BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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WEST GOSHEN TOWNSHIP,

Petitioner

Docket No. C-2017-2589346

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SPLP PIPELINE, L.P.,

Respondent

PETITIONER'S BRIEF IN SUPPORT OF THE INTERIM EMERGENCY ORDER ENTERED ON JULY 24, 2017

Petitioner, West Goshen Township ("Township"), through its attorneys, High Swartz LLP, pursuant to 52 Pa. Code § 5.305(c), respectfully submits this Brief in support of the Interim Emergency Order entered by the Honorable Elizabeth Barnes, Administrative Law Judge, and certified to the Commission as material questions requiring interlocutory review on July 24, 2017. Judge Barnes' Interim Emergency Order (Appendix A hereto) and the Township's Proposed Findings of Fact and Conclusions of Law (Appendix B hereto) relating thereto are incorporated by reference as if set forth in full.

The Township sought an interim emergency order not to stop Respondent Sunoco Pipeline, L.P. ("Sunoco" or "SPLP") from all construction in its Township, but only to stop it from performing construction activities in a manner that contravenes the promises and representations made by SPLP to the Township in a 2015 Settlement Agreement ("Agreement").

In issuing the Interim Emergency Order, Judge Barnes properly concluded that the Township raised substantial legal questions regarding whether SPLP breached its agreement to site a valve station for its Mariner East 2 ("ME2") pipeline on a specified piece of property in the Township, and that interim relief is appropriate and necessary to maintain the status quo until the Commission reaches a final decision on that legal question. For the reasons set forth in Judge Barnes' Order and discussed below, the Township respectfully requests that the Commission follow Judge Barnes' opinion and affirm the Interim Emergency Order.

I. MATERIAL QUESTION INVOLVED

Where SPLP made certain promises and representations to construct a valve station on a certain property and then in contravention of those promises started construction on a separate tract, whether the Township is entitled to the Interim Emergency Order on July 24, 2017, as determined by Administrative Law Judge Elizabeth Barnes, because the record overwhelmingly established that (1) the Township's right to relief is clear (i.e. substantial legal issues are raised in this matter), (2) the need for relief is immediate, (3) the injury would be irreparable if relief is not granted, and (4) the relief requested is not injurious to the public interest, as set forth in 52 Pa. Code § 3.6 (b).

Suggested answer: Yes, the Township is entitled to an Interim Emergency Order.

II. STATEMENT OF THE CASE

A. The Petition for Interim Emergency Order

On July 10, 2017, the Township filed a Petition seeking, *inter alia*, an Interim Emergency Order pursuant to 52 Pa. Code § 3.6, enjoining SPLP from beginning or continuing construction of a valve and any other facilities appurtenant to SPLP's ME2 pipeline on a property in the

Township known in this proceeding as the Janiec 2 Tract¹, or at any location not specifically agreed to in SPLP's agreement with the Township, until after the Pennsylvania Public Utility Commission ("Commission" or "PUC") issues a final order on the Township's First Amended Formal Complaint ("Amended Complaint") in this matter.

The Township's Amended Complaint seeks enforcement of the Agreement executed by the parties ending certain prior PUC litigation between them. The Agreement was certified by the Secretary of the Commission and effective on June 15, 2015. *See* Appendix D, Township Exhibit 4. The Agreement provisions relevant to the Township's Petition provide:

- The Township and its pipeline safety consultant, Richard Kuprewicz ("Kuprewicz"), were expressly relying on the accuracy of information provided by SPLP in reaching the Agreement (Section II.A.);
- The Agreement applied to the entire Mariner East Project, including the existing ME1 pipeline and all other pipelines and related facilities (Section II.A.1);
- Any above ground facilities related to the Mariner East Project would be located on an existing site where other above ground facilities were located, with the exception of one valve station, which was to be constructed on land adjacent to the existing SPLP facilities (the "SPLP Use Area") (Section II.A.2.);
- If SPLP was unable to construct the valve station at the designated location due to engineering constraints, it must notify the Township (Section II.A.2);
- SPLP had no plans to put any other above ground facilities anywhere else in the Township as of the date of the Agreement² (Section II.A.3.);
- Kuprewicz's safety review, based on the above facts, was incorporated into the Agreement (Section III.A.1); and,
- The Township's covenants were effective as long as SPLP constructed and operated the facilities in the Township in accordance with Sections II and III of the Agreement (Section IV.A.2.d).

¹ SPLP represented and promised in the Agreement that a remotely operated valve associated with the ME2 pipeline would be constructed on land owned by SPLP and located adjacent to SPLP's existing ME1 pump station, vapor combustion unit and appurtenant facilities. That tract is known in the Agreement as the "SPLP Use Area" and in this proceeding as the Janiec 1 Tract, and is located west of Route 202 on Boot Road. The property at issue in this proceeding was not owned by SPLP in 2015, is located on the east side of Route 202 and is known as the Janiec 2 Tract in this proceeding.

² SPLP signed the Settlement Agreement on April 14, 2015.

See Appendix D, Township Exhibit 4 at the referenced sections.

On July 18, 2017, Administrative Law Judge Elizabeth Barnes held a hearing on the Township's Petition. At the hearing, Casey LaLonde (Township Manager), Richard Kuprewicz (Township's pipeline safety consultant), Kristin Camp, Esquire (Township Solicitor) and David Brooman, Esquire (Township Special Counsel), testified on behalf of the Township and Matthew Gordon (SPLP Project Director) testified on behalf of Sunoco.

B. Facts indicating that the Township's right to relief is clear.

1. The settlement negotiations resulted in the SPLP Use Area.

In 2014, the Township and SPLP were on opposite sides of certain disputes regarding a SPLP zoning application and a PUC petition related to SPLP's Mariner East project. Appendix C, Notes of Testimony from 7/18/17 hearing, at P. 47-53, 57-58, 117-119.³ After consultation with counsel and Kuprewicz, the Township decided to explore a settlement with SPLP in order to address its largest concerns with the Mariner East project: assuring safety and limiting any new SPLP facilities to the Janiec 1 Tract either on or contiguous to SPLP's existing pump station. NT 137-138. The Township residents were focused on keeping the facilities contained to one area. NT 139.

Throughout the settlement negotiations, the Township conveyed its concerns regarding the safety of the ME1 pipeline and its desire to maintain all of SPLP's facilities in the Township on a single site. NT 55, 59; Appendix D, Township Exhibit 3. SPLP represented to the Township that all above-ground facilities for ME2, except for one valve station, would be located within the footprint of SPLP's existing pump station (NT 59), except for a lay-down area adjacent to the existing pump station on the Janiec 1 Tract known as the "SPLP Additional"

³ The cited portions of the Notes of Testimony from the July 18, 2017 hearing are contained in Appendix C. For brevity, the citation to "Appendix C" is omitted from this point forward, with the cited testimony indicated by NT followed by the transcript page number.

Acreage" (NT 59-60), with the valve station on a small piece of the SPLP Additional Acreage known as the "SPLP Use Area" (NT 164-166).

During the settlement negotiations, SPLP's counsel explained several times that SPLP had to characterize its covenants in the Agreement as statements of "fact" for fear that other townships would demand similar concessions. NT 162-163. This concept was reiterated in a February 4, 2015 email. NT 161-163; Appendix D, Township Exhibit 15.

SPLP made a PowerPoint presentation for the Township Board of Supervisors explaining the location of the valve at the SPLP Use Area. NT 55, 59; Appendix D, Township Exhibit 3. SPLP's project engineer, Matthew Gordon ("Gordon"), was the person at SPLP that actually selected the SPLP Use Area for use in the Agreement. NT 222. SPLP subsequently reduced the SPLP Use Area to a legal description. NT 167. SPLP represented that the location of the valve station might change, but within the confines of the SPLP Use Area as set forth in the term sheet identified as Township Exhibit 17. NT 172-173; Appendix D, Township Exhibit 17.

Throughout the settlement negotiations, there was never discussion about the Janiec 2 Tract, as the number one tenet of the Township was that there would be no more above ground facilities, but if there needed to be a new valve, it would be located on or contiguous to SPLP's existing pump station. NT 58, 173. Indeed the Agreement specifically provided SPLP had no other plans to locate above ground facilities elsewhere in the Township. Appendix D, Township Exhibit 4, at Section II.A.3.

After months of negotiations, the Township and SPLP finalized the Settlement Agreement, which SPLP signed in April 2015 and the Township Board of Supervisors approved in May 2015. NT 54-55, 222; Appendix D, Township Exhibit 4.

2. The location of the valve was central to the Agreement.

The Township understood the Agreement as SPLP's promise to locate the pump station, vapor combustion unit and all accessory and appurtenant facilities for the ME1 and ME2 projects on SPLP's existing pump station site, except for a remote operated valve station to be constructed and maintained on the SPLP Use Area, as depicted on Township Exhibit 2. NT 60-62, 139-141; Appendix D, Township Exhibit 2. The Township further understood Section II of the Agreement to be SPLP's promise that if SPLP was unable to construct the remote operated valve station in the SPLP Use Area due to engineering constraints, SPLP would notify the Township, and the two parties would discuss the issue and determine a resolution. NT 62. The Township further understood Section II of the Agreement to mean that they were providing no permission for any other above ground facilities anywhere else in the Township, including the Janiec 2 Tract. NT 62-63. SPLP's promises in Section II of the Agreement were central to the Township's acceptance of the Agreement. NT 63. The Township would not have entered into the Agreement but for the promises of SPLP set forth in Section II of the Agreement. NT 63.

3. SPLP secretly was planning to locate the valve on the Janiec 2 Tract.

Gordon provided oversight of the technical, design and construction aspects of the Mariner East project and was provided drafts and the final version of the Agreement and its associated exhibits. NT 221-222. Gordon was responsible for implementing parts of the Agreement. NT 221. Gordon testified that SPLP attempted to site the valve station on the SPLP Use Area per the Agreement (NT 183-184) and even that SPLP was "running parallel paths" (NT 205), but this assertion is belied by his subsequent testimony and the documentary evidence. Gordon explained by March of 2015 he had done Google Earth views of the site and based on that alone decided not to do any further drawings, mapping, computer models or development of a draft plan for the SPLP Use Area. NT 224-226, 230-231.

Even though Gordon decided to locate the valve on the Janiec 2 Tract by March 2015, SPLP continued to promise the Township that SPLP would put the valve station on the SPLP Use Area in the negotiations and in the Agreement, and did not provide any notice of any alternate plans. NT 225-229. SPLP declined the Township's request for copies of engineering plans or drawings pertaining to ME2, citing proprietary and security reasons. NT 56; Appendix D, Township Exhibit 3. Finally, there are no meeting minutes, emails or other documents to demonstrate any attempt to use the SPLP Use Area as promised. NT 231–232.

4. SPLP never notified the Township that it was unable to locate the valve on the SPLP Use Area.

The Township first learned that SPLP had any plans for the Janiec 2 Tract at a Board of Supervisors meeting in January 2016, when considering final approval of a long-pending land development project for an independent living facility on the Janiec 2 Tract ("Traditions Project"). NT 66, 108, 141-143. Upon finding out, the Township asked SPLP to meet.

On January 20, 2016, Township officials, including the Township Manager (Casey Lalonde or "LaLonde") and the Township Solicitor (Kristin Camp or "Camp"), met with SPLP officials, including Gordon, to discuss SPLP's plans for the Janiec 2 Tract and how it would impact the Traditions Project. NT 67, 143-144. At the meeting, SPLP provided the Township with a map (Appendix D, Township Exhibit 5) of the general layout of the ME2 pipeline and advised that it was going to use the Janiec 2 Tract for a lay-down yard and to perform horizontal directional drilling ("HDD") to reach East Goshen Township to the east and West Whiteland Township to the west. NT 67-69, 144-145. The map provided at that meeting does not depict a valve station on the Janiec 2 Tract. NT 67-68, 147. In fact, SPLP never mentioned anything at the January 2016 meeting, or before, that a valve station was planned for the Janiec 2 Tract. NