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January 22, 2015

Ms. Barcy F. McNeal, Secretary
Public Utilities Commission of Ohio
180 E. Broad St., 11th Floor
Columbus, Ohio 43215-3793

Re: Case No. 14-1754-GA-BLN
Informational Correspondence

Dear Ms. McNeal:

North Coast Gas Transmission, LLC held an informational meeting for the public on January 20, 2015. At the request of Staff, North Coast is filing the attached copies of poster boards used at the informational meeting for placement on the docket.

Please call with any questions regarding this correspondence or the attachments.

Very truly yours,

Michael J. Settineri
Attorneys for North Coast Gas Transmission, LLC

SJS/smg
Enclosures

Stakeholders Information Session

Oregon Lateral Pipeline Project



North Coast Gas Transmission

Company History

North Coast Gas Transmission, LLC (NCGT) is a wholly owned operating subsidiary of Somerset Gas Transmission Company, LLC, a privately held company that invests in opportunities to develop pipeline and gathering assets throughout Ohio.

In 1998, NCGT first began providing natural gas service and operating 135 miles of converted products pipelines originating in Cygnet, OH and ending east of Cleveland in Mantua, OH. In 2002, Somerset fully acquired NCGT, which was a catalyst for expansion and development. Since the acquisition by Somerset, NCGT has grown its peak capacity from 30,000 Mcf per day to over 100,000 Mcf per day and has added more than 10 new delivery locations along its system. In 2006, NCGT added more than 90 miles to its system through asset acquisitions that extended our reach to the Toledo and Marion markets. In 2009, NCGT developed an additional expansion in the Cleveland area which connects two major pipeline systems for market diversification. NCGT currently operates roughly 280 miles of pipeline across northern Ohio.

Pipeline Development

Pre-April 2004:



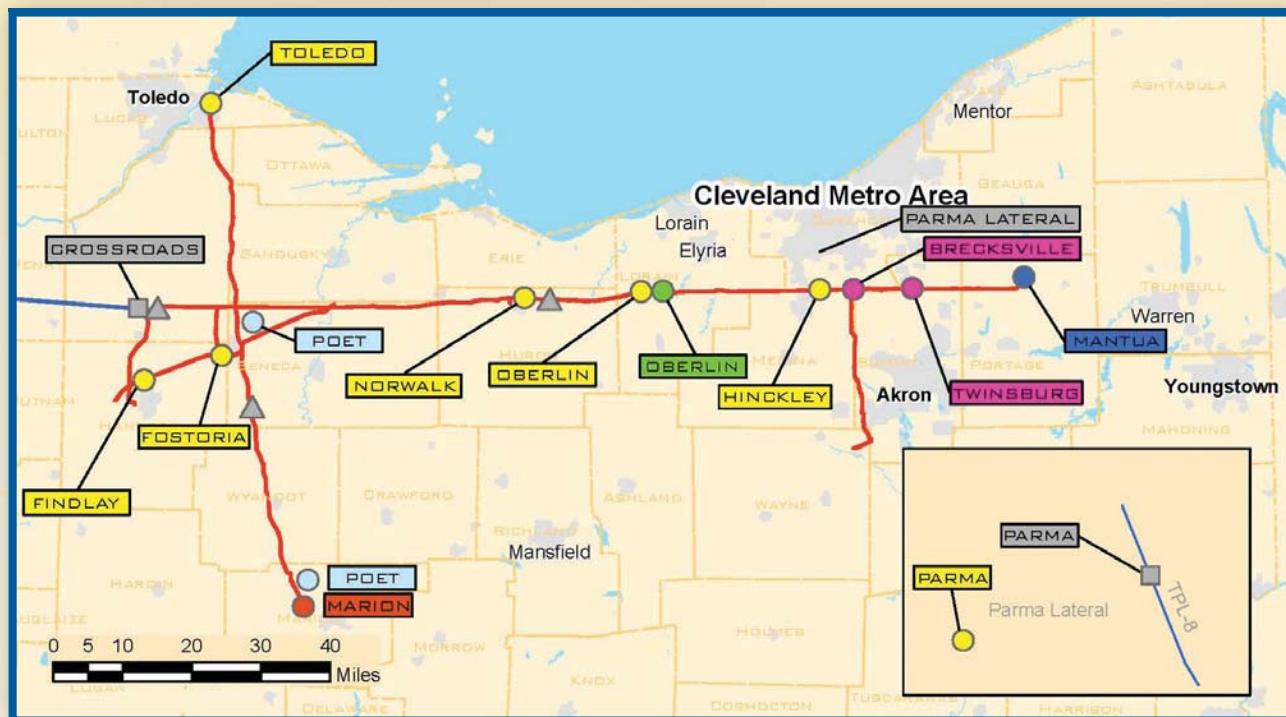
Present:



Development Statistics

- Added 93 miles of pipeline and 9,200 HP of compression including redundancy to ensure deliverability
- Invested \$17 Million in additional capital constructing 10 new delivery stations and increasing throughput from 30,000 to 100,000 Mcf/Day
- Pipelines serve both retail and industrial markets including two (2) ethanol plants
- Deliveries into Columbia Gas of Ohio (COH), Dominion East Ohio, (DEO), KNG Energy, Columbia Gas Transmission (TCO), and Orwell Natural Gas

Somerset Gas Transmission & North Coast Gas Transmission Ohio Pipeline Meter Stations



CROSSROADS PIPELINE
 NORTH COAST GAS TRANSMISSION
 RECEIPT POINT
 COMPRESSOR STATION

DELIVERY POINTS:
 COLUMBIA GAS OF OHIO
 COLUMBIA GAS TRANSMISSION
 DOMINION EAST OHIO
 ORWELL NATURAL GAS
 SUBURBAN NATURAL GAS
 POET ETHANOL

Economic Impact



Economic Impact of Oregon Clean Energy & the Oregon Lateral

- Almost \$1 Billion initial investment, including pipeline
- 25 long-term power plant employees - some at \$60,000+ per year
- \$3 Million in annual power plant payroll and benefits
- 450 on-site construction jobs for the power plant
- 1.3 Million power plant construction labor hours
- \$4 Billion in natural gas purchases
- \$3.5 Million in annual tax revenues from pipeline (\$1.5 Million - Personal Property Tax)
- 150 to 300 temporary construction jobs for pipeline
- 50 to 100 professional support jobs for pipeline construction (engineering, survey, consulting)
- Local businesses to supply certain materials/service - aggregate, storage, transport



Route Selection Criteria

Constructability

- Is there adequate space for construction and maintenance consistent with construction specifications?
- What are the applicable safety and regulatory requirements?
- Is there availability of access for construction and necessary boring?
- Is the existence of and ability to work around other utilities and infrastructure feasible?
- What are the Ohio Department of Transportation (ODOT) and other utility criteria and setbacks?
- Are there regulations regarding time limitations and/or manner of construction?
- What is the existence and composition of rock?

Environmental & Cultural Impact

- What is the existence, quality and impact on wetlands, streams and rivers, sensitive flora and fauna, and protected species habitat?
- What is the air quality and noise impact?
- What is the existence of and impact on protected species of wildlife?
- Define the existence of and impact on culturally sensitive or historically sensitive areas?

Route Selection Criteria (continued)

Impact on Land (When Taking into Account the Route as a Whole)

- What are the safety and setback guidelines?
- How can the route minimize length where practical?
- Is the width of permanent rights-of-way consistent with the ability to construct and maintain pipeline?
- Are there existing corridors and property lines to follow where practical?
- What is the shortest route consistent with other criteria?

Operation of Pipeline & Customer Needs

- Can it be constructed to meet pressure and other customer operating criteria?
- Can it be constructed in the time frame required for delivery by customer?
- Can it be constructed so as to meet the economic criteria of the customer?

Costs

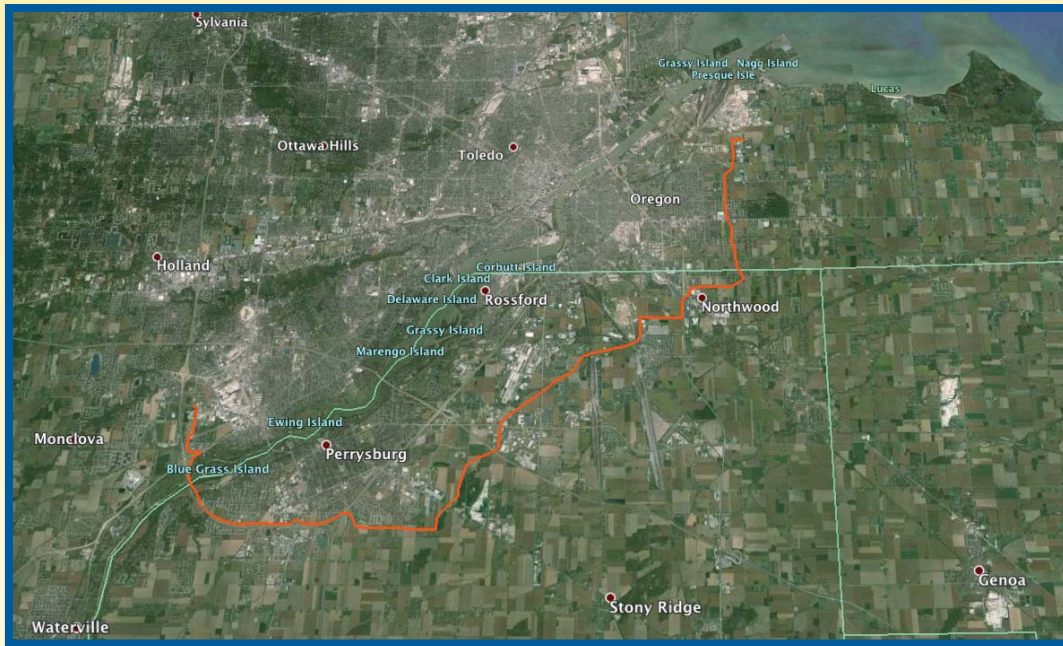
- Will it meet the economic criteria of customer?
- Will it meet economic criteria of pipeline?

Route Selection Conclusions

- The pipeline route considers length and small overall footprint
- It creates a design that avoids need for pipeline compression, thus reducing environmental impact
- The route minimizes permanent impact to surface
- A reduced ROW width where possible
- Uses boring where required
- Responds to conditions in the Staff Report and careful design to minimize the environmental impact
- Impacts less than 0.5 acres of wetland over 22 miles
- Uses utility and highway corridors where possible and while considering needs of utility and requirements of ODOT



Oregon Lateral Route Selection



Follows as much Highway, Utility and existing Pipeline right-of-way and least surface impact as feasible, taking the following considerations into account:

- Constructability
- Environmental Concerns and Cultural Impact
- Safety
- Operational Requirements and Needs of Customer
- Economic Impacts to Property
- Cost

Oregon Lateral Route Selection (continued)



Once the approximate route was determined, landowners were notified to conduct necessary surveys and studies. Centerline and easement boundaries were surveyed and drilling was done to create accurate maps and property descriptions for right-of-way on each parcel.

The Process

- Conducted environmental and cultural studies
- Performed depth of rock and composition studies
- Determined temporary easements and access points
- Conducted necessary surveys
- West Erie Realty Solutions of Toledo retained to assist with right-of-way acquisition
- West Erie sent notice to landowners, Letter of Notification Application filed
- Route maps filed and published in Toledo Blade Newspaper
- NCGT progressing in communicating with affected landowners and stakeholders to finalize the route
- Survey letter sent to landowners

Pipe Manufacturing

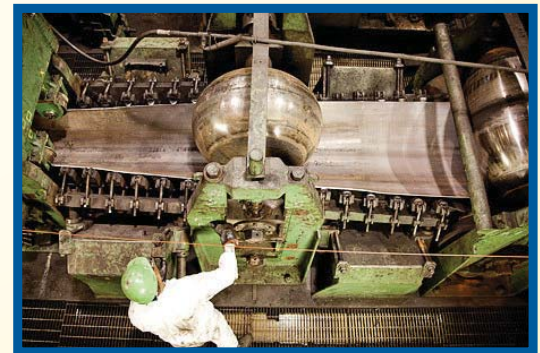
Quality control is embedded into all steps of the production process, beginning with the purchase of raw material. Only high-quality, continuous-cast, fully killed, control-rolled, fine-grain, low-carbon steel is used. This coiled skelp is supplied by a number of dependable, reputable suppliers. Inventory is cross-checked against supplier documentation as received, and entered into a computer database.

Coils are staged for entry according to order requirements, verified against database information, and loaded into the mill using a dual cone uncoiler.

Skelp edges are sheared or milled to pre-specified widths and the lead end of each coil is squared for threading into the mill.

The mills utilize a modern, edge-forming system for controlled skelp shaping. This technology provides the latest innovations in forming, including pre-form stands, cage and internal forming, and fin pass stands to allow for a more precise cylinder.

A high-frequency welder is utilized as operators examine and adjust weld parameters, including alignment, temperature, speed and trim removal.



Pipe Manufacturing (continued)

Seam annealers provide heat to the weld area to a minimum temperature of 1600°F. Temperature is measured and recorded by an optical pyrometer linked to the mill computer system.

Three sizing stands and one straightening stand are utilized to ensure that pipe meets or exceeds API 5L specifications and additional standards as specified by customers. A rotary cutoff machine is used to cut pipe to length, and the mill computer automatically assigns a unique identification to each piece as it is cut.

Each pipe is visually inspected to assure compliance with specified requirements. One pipe per coil is transferred to an ultrasonic inspection station for mill feedback prior to being routed back into normal processing.

Each pipe is machined on both ends according to bevel requirements and/or specification.

Pipe is then routed through numerous tests including a hydrostatic test, an ultrasonic weld inspection, an end finish check, a wall thickness verification, a straightness evaluation, and an inside and outside surface visual inspection.

Each pipe is weighed, measured, stenciled and bar-coded for complete identification and traceability upon shipment. Pipe characteristics are verified against database order information before they are sent to shipping.



Pipeline Safety



North Coast Gas Transmission (NCGT) is committed to maintaining the highest standards of safety. We want to make sure our operations remain as safe as possible to protect you, the public, our employees and the pipeline's operational integrity. The NCGT pipeline system is a very safe, reliable and efficient pipeline for transporting natural gas. Exacting engineering standards are followed in the design, testing, installation and maintenance of our pipeline.

NCGT has a regular program for surface patrol of the pipeline to observe surface conditions on and adjacent to the pipeline rights-of-way for indications of leaks, construction activity, and other factors affecting safety and operation. Since pipelines are buried underground, signs / line markers are used to indicate the approximate location of our pipeline along the route.

PIPELINE MARKERS ARE IMPORTANT. Our pipeline is well marked at road crossings, fence lines, ditches, railroad crossings, rivers, creeks, etc. with yellow markers, as shown to the left. The markers display the material transported in the line, the name of the pipeline operator, and a telephone number where the operator can be reached. Installation of pipeline markers is mandated by federal law and landowners should ensure that all pipeline markers are protected and maintained at all times. PIPELINE MARKERS SHOULD NOT BE REMOVED.

NCGT adds a harmless chemical to its natural gas to give it that distinctive odor of 'rotten eggs' so that you can detect even the smallest amounts which might escape.



Pipeline Material & Construction

- The pipeline will be designed, constructed, operated, and maintained in accordance with Federal and State of Ohio gas pipeline safety regulations.
- Pipeline will be buried to a minimum of 48 inches deep. (Federal requirement is 36 inches)
- All welds on the pipeline will be x-rayed and the pipeline will be pressure tested to nearly two and one half times the normal operating pressure.
- The pipeline will typically operate at approximately 33% of the minimum design pressure, providing a safety factor of 3.0.
- The pipeline will be subject to the new stringent Integrity Management requirements and will be periodically re-pressure tested or smart pigged.
- The pipeline will be coated and cathodically protected to prevent underground corrosion.
- The natural gas in the pipeline will be odorized.
- The pipeline will be periodically leak surveyed.
- Some portions of the pipeline (mostly roads, rivers, and some stream crossings) will be bored to minimize the impact of construction.

Pipeline Material & Construction (continued)

- Pipeline will be under a damage prevention program, including coverage under Ohio Utility Protection Service (OUPS).
- PUCO – Gas Pipeline Safety Division will audit the construction of the pipeline.
- All construction, operations, and maintenance functions will be performed by experienced personnel that are qualified under federal and state gas pipeline regulations.
- Pipeline will be routinely audited by PUCO auditors to ensure compliance of the law and proper records keeping.
- Pipeline will be safely operated by full-time, experienced pipeline operators with an excellent safety record and on call 24 hours per day, seven days a week.
- Mainline shutoff valves along the pipeline including 4 valves to be remotely operated emergency shut-off valves.
- Although some areas meet lower Class designations, the pipeline is being constructed primarily as a Class 3 design, and approximately 13,000 feet of the pipeline is a Class 4 design.

Pipeline Operations

- Full-time field employees with over 100 years of combined experience in gas transmission, LNG, refining, and liquid pipelines
- Outside firms hired for safety and regulatory compliance expertise
- Field team operates and maintains the pipeline including meters & regulators, electronic gas measurement equipment, corrosion, and inspection
- Excellent record of safety and responsiveness
- Since 2004, North Coast has maintained reliable deliverability to all customers
- North Coast has zero loss-time accidents, pipeline failures, or unscheduled outages
- 100% up-to-date on all integrity management inspections



Right-of-Way Considerations

Pipelines are located all over Northern Ohio – and around the country – for transporting natural gas, petroleum products, chemicals and water. One cannot build directly on top of a pipeline as future access is needed for safety reasons, so property owners are compensated at a fair market value. Landowners live adjacent to and farm overtop of rights-of-way every day without a thought to them being there. North Coast Gas Transmission is committed to working with landowners for the benefit of all.

Pipeline Rights-of-Way

A pipeline right-of-way is a strip of land over and around pipelines where some of the property owner's rights have been conveyed to a pipeline company. The rights-of-way agreement (easement) provides a permanent, limited interest in the strip of land that enables the pipeline company to operate, test, inspect, repair, maintain, replace and protect one or more pipelines on the property owned by others. The agreement may vary the rights and widths of the right-of-way, but generally, the pipeline company's rights-of-way extend 50 feet.

NCGT Right-of-Way

Permitted Activities

- Fences parallel with the right-of-way that are 10 feet or more away from the pipeline
- Planted crops, shrubs, lawns and gardens are generally allowed in the right of way
- Landscaping with small to moderate sized plants
- Irrigation systems with prior company approval
- New driveways and streets are generally allowed across the right-of-way with prior company approval
- Grade changes more than 10 feet away from the pipeline with prior company approval
- Small storage sheds if more than 10 feet away from the pipeline
- Invisible dog fences

Reminder

The right-of-way must be kept open and reasonably accessible for regular inspections and maintenance as required. Access to certain maintenance points could occur regularly. All structures within the right of way, even if allowed by the company, are subject to being moved, removed, or replaced at landowner expense in the unlikely event that construction is required on the pipeline after initial installation is completed.

NCGT Right-of-Way (continued)

Prohibited Activities

- Permanent structures built on the right-of-way
- Ponds or waterways on the right-of-way
- Grade changes within 10 feet of the pipeline
- Swimming pools within 15 feet of the pipeline
- Septic systems within 15 feet of the pipeline
- Large/deep-rooted trees or plants within 15 feet of the pipeline.
Trees may be removed or side trimmed by company if they interfere with the ability to maintain or monitor the pipeline
- Fire pits or open burning within 10 feet of the pipeline
- Fences across the right-of-way without access gates.
- Masonry, stone or brick fences installed without company approval
- Anchored playground equipment without company approval
- Storage of building material, waste material, storage containers, old cars, scrap metal, etc. The right-of-way must be kept clean for maintenance purposes
- Excavation without calling OUPS at least 48 hours in advance

North Coast Gas Transmission, LLC is committed to minimizing the impact of the pipeline and working with landowners regarding use of their properties around the right of way once the pipeline is installed. There may be other situations that arise that can be addressed regarding the right-of-way, and NCGT looks forward to working with landowners.

We would appreciate if you would contact NCGT to see if we can accommodate landowner concerns.

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 14-1754-GA-BLN

Summary: Correspondence Regarding Informational Meeting electronically filed by Mr. Michael J. Settineri on behalf of North Coast Gas Transmission LLC