.

National Grid plans to construct the project in three phases, beginning in April 2019 and being completed by December 2021. The majority of the project will be an open-cut installation along the shoulder of Route 2. Construction will require six jack-and-bore locations and two horizontal directional drill locations at bridge crossings. The Company conducted a comprehensive outreach program that included meetings with municipal and government organizations; open house events; an interactive website; a project hotline; social media postings; the distribution of fact sheets, door hangers, FAQs, and timelines; advertising; and engaging a project ombudsman.

In addition to describing the affected natural and social environment in its filing, the Company provided an impact analysis. It noted that there would be negligible impact on bedrock and surficial geologic resources. National Grid will develop a Soil Erosion and Sediment Control Plan to address impacts to soil surrounding the area that will be affected by construction activities. It noted that any impact upon surface watercourses will be minor and temporary. Impacts to water quality are expected to be negligible. Surface drainage will only be affected temporarily, until removed vegetative cover can be reestablished. Any potential impacts to groundwater will also be negligible. Since construction will occur within existing right-of-way along Route 2, impacts to vegetation will be minor. While not expected to cross any wetlands, there may be temporary minor impacts which will be appropriately addressed by the Soil Erosion and Sediment Control Plan. National Grid expects that any temporary displacement of wildlife would be reversed once construction is complete.

The Company's petition also discussed impacts to the social environment. It anticipates savings for customers who convert from oil to gas to be approximately \$1,100 in 2018 dollars. Impacts to traffic and equipment operation are expected to be minor and temporary. The project is expected to create about 413 jobs between 2018 and 2023 and raise Rhode Island Gross State Product by \$29 million, real personal income by \$22.4 million, and State Tax Revenues by \$1.4 million. The Project is also being undertaken to assist with the development at Quonset Business Park and its surrounding communities and will contribute toward about 2,200 jobs and 647 new residential units. Because construction will occur entirely within an existing road right-of-way, any impacts to land use will be short-term and temporary. National Grid has committed to notifying all abutters of intended construction and its schedule prior to work being commenced so disruptions can be minimized. The Company does not expect there to be any impact on agriculture, educational institutions, commercial and industrial businesses, or recreation. Construction along an existing roadway assures that existing land use patterns and future planned development will not be adversely impacted.

National Grid represented that construction noise will be temporary and will cease upon completion of construction. Because the main will be buried, there will be no permanent impact to visual resources. The Company noted that any dust caused by construction will be short-term and localized. There will be no air emissions generated by the project. Conversions from oil to natural gas will diminish the amount of CO₂ emitted each year. Additionally, the project will have no negative effect on climate change or sea levels.

National Grid will engage in mitigation measures to minimize the impacts of the construction to the surrounding environment. Those measures include implementing best management practices to minimize indirect wetland disturbance and limiting vegetation clearing

to maintain a vegetative buffer between the project site and residences wherever possible. Soil erosion and sedimentation controls will be installed, and an environmental monitor will supervise and inspect all construction areas. Police details and other traffic management measures will be used to minimize disruptions to traffic during the construction phase. And the Company has committed to working with the Department of Transportation and the affected municipalities to develop a Traffic Management Plan. Upon completion of construction, the Company will revegetate, stabilize disturbed soils, and restore the area to its pre-existing condition, to the extent possible.

The Board conducted public comment hearings in the three communities that would be affected by construction: West Warwick, East Greenwich, and Warwick. At the first two, National Grid presented a slide presentation that outlined the project, its impacts, and the mitigation measures to be employed. At all three, the Company had numerous members of the project team available to respond to questions. No members of the public attended, and thus there was no public comment at any of the hearings.

Upon completion of the final public comment hearing, on March 12, 2019, the Board held an Open Meeting. The Board noted that an alteration, as defined by R.I. Gen. Laws § 42-98-3(b) and 445-RICR-00-00-1.3(A)(4) of the Board's Rules, is "a significant modification to a major energy facility, which as determined by the board, will result in a significant impact on the environment, or the public health, safety, and welfare." The Board found that the Project as set forth in the filing by National Grid does not constitute an alteration as defined by the Act or the Rules. The proposed approximate five-mile upgrade to the over 600 miles of distribution infrastructure that serves southern Rhode Island is a minor modification to the gas distribution system that serves the entire State. The Board found that the project will enhance reliability and

minimize the risk of loss of service to National Grid's customers. The Board found that the impacts to the natural and social environments are temporary and minor and clearly not significant as set forth in the law. Further, the Board found that the project is necessary and important to address growth.

Because the Project does not constitute an alteration as defined by RICR-00-00-1.3(A)(4), it does not require a formal investigation by the Board and will be given expedited treatment pursuant to 445-RICR-00-00-1.6(E) of the Rules.

Therefore, it is hereby:

(138) ORDERED:

The Growth Point Southern Rhode Island Growth Reinforcement Project is not an alteration as defined by law and does not require Board approval.

DATED AND EFFECTIVE at Warwick, Rhode Island, on March 12, 2019 pursuant to an Open Meeting decision of March 12, 2019. Written order issued April 2, 2019

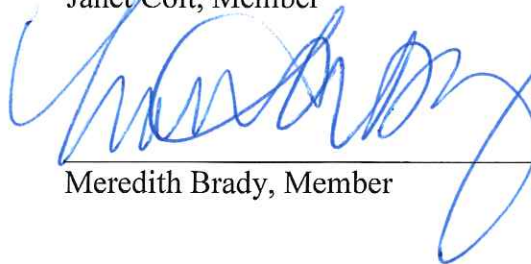
ENERGY FACILITY SITING BOARD



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