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TOWN OF CHARLTON
Minutes of Special Selectmen's Meeting
Tuesday, February 23, 2021, 6:00pm

Due to COVID19 – meeting held by ZOOM app, video participation:

<https://us02web.zoom.us/j/87489442885?pwd=VmhRdzhXdmR3SnN5T0dtRGVzaElidz09>

Submitted by MLT
Date 3/29/21
Received by KL
Date 3/29/21

Present remotely: Chairman – Karen A. Spiewak, Vice-Chairman – Patsy Rydlak, Clerk – Stephen G. Koronis, Members – William Borowski and David M. Singer, Town Administrator – Andrew Golas and Student Selectperson – Henry Weiland.

Others present: Boris Brevnov from LNG Energy and Matt Taylor from Northeast Energy Center

1. Call to Order: Chairman Spiewak called the special meeting to order at 6:02pm.
2. Public Information Session on LNG Project and Host Community Agreement Process. Chairman Spiewak said we did advertise this meeting and asked people to submit their comments if they had any and asked Mr. Golas to review those when he feels it most appropriate to do so. Mr. Golas reviewed the attached presentation which is an overview of the LNG Facility Project. Following the presentation, questions were asked and answered.

Mr. Golas said following this discussion, the next steps of the Board of Selectmen is to enter into the negotiation process. If there are any other comments or questions from the public, please email him directly and he will try to respond as quickly as possible.

3. Other Business – Unknown at time of posting

4. Adjourn - **Motion by Mr. Borowski to adjourn, seconded by Ms. Rydlak. Roll call vote: Ms. Rydlak – aye, Mr. Borowski – aye, Mr. Singer – aye, Mr. Koronis – aye and Chairman Spiewak – aye.**

Submitted by:
Mary C. Devlin
Administrative Assistant


Accepted by:




Karen A. Spiewak, Chairman

Patsy Rydlak, Vice-Chairperson

Stephen G. Koronis, Clerk



David M. Singer, Member



William Borowski, Member

Host Community Agreement Discussion for LNG Facility

PUBLIC COMMENT SOLICITATION REGARDING HOST COMMUNITY
IMPACTS FROM PROPOSED FACILITY AT 304 SOUTHBRIDGE ROAD



Common Terms

- LNG – Liquefied Natural Gas
- NEC – Northeast Energy Center, LLC - company proposing the construction of the facility
- EFSB – Energy Facilities Siting Board –an independent state board that reviews proposed large energy facilities including power plants, electric transmission lines, intra-state natural gas pipelines, and natural gas storage tanks. To obtain EFSB approval, a proposed facility must demonstrate that it would provide a reliable energy supply, with a minimum impact on the environment, at the lowest possible cost.
- DPU – Department of Public Utilities – oversees investor-owned electric power, natural gas, and water companies in Massachusetts. In addition, the DPU regulates the safety of bus companies, moving companies, and transportation network companies. They also oversee the safety of natural gas pipelines.
- Liquefaction – the process by which natural gas is cooled down to liquid form for ease and safety of non-pressurized storage or transport.

Project Background

- NEC proposes to construct and operate a natural gas liquefaction, storage, and truck-loading facility at 304 Southbridge Road (Route 169)
- Proposed Facility will consist of a new gas meter station and interconnection to the Tennessee Gas Pipeline, a gas pretreatment system, a liquefaction system, a single, field-erected LNG storage tank with a capacity of two million gallons, and four LNG truck-loading stations.
- NEC proposes to take natural gas from the existing underground Tennessee Gas Pipeline in Charlton, and transport the gas to the Facility via a new underground pipeline.
- At the Facility, the natural gas would be cooled to a liquid state, stored as a liquid on-site, and then transported by truck to National Grid gas distribution utility and other customers. The liquefaction system would be capable of producing approximately 250,000 gallons of liquefied natural gas (“LNG”) per day. NEC states that the Facility would enable its gas company customers to maintain reliable and economic natural gas service.

Project Background

- On August 31, 2018, NEC filed petitions with the Massachusetts Energy Facilities Siting Board (EFSB18-04) and the Massachusetts Department of Public Utilities (“DPU”)
- The Siting Board held a public hearing on November 13, 2018, at Charlton Town Hall.
- On February 28, 2019 NEC filed amended and restated petitions with the Siting Board and DPU with respect to a new preferred site (“Route 169 Site”) and a new facility design, now with a single, full-containment tank.
- The Siting Board conducted a second public comment hearing in Charlton on May 29, 2019.

Project Background

- In May 2019, the Planning Board, Board of Health and ZBA filed as interveners at the EFSB on the project in order to guide the state process from the local prospective
- A Local LNG Committee was formed to coordinate efforts in advising on the review process at the EFSB.
- The Town retained KP Law to represent the LNG Committee and interveners at the EFSB



NEC Project Overview

- ✓ Massachusetts Department of Transportation (MassDOT) – NEC filed a Highway Access Permit application for the project site with MassDOT in March 2020 and received its permit in October 2020.
- ✓ Massachusetts Executive Office of Energy and Environmental Affairs – NEC submitted an Environmental Notification Form (ENF) in accordance with the Massachusetts Environmental Policy Act (MEPA) for the project in March 2020 and in September 2020 received its ENF.



Energy Facilities Siting Board Process

NEC petitioned the Energy Facilities Siting Board (“EFSB”), pursuant to G.L. c.164, §69J to construct a Liquefied Natural Gas (“LNG”) facility.

Pursuant to G.L. c. 40A, §3, NEC has additionally petitioned the DPU for a zoning exemption. That section states, in part:

Lands or structures used, or to be used by a public service corporation may be exempted in particular respects from the operation of a zoning ordinance or by-law if, upon petition of the corporation, the department of telecommunications and energy shall, after notice given pursuant to section eleven and public hearing in the town or city, determine the exemptions required and find that the present or proposed use of the land or structure is reasonably necessary for the convenience or welfare of the public.

Petitioners such as NEC may neither construct nor operate the Facility without the Siting Board’s approval. G.L. c. 164, §§ 69J.

Energy Facilities Siting Board Process

Both the Petition to Construct and the Petition for a Zoning Exemption proceeded concurrently at EFSB.

After public notice and a public hearing, the EFSB conducts discovery by sending out Information Requests to the Petitioner and certain parties.

Pre-filed testimony for each witness is drafted and filed with EFSB.

The EFSB then hold hearings by panel (usually three or more EFSB staff members and the Hearing Officer) based on subject matter with witnesses from NEC testifying along with witnesses from the Town and other interveners. In this case there were 6 days of hearings throughout December of 2019.

Post hearing briefs are filed and the EFSB has taken the matter under advisement and will issue a tentative decision followed by a Final Decision.



Energy Facilities Siting Board Process

Here, on December 10, 2020, NEC filed with the EFSB an “Updated Interconnection Route Selection Summary Analysis” (“Updated Interconnection Analysis”). The Updated Interconnection Analysis describes certain changes to the proposed Facility. In particular, the Updated Interconnection Analysis identifies (1) a different preferred interconnection route to connect to the interstate pipeline, and (2) a new meter station.

Therefore, based on the introduction of the new meter station, the EFSB has directed NEC to conduct additional community outreach regarding the meter station which will be followed by additional limited discovery.



Why Enter into Host Community Agreement?

Without an individual agreement, the Town is at the mercy of the EFSB to ensure the Town's interests are represented in their final decision.

If approved, the EFSB decision will remove all local control and oversight from the project construction and operation. All aspects of site plan and construction would be addressed in their decision.

An HCA would be a direct agreement between the Town and NEC to address specific town concerns and potential impacts.

The Town would not take a position of opposition to the project at the EFSB in exchange for NEC addressing the Town's concerns outlined in the HCA.

It would be in the Town's best interest to have the terms of the agreement tied to the EFSB's final decision.



What should be included in the HCA?

Informal review of plans and proposed changes by local boards.

Costs associated with the Town's professional representation on the project.

Communication processes with the Town during construction and operation.

Mitigation of impacts to local services.

Potential Public Safety impacts.

Penalties for default.

Future decommissioning of the facility.



What is not included in an HCA

Tax Payments

- The Town may enter into a Payment in Lieu of Taxes (PILOT) agreement or determine a fair taxable value. If a PILOT agreement is negotiated, this would need to be approved by Town Meeting.
- Any tax agreement would be handled as a separate agreement from the HCA

Local Control that Supersedes State Control

- The EFSB has the final decision regarding site plan approval and modifications.
- The Town cannot deny site plans that have received EFSB approval.



What are the next steps?

Town would enter into negotiation with NEC taking into consideration public comments.

Final HCA would be negotiated with the assistance of counsel with NEC and approved by the Board of Selectmen with input from the LNG committee.

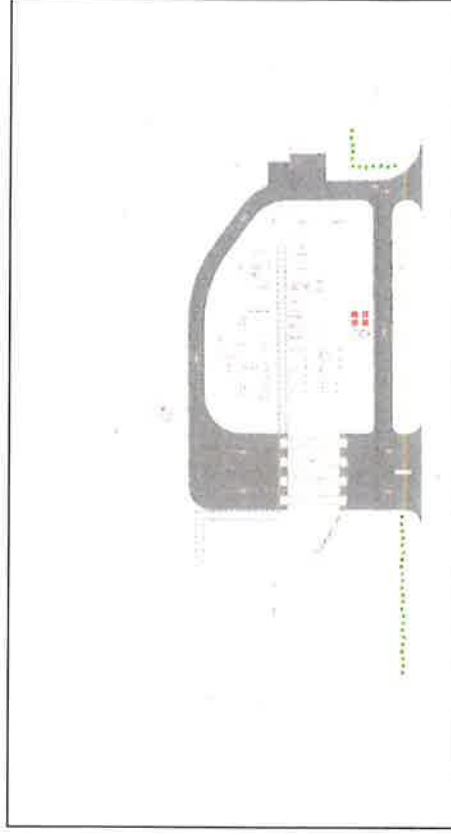
The HCA would be submitted to the EFSB for their consideration when drafting their final decision.

NEC would begin construction process in accordance with the EFSB decision and terms of the HCA.

Town would determine the terms of taxation based on the value of the constructed facility and any other tax impact factors and determine if a PILOT or other tax agreement is in the best interest of the community.



Additional Project Information from NEC: Project and Project Team



Regulatory and Siting Counsel



Environmental Consultant



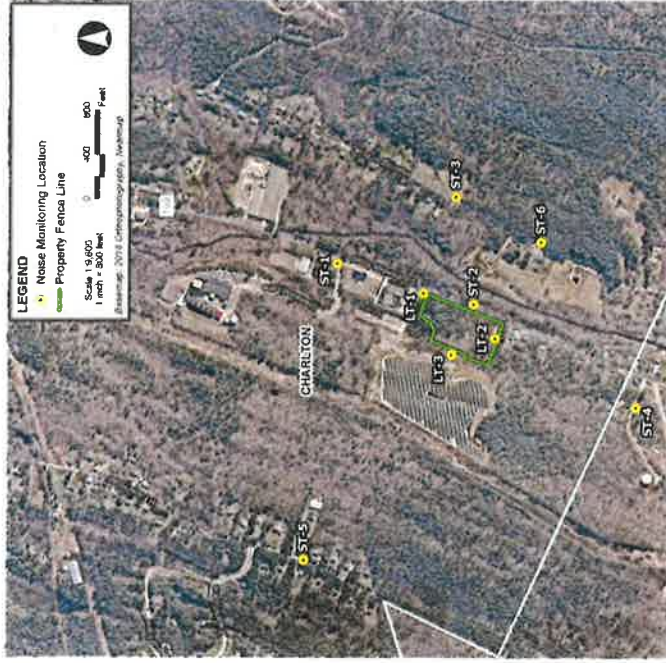
Owner's Engineer



Additional Project Information from NEC: Visual Impacts



Additional Project Information from NEC: Air, noise and other impact mitigation



- NEC intends to file a Notice of Intent (NOI) with the Charlton Conservation Commission for work in buffer zones to wetland and riverfront resource areas (Cady Brook).
- The project will have no significant process water use or wastewater generation (<4 gal/day), with no significant solid waste or hazardous waste generation (if any hazardous waste, facility will be conditionally-exempt small quantity generator).
- There will be no work at 21E/brownfields sites, no underground storage tanks, and minimal onsite septic (3 employees/shift).
- Potable water will be from municipal supply.
- The project does not exceed any MEPA thresholds.
- NEC will follow an "informal" and voluntary site plan review process with the Town of Charlton.

Additional Project Information from NEC: Manufacturing and construction processes

- NEC will manufacture and test all the components off-site, reducing the size of the construction footprint during the 18-month construction process.
- Assembly and final testing on-site will occur according to the anticipated schedule and is weather-dependent
- Laydown site is located on and next to the construction site, with additional locations for off-site assembly and testing.
- Workforce is expected to be less than few dozens employees at the peak.



Comments/Questions

- In advance of the public comment period at the Board of Selectmen Meeting at 6:00 pm on February 23, 2021, please submit questions or comments in writing to Town Administrator Andrew Golas at Andrew.Golas@townofcharlton.net

