

FILE



## Power Siting Board

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14-1717-GA-BLN

Board Members  
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Director, Ohio Department of Natural Resources  
Director, Ohio Department of Agriculture  
Public Member  
Ohio House of Representatives  
Ohio Senate

April 22, 2015

Lee Pena  
32632 Spinnaker Drive  
Avon Lake, Ohio 44012

Dear Mr. Pena,

Thank you for contacting the Ohio Power Siting Board regarding NRG Ohio Pipeline Company's proposal to construct a pipeline in Lorain County. I have filed your correspondence in the public comments for case number 14-1717-GA-BLN.

On March 9, 2015, the Board issued an entry suspending NRG's application in order for the Board and its staff to further review this case. The Board found that "that additional investigation is necessary to complete a thorough review of the application, particularly in light of the issues raised in this case, including NRG Pipeline's assertion ... that the proposed pipeline would be used to serve an affiliate, as well as other potential commercial and manufacturing customers along the project route, and the concerns raised by the parties, FirstEnergy and the property owner intervenors."

On March 27, 2015 the Board's staff filed its report of investigation, making recommendations to the Board. The Board held a local public hearing in Elyria on April 8, and the adjudicatory hearing began in Columbus on April 23. Once the adjudicatory process is complete, the Board will schedule the project for a decision at a later date.

The attached fact sheet was shared with the public at the local hearing in Elyria. Please continue to monitor the Board's website at [www.OPSB.ohio.gov](http://www.OPSB.ohio.gov) for the latest information regarding this case. Should you have additional questions or comments, please feel free to contact the Board at (866) 270-6772.

Respectfully,

Patrick Donlon  
Executive Director

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180 East Broad Street  
Columbus, Ohio 43215-3793

(866) 270-6772  
[www.OPSB.ohio.gov](http://www.OPSB.ohio.gov)

**NRG Ohio Pipeline Company  
Avon Lake Gas Addition Project  
OPSB Case Number 14-1717-GA-BLN**

**What is the Avon Lake Gas Addition Project?**

NRG Ohio Pipeline Company proposes to install a 24-inch, high-grade steel natural gas pipeline extending south approximately 20 miles from the Avon Lake Power Plant to a supply tap location in the village of Grafton. According to NRG, the pipeline is primarily needed to provide a natural gas fuel source to its affiliated Avon Lake plant. The plant, which currently generates electricity using coal, is slated for deactivation due to increasing environmental requirements. The pipeline would allow the plant to generate electricity using natural gas.

**What is a Letter of Notification and how does the OPSB process such applications?**

Ohio law establishes an accelerated process for certain types of facilities subject to Ohio Power Siting Board (OPSB) review. These facilities include gas pipelines that are primarily needed to meet the requirements of a specific customer. Letters of Notification are automatically approved within 90 days, unless suspended. On March 9, 2015, the Board suspended NRG's application in order to complete a thorough review of the application, in light of the issues raised in the case, including NRG Pipeline's assertion in the Public Utilities Commission of Ohio *Certification Case*<sup>1</sup> that the proposed pipeline would serve an affiliate, as well as potential other customers and the concerns raised by FirstEnergy and the property owner interveners.

**How did NRG select their proposed route?**

NRG states that it conducted a route selection study, evaluating two final potential routes before selecting their proposed route. Key components of the route selection study included engineering concerns, right-of way constraints, environmental factors, and regulatory permits. NRG provided this route selection information to the Ohio Power Siting Board in response to the Board's order suspending the case.

**How does NRG address pipeline engineering and safety?**

According to NRG, the pipeline has been designed to meet or exceed Class 3 specifications, a USDOT Pipeline and Hazardous Materials Safety Administration designation utilized in areas with high density, residential land use. The proposed pipeline would require a permanent right-of-way, typically 50 feet in width, and a temporary right-of-way of 100 feet during construction. In some areas, the right-of-way width would be narrowed to reduce the potential for environmental impacts or in response to landowner requests.

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<sup>1</sup> 13-2315-PL-ACE, In the Matter of the Application of NRG Ohio Pipeline Company, LLC for Authority to Operate as an Ohio Pipeline Company

**What did the OPSB staff recommend in its report of investigation?**

As part of the Letter of Notification process, the OPSB staff conducted an investigation and published a report. After considering a wide range of socioeconomic and ecological factors, the staff recommended the Board authorize construction of the proposed pipeline subject to eight conditions. The staff report serves only as a recommendation, and the Board members have the final say over the approval of the project. Copies of the staff report are available at tonight's hearing and online at [www.OPSB.ohio.gov](http://www.OPSB.ohio.gov).

**How can I make my voice heard?**

Tonight's public hearing allows you to provide testimony that will be added to the official case record. Informal comments may also be submitted in writing. Those wishing to do so can write to the Ohio Power Siting Board, 180 East Broad St., Columbus, Ohio, 43215; email the OPSB at [contactOPSB@puc.state.oh.us](mailto:contactOPSB@puc.state.oh.us); or fill out the online form at [www.OPSB.ohio.gov](http://www.OPSB.ohio.gov). Please include case number 14-1717-GA-BLN in all correspondence.

**What happens next?**

An adjudicatory hearing will be held on April 23, 2015 at 10 a.m. at the OPSB's offices in Columbus. At the adjudicatory hearing, the company, OPSB staff, and formal intervenors will have an opportunity to offer expert testimony supporting their positions before an administrative law judge. Once the adjudicatory process is complete, the Board will schedule the project for a decision at a later date.

April 17, 2015

The Ohio Power Siting Board  
180 East Broad Street  
Columbus, OH 43215-3793

Subject: NRG Energy Inc. natural gas pipeline to Avon Lake

Attn: Ohio Power Siting Board Members

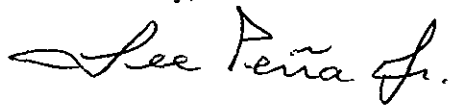
I send this letter in opposition to the proposed build of the NRG Energy Inc. natural gas pipeline to the Avon Lake power plant especially from south of Grafton to the NRG Energy Inc. power plant in Avon Lake, Ohio. The reasons are as follows:

1. There is no supported public purpose for the pipeline as the Avon Lake Power Plant is anticipated only to be used as a peaker plant 7-10 days per year as reported multiple times by NRG Energy Inc. in the newspaper. This anticipated usage represents 2.74% of total annual usage (10 days/365 days = 2.74%). This does not appear to meet the requirements of a public need.
2. Given NRG's anticipated annual usage strictly as a peaker power plant, it could be argued that the real purpose for NRG Energy Inc. is to sell natural gas to commercial businesses and other energy companies along the pipeline route, and that this planned use of the pipeline and lack of use of the Avon Lake Power Plant will fit the need more of a private enterprise instead of meeting the requirements of a public need.
3. As the public need requirement has not been met, it could be argued by many residents of Lorain County and also by yourselves on the Ohio Power Siting Board that there is no real need for a pipeline to be built from south of Grafton to the NRG Energy Inc. power plant in Avon Lake. This is one major reason why many property owners in Lorain County having land where the pipeline is expected to be built are strongly against NRG Energy Inc. constructing the pipeline through their properties. In addition, the planned pursuit of eminent domain by NRG against the property owners is not valid as the public need requirement has not been met.

4. There has not been a sufficient and open discussion directly in the city of Avon Lake to justify the public, economic, and financial benefits for the natural gas pipeline nor the environmental impact of a natural gas pipeline and converted power plant to the residents. This includes no open town hall style meetings, no distribution of literature to residents or schools by NRG Energy Inc. personnel or independent health professionals, and no meetings set aside for parents and residents to ask how this natural gas pipeline will impact their children especially as the pipeline is expected to be built near schools and residential housing developments.
5. Any public meetings by NRG Energy Inc. over the past year or two on the proposed natural gas pipeline has been held in a very controlled manner to minimize open public input and discussions. The meeting locations were held in remote venues and streets where high participation by residents was discouraged. For example, instead of having public meetings in the local schools nearby where many residents could attend, the meetings were held in smaller sized buildings and locations more remote and not often used by the public impacted in those communities. In addition, meetings were highly controlled where residents could only ask questions one-on-one to NRG Energy Inc. representatives discouraging open participation and transparency where all questions and answers could be heard together by the attendees and media.
6. NRG Energy Inc. has not been transparent with the residents of Avon Lake nor of Lorain County of the economic and financial benefits of the proposed natural gas pipeline and converted power plant. Over the past 3-5 years, NRG has consistently pushed for a lower property tax and real estate valuation on the existing power plant assets decreasing the amount of tax revenues earned by the schools, libraries, and municipal governments by millions and millions of dollars. The biggest negative impact was felt by the Avon Lake school system. NRG has publicly stated they expect they will continue to push for lower valuations; however, at no time has NRG distributed in writing to the public what financial tax valuation they will seek, or more importantly, what anticipated property and real estate tax revenues the residents of Avon Lake or Lorain County will receive after the pipeline and converted power plant has been completed. The residents deserve to know so that they could make an informed decision that building this pipeline makes sense to our communities.

As noted above, there are still many unanswered questions as it relates to this pipeline and power plant. NRG Energy Inc. makes it appear that these items have been fully addressed with the public; however, there are many grey areas where an individual could argue an action was not completed in a clear and transparent manner. With this letter I ask the members of the Ohio Siting Board to delay approval of the proposed NRG Energy Inc. pipeline project until you are able to receive clear and complete answers to the above items. The public and residents of Avon Lake and Lorain County deserve your full support.

Sincerely,

A handwritten signature in cursive script that reads "Lee Pena Jr.".

Lee Pena Jr.

32632 Spinnaker Dr.

Avon Lake, OH 44012

14 year resident of Lorain County

(440) 714-4219

delivered via courier