



April 2, 2019

Ohio Power Siting Board 180 East Broad Street, 11th Floor Columbus, Ohio 43215

- Attn: Ms. Barcy F. McNeal, Secretary OPSB Docketing Division
- RE: Village of Evendale's Response to the Ohio Power Board Staff Report On Duke Energy Central Corridor Pipeline Expansion Project Case No. 16-253-GA-BTX

Members of the Ohio Power Siting Board:

Please find enclosed the Village of Evendale's Written Response and Exhibits for the Public Hearing on the case referenced above. The Village of Evendale opposes the proposed project within the corporation limits of the Village and the reasons and issues are listed herein.

OAC 4906-5-02 Project Summary - General Purpose of the Facility

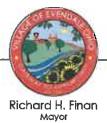
The proposal states that even with this proposed main, that Line A, which goes through the heart of our residential district, will need to be upgraded or replaced in the near future. From Page 2-3¹ of the Duke Energy application –

Duke Energy Ohio is actively inspecting, testing, and replacing older natural gas pipelines that were not designed to meet the current requirements. Furthermore, Duke Energy Ohio needs to inspect, test and upgrade portions of its "backbone" system that brings gas from both north and south into the central Hamilton County area. Key elements of this backbone include Line A, which runs north to south through central area neighborhoods in Hamilton County ... (See Figure 2-1 attached).²

Line A varies in diameter (18-24 inches) and carries natural gas at a maximum pressure of 150 PSIG. Much of Line A was constructed in the 1950s and 1960s, so is also approaching the end of its useful life and will need to be upgraded. Lateral natural gas pipelines that branch from Line A provide natural gas supply to the residential and industrial customer base in the central area. Duke Energy Ohio must begin to replace aging infrastructure that has the potential to place these customers

1 – Duke Energy Central Corridor Pipeline Extension Project, Page 2-3

2 - Duke Energy Central Corridor Pipeline Extension Project, Figure 2-1





at risk of outage. Construction of the proposed Project will allow Duke Energy Ohio to conduct the required inspections and will support replacement of Line A while continuing to supply natural gas to residential and industrial customers in the area. More broadly, pressure verification efforts have led to the need to complete integrityrelated work on many of Duke Energy Ohio's older lines, including critical infrastructure (AM lines) from Foster Station extending north to Ohio River crossings at Cincinnati. Improved system redundancies provided by the proposed Project will allow Duke Energy Ohio to replace aging infrastructure while maintaining service.

Line A currently traverses through our main residential area, from north to south. All of the Village of Evendale Residential property is located to the east of Reading Road, directly affecting 34 residential properties and another 96 properties within 100 feet. The current proposal will directly affect 68 property owners, 56 of which are residential and 57 other properties, 46 of which are residential within 100 feet. The Village of Evendale has approximately 1,100 residential properties and this proposal, combined with the replacement of Line A, will affect almost 20% of the households within the residential district. This is an undue burden upon the residents of the Village of Evendale.

CONDITION #1 - The Primary Route should be selected for this improvement.

Project Summary – General Location, Size & Operating Characteristics

On Page 2-4, the proposed 20" Pipeline is "planned" to operate at 400 PSIG pressure, but could operate at up to 500 PSIG. From page 5-8:

(a) Maximum Allowable Operating Pressure

The proposed pipeline is proposed at a MAOP of 400 PSIG and is planned to operate up to this pressure. The pipeline will be designed to a MAOP of 500 PSIG.³

This is a significant amount of pressure on a pipeline system, as compared to other mains located within residential areas including Line A, which operates at 150 PSIG. Since the initial request of the pipeline was for a 30" line at 600 PSIG (Page 4-5), it wouldn't be difficult to change to a higher pressure to achieve some of the results the reduction in size and pressure would have to the final proposed main.

Initially, Duke Energy Ohio selected a 30-inch diameter pipeline engineered to an operating pressure of 600 PSIG.⁴

- 3 Duke Energy Central Corridor Pipeline Extension Project, Page 5-8
- 4 Duke Energy Central Corridor Pipeline Extension Project, Page 4-5





Furthermore, the current C314 Transmission Main, from the Mason Station, operates at 670 PSIG (Maximum Allowable Operating Pressure – MAOP) and wouldn't be difficult to up the pressure of this proposed pipeline system.

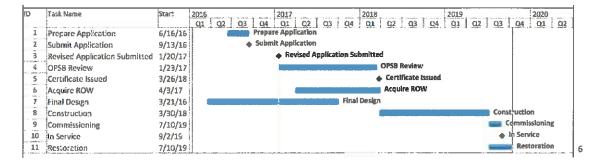
CONDITON #2 - The OPSB should add a condition that the MAOP of 400 PSIG is the maximum that the Central Pipeline can operate.

OAC 4906-5-03 - Review of Need -Project Summary – Review of Need and Schedule

On Page 3-11 of the Duke proposal, the schedule for the project indicates that restoration will not occur until after the pipeline is installed along the entire project. We understand the need to let the trench settle, but a reasonable amount of time should be employed, so that portions of the properties remain unrestored up to 12-16 months. Furthermore, there are no guidelines on restoration of the affected sites. It should be incumbent upon the installer to ensure that the restoration is completed as weather permits and that any restoration work ensures that the property is back to original conditions.

In addition, in none of the amended submittals by the applicant has the project schedule been updated. With the delays of the application process the communities should be aware of the timing of the work.

Condition – The OPSB should require an updated time schedule.



CONDITION – The restoration shall be performed with 30 days of installation. In addition, the contractor shall be responsible for repairs on the trench and seeding for up to one year after approval of the project.

From the OPSB staff report the project will eliminate the propane peaking plants within the current Duke supply system. However, these peaking plants only contribute about 10-15% of the supply during peak load. The proposed pipeline will reduce the dependence on the Foster Station the same 10-15% during peak demand. From the OPSB staff report page 25:

6 - Duke Energy Central Corridor Pipeline Extension Project, Page 3-11





Mayor

Natural gas supply for the system is received from 22 stations that connect to interstate pipelines. All of the stations are in the northern section of the Applicant's service territory except for the Foster Station, which is in Kentucky. The Foster Station is a critical station that typically serves up to 55 percent of the Ohio customer load and up to 60 percent of the peak design day load in Ohio. A loss of supply from the Foster Station on a high demand day would result in widespread service outages.

With the installation of the proposed pipeline facilities, the Applicant's modeling shows that the Foster Station would serve 45 percent of the Ohio customer load. 7

According to a report prepared for the US Department of Homeland Security in 2012⁸, on a propane backup system for Anchorage, Alaska, there appears to be 56 plants currently operating within the US and the cost for the plant to provide 6 days of backup natural gas for Anchorage is approximately 8 million dollars. This would be a significant reduction in cost and interruption to property owners for installation of a new pipeline.

In a previous case in front of the Public Utilities Commission of Ohio, Case No. 15-218-GA-GCR, Paragraph 22 of the Opinion and Order, it states that Duke is to assess the potential of the loss of the peaking plants.

Observing that Duke's Dicks Creek Plant propane facility is no longer operational, because of a geological failure at the Todhunter Propane Cavern, Exeter states 15-218-GA-GCR, etal. -8- that the potential exists for the Company's Eastern Avenue and Erlanger Plant propane facilities also to become unavailable. Exeter states that Duke should assess the potential for this circumstance to occur and evaluate and determine its optimal interstate pipeline capacity portfolio. Exeter states that the Company's assessment and evaluation should be considered in any future decisions to adjust its interstate pipeline contract storage capacity entitlements, because it is unlikely that any storage turned back by Duke could be reacquired in the future. (Comm.-ordered Ex. 2 at vii, 48.)⁹

The OPSB staff report on page 26 states that the report was completed.

These system conditions, including the potential loss of supply, were observed in a prior PUCO case. Specifically, in Case No. 15-218-GA-GCR, the Commission ordered a management/performance audit be performed on the Applicant's gas procurement practices and policies for the audit period of September 2012 through August 2015. In the management and performance audit report, the auditor observed that the

8 - Argonne National Laboratory, Preliminary Assessment of Propane-Air Backup System for the Anchorage, Alaska, Area, February 2012

⁷⁻ OPSB Staff Report of Investigation Central Corridor Pipeline, Page 25

⁹⁻ PUCO Case No. 15-218-GA-GCR Opinion and Order September 7, 2016, Paragraph 22, Page 7-8





Applicant's Dicks Creek Plant propane facility is no longer operational and that the potential exists for the Applicant's Eastern Avenue and Erlanger Plant propane facilities to also become unavailable. The auditor recommended that the Applicant assess the potential for this to occur and evaluate and determine its optimal interstate pipeline capacity portfolio if this were to occur. The Applicant agreed to conduct this evaluation, through a stipulation, which was adopted by the Commission in its final order in the case.¹⁰

However, the report didn't address the condition of the plants. Instead the audit states that the capacity of the system was evaluated based upon "if" the plants were no longer available

Any decision to adjust current storage levels should also consider the results of the Company's capacity portfolio evaluation in the event that its propane facilities are no longer available. As indicated previously, DE-Ohio should not adjust its interstate pipeline contract storage capacity entitlements until the Company has evaluated the changes to its capacity portfolio that would be appropriate if its propane facilities were no longer available.¹¹

REQUEST – We would request that Duke Energy provide a report that explores the cost to replace the existing peaking plants and the impact to the overall capacity of the system.

OAC 4906-5-04 Project Summary - Suitability of Preferred and Alternate Routes

Duke Energy's selection of the primary and alternate routes were a result of an initial assumption that resulted in the predicament that we find ourselves in today. They assumed that the proposed system would be able to be located within a railroad easement from the WW station to Fairfax. Unfortunately, Duke Energy claims this is not viable. From Page 4-5

Duke Energy Ohio maintains a legacy agreement with I&O/SORTA, originally negotiated with the I&O/SORTA Railroad, that allows for development of electric and natural gas pipeline and distribution infrastructure within the railroad ROW.¹²

Line C314 was installed to end within a residential neighborhood and not in a commercial/industrial area that could have been used to transport gas to central Hamilton County. We would encourage the OPSB/Duke Energy to a closer examination of the starting point being located with a residential district.

- 10 OPSB Staff Report of Investigation Central Corridor Pipeline, Page 26
- 11- Exeter Associates Management & Performance Audit Case No. 15-218-GA-GCR, December 8, 2015, Page 80
- 12 Duke Energy Central Corridor Pipeline Extension Project, Page 4-5





The best scored plan, Route 3, was one that used Interstate 71 for construction of the proposed pipeline. According to the proposal on page 4-15:

Duke Energy Ohio investigated the potential of occupying the ROW along I-71, which included discussions with ODOT regarding existing regulations and policies. As that investigation confirmed, ODOT generally does not allow "longitudinal" placement of utilities in ROW for several reasons, including maintenance access, potential road expansions, public safety related to moving traffic, and utility construction and repair activities within interstate ROW.¹³

Although ODOT "generally" doesn't allow utilities longitudinally on the interstate, there are several instances where this occurs in southwest Ohio (i.e. gas line on Interstate 74 (Hamilton County), Telecommunication line on Interstate 71 (Warren County). Federal Highway Administration Highway Utility Guide Publication FHWA SA-93-049 provides the basis for installation of utilities on the interstate system. Furthermore, the Ohio Department of Transportation policy 8106 states:

Section 8106 General Guidelines, and section 8106.01 location (b) which states, longitudinal underground utility facilities are prohibited within the area designated for the placement of highway signs, mailboxes, unless the utility is constructed of material which will with-stand penetration by support post or guardrail and is installed with a minimum cover of 96 inches. (Minimum depth has been modified to allow sufficient cover between the bottom of a sign post and a proposed utility).¹⁴

The Limited Access Right of Way for Interstate 71 is quite sizable and should easily accommodate the gas pipeline. By installing within the Interstate the impact to properties would be minimized and will allow for terminating the project in Fairfax as requested by the applicant.

Based upon the criteria used by Duke, the interstate project was dismissed. According to the proposal Route Selection Study by CH2M (Appendix 4-1), the criteria set a limit on the route designations as listed below as shown on pages 2-5 & 2-6:

Preliminary centerlines were placed based on the constraint mapping, review of aerial photography, topographic maps, and the collected attribute and constraint data. The intent when placing these centerlines was to avoid residences, sensitive land uses, existing structures, wetlands, forested areas, and, where practical, to follow existing developed corridors such as roads and existing transmission/ distribution lines. Terrain was also an important factor as steep slopes were avoided to the extent practical. Duke Energy Ohio's technical preferences included:

13 - Duke Energy Central Corridor Pipeline Extension Project, Page 4-15

14 - Ohio Department of Transportation Utility Manual, Section 8106.01





- Structures were to have a minimum of 15 feet separation distance from the centerline of the pipeline. Where routes follow Interstate Highways, they must be outside Ohio Department of Transportation

= (ODOT) ROW by a minimum of 10 feet.

On other roads in the area, try to remain outside the road ROW and away from existing water and sewer lines except where crossing.

- When crossing a road ROW, crossings are to be perpendicular to the extent feasible.

- Terrain with a slope over 25 percent was considered to need additional engineering and environmental controls for construction, with a preference to avoid where possible.¹⁵

Based on this criteria, the Interstate and Railroads, the largest parcels on contiguous property within the project limits, were eliminated from consideration. With this set of criteria, it forces the project to be constructed within residential, commercial, industrial, park & recreation areas, governmental, medical, and educational districts affecting all manners of operation of a community.

In addition, Duke Energy did not look at installation of the main within the roadway surface and/or ROW. By installing the pipeline within the roadway limits, the need to take property and disrupt property would be greatly reduced. Glendale Milford Road is a wide street with few utility runs located within the pavement section. There are utility crossings, but Duke would have to work around these also within the property limits. In addition, the sidewalk is located on the north side and would provide additional space without damaging the yards.

REQUEST – OPSB reject the route selection and require the project to be installed with the roadway and/or along the interstate.

Duke's proposal on Page 2-7 states that the primary route satisfies their needs better than the alternate routes.

Duke Energy Ohio has determined that the Orange Route is the best alternative because it meets the three purposes of the Project while being one of the most favorable scoring routes, using the scoring approach that considers current, sensitive land uses, as well as the environment and technical/engineering factors. Of the three routes, the Orange Route best allows for the retirement of the propane-air facilities, improves the north/south balance of gas in the central Hamilton County area, and advances the ability to perform integrity testing on the natural gas pipeline system.

15 - Duke Energy Central Corridor Pipeline Extension Project, Page 2-5 & 2-6



Mayor

Furthermore, connecting Line C314V to the Line V in the Fairfax area (i.e., at the Orange Route connection) provides the most favorable flow balance both east and west on Line V. The Orange option also provides more pressure and flow towards the California Station, providing the ability to more directly offset flows from the Foster Station through natural gas pipeline AM04. With additional gas capacity provided by the Orange Route to the central Hamilton County area, it relieves the dependency on other natural gas pipelines in the area, thereby providing the ability to test and replace aging infrastructure without loss of service.

The Green Route was selected as the Alternate Route as it would also allow for retirement of the propane-air facilities and would generally improve the north/south supply balance. However, because the Green Route would connect to Line V at Norwood Station, it offers less opportunity to directly offset gas flow from the south through the California Station, and would increase the system dependency on the Norwood Station, which limits the flexibility for natural gas pipeline testing and replacement. 16

Based upon the above information, Duke Energy, and its ratepayers would receive greater benefits having the pipeline terminate in Fairfax. By constructing the orange route, the entire gas network would be better balanced than the green route. In addition, the pipeline would be nearly linear from north to south when you incorporate C314 into the network.

We would request that the OPSB opt to the primary route, as requested by the applicant.

OAC 4906-5-05 – Project Description

On page 5-1 of the Duke proposal, Table 5-1 indicates that the total number of properties crossed by the project is 675 for the primary and 452 for the alternate. From Table 7-5 on page 16 of the CH2M Application for Certificate of Environmental Compatibility and Public Need, the number of residential properties is 115 for the primary and 166 for the alternate.

16 - Duke Energy Central Corridor Pipeline Extension Project, Page 2-7





TABLE 5-1

Right-of-way Area, Length, and Number of Properties Crossed for the Preferred and Alternate Routes

	Route Alternatives	
	Preferred	Alternate
Proposed Construction ROW area (acres)	130<u>1</u>36	126<u>125</u>
Length (miles)	13.4<u>14.0</u>	13.0
Number of properties crossed (by the Construction ROW)	594<u>675</u>	440 <u>452</u>

TABLE 7-5

Number of Land Use Features Near the Route Alternatives

	Route Alternatives	
Γ	Preferred	Alternate
Length (in miles)	13.9	13.0
Features within 100 feet of Route Alternatives (centerline)		A
Historic Structures (Ohio Historic Structures)	31	4
National Register of Historic Places	0	0
Previously Identified Archaeological Sites	G	o .
Residences	115	166
Other Sensitive Land Uses*	5	10
Features within 1,000 feet of Route Alternatives (centerline	}	
Historic Structures (Ohio Historic Structures)	229	115
National Register of Historic Places	0	C
Previously Identified Archaeological Sites	0	5
Residences	3,153	2,170
Other Sensitive Land Uses*	45	38
Structures within 200 feet of the Edge of Preliminary Permanent ROW (preliminary ROW is 30-feet wide)	638	653

17 - Duke Energy Central Corridor Pipeline Extension Project, Table 5-1

18 - Duke Energy Central Corridor Pipeline Extension Project, Table 7-5

17





From the Duke Energy proposal Route Selection Study by CH2M (Appendix 4-1), the criteria set a limit on the route designations as listed below as shown on pages 2-5 & 2-6:

Preliminary centerlines were placed based on the constraint mapping, review of aerial photography, topographic maps, and the collected attribute and constraint data. The intent when placing these centerlines was to avoid residences, sensitive land uses, existing structures, wetlands, forested areas, and, where practical...¹⁹

However, based upon the charts above, the percentage of residential properties affected by the project are 17% for the primary and 37% for the alternate. There are a greater number of affected residents on the alternate route. This doesn't include public parks, schools or medical facilities.

OAC 4906-5-07 – Health and safety, land use and regional development

Currently, the Ohio Department of Transportation is reconstructing Interstate 75 from north of Glendale Milford Road to south of Shepard Lane. This project just started earlier this month and is scheduled to continue for three years. This work will include reconstruction of the Glendale Milford Road Bridge over I-75 and widening of the existing Glendale Milford Road. With any significant interstate construction, drivers will seek alternate routes to navigate the area. Glendale Milford Road will be handle a significant amount of traffic as a direct link to Interstate 71 to the east. To have the pipeline scheduled during this same construction period will create significant disruption to traffic patterns.

On Page 7-1 the Duke proposal states that the project may include compliance with Federal Spec Title 49 CFR 192.

The construction, operation, and maintenance of the Project will comply with or exceed specifications in all applicable safety regulations. These may include, but are not limited to, Code of Federal Regulations (CFR) Title 49, Part 191, "Transportation of Natural and Other Gas by Pipeline: Annual reports, Incident Reports, and Safety Related Condition Reports", Part 192, "Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards," and Part 199, "Drug and Alcohol Testing," Ohio Administrative Code Rule 4901:1-16. ²⁰

CONDITION - OPSB should condition the approval on following all aspects of Title 49, Part 192.

^{19 -} Duke Energy Central Corridor Pipeline Extension Project, Page 2-5 & 2-6

^{20 -} Duke Energy Central Corridor Pipeline Extension Project, Page 7-1





There are several conflicts within the green route that have been discussed within this response. The following properties will potentially impact the route and installation of the proposed main.

- a. Turn Lane at the intersection of Plainfield and Glendale Milford
- b. Fiber Optics along Glendale Milford from Kingsport to Norwood Hardware The Village has installed an underground fiber optic system that ties all of our intersections together. This must be protected.
- c. Utilities within Reading Road There are a myriad of utilities within the intersection of Glendale Milford and Reading Road.
- d. Drainage channel along Burger King/Goldstar/Union Hall If the slope at the Municipal complex wasn't able to constructed, the slope at the west side of Reading Road will be difficult to construct
- e. Access to cross the Millcreek
- f. Access on Evendale Commons
- g. New 110,000sf building on Evendale Commons Drive
- h. Access on Formica Property
- i. Crossing of Railroad on Formica/GE

OAC 4906-10(A) (6) - Public Interest, Convenience, and Necessity

Questions from Duke Energy Pipeline Report

OPSB Staff Report Questions:

On Page 52 of the OPSB Staff Report, the OPSB spends a page to justify calling the proposed pipeline a "distribution line" instead of a "transmission line". What requirements change in 49 CFR 192 for this designation? In addition, the project is designated as Class 4 – does this require anything if it is designated as distribution/transmission?

The definition of a Gathering Line found in 49 C.F.R. 192.3 is "a pipeline that transports gas from a current production facility to a transmission line or main." Since the Central Corridor Pipeline would not transport gas from a current production facility, it would not be classified as a Gathering Line.

The definition of a Transmission Line found in 49 C.F.R. 192.3 is "a pipeline, other than a gathering line, that: (1) Transports gas from a gathering line or storage facility to a distribution center, storage facility, or large volume customer that is not downstream from a distribution center; (2) operates at a hoop stress of 20 percent or more of SMYS; or (3) transports gas within a storage field."



Mayor

First, the term "distribution center" in the definition of Transmission Line is not defined within the Pipeline Safety Regulations. However, PHMSA has defined the term "distribution center" through written interpretations as "the point where gas enters piping used primarily to deliver gas to customers who purchase it for consumption as opposed to customers who purchase it for resale."

The Applicant is a local distribution company (LDC) that provides gas to customers who purchase it for consumption as opposed to customers who purchase it for resale. The Central Corridor Pipeline would be supplied from the Highpoint Park Station equipped with overpressure protection separating the line from the upstream 24-inch transmission line. The proposed pipeline is not transporting gas to a storage field or single large volume customer and appears to be downstream of a distribution center, and therefore would not fit the first part of the Transmission Line definition.²¹

As it was Duke Energy that made this a condition of approval at several public meetings, we would request that the safety standards that a transmission line require be made part of the project. What regulations does Ohio have different from 49 CFR 192? If Duke is constructing a system that can be used for higher pressure, what stops them from changing the "distribution" to "transmission" at a later date

CONDITION – Safety Standards should comply with all provisions of transmission mains as defined in 49 CFR 192.

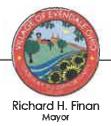
This project is to be constructed along the southern edge of the Municipal Complex. In the event of a gas emergency, the entire complex could be within the "Exclusion Zone". This would affect all of the emergency/public services as they are all located within the Complex. In addition, our recreation center is the emergency shelter for the community and would also be included within the Zone.

We would request that the OPSB opt to the primary route, as requested by the applicant.

REVISED STAFF REPORT – Intangible and Capital Costs

The costs for the project have significantly increased from the original report. The cost for land rights increased on the alternate route from \$11.4 million to \$19.6 million. Pipe equipment went from \$64.6 million to \$82.4 million and the right of way clearing, roads, trails or other access went down from \$300,000 to \$100,000. It would appear that the increase on the pipe equipment was incorrect in the original report due to the alignment did not significantly change that would result in a 28% increase in costs. In addition, the Village and applicant discussed the process of installing the main within the roadway along Glendale Milford Road. The cost for work within the street will cost significantly more than \$100,000.

21 - OPSB Staff Report of Investigation Central Corridor Pipeline, Page 52





REVISED STAFF REPORT – Recommended Conditions of Certificate

The revised staff report only adds two additional conditions to the original report, while stating "Staff is aware of the high level of public interest in this project...Many of the potential impacts and concerns raised in these comments, including those regarding pipeline safety, basis of need, and route selection are addressed in various sections of this Staff Report, minimized by the Applicant, and further mitigated by the <u>Recommended Conditions of Certificate</u>."²²

The only additional conditions are the following; Item #10 – After commencement of the commercial operation, the Applicant shall submit to PUCO in the next long term forecast the status of its plans for the retirement of the propane-air plants."²³ As the applicant doesn't have to submit information until after the fact, this condition does not assist in determining the validity of the application; and #29 – The applicant shall avoid damage to or interference with remedial components associated with the Pristine, Inc. Superfund Site..."^{24 The} application clearly states that the applicant has relocated the proposed line to avoid this condition. The remainder of the conditions are word for word identical to the original staff report.

We would request that the OPSB add conditions that would address the items previously stated above.

Conclusion

We appreciate the opportunity to present our concerns and requests for this project. If you have any questions, or need additional information, please contact us at your convenience.

Sincerely,

Richard H Finan

Mayor

ames R leffers P F

James R. Jeffers, P.E. Service Director/Engineer

22- OPSB Amended Staff Report of Investigation, Page 57 23- OPSB Amended Staff Report of Investigation, Page 61 24- OPSB Amended Staff Report of Investigation, Page 64 This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

4/2/2019 3:24:37 PM

in

Case No(s). 16-0253-GA-BTX

Summary: Testimony of Richard Finan and James Jeffers, Part 2. electronically filed by Mr. Micah E Kamrass on behalf of Village of Evendale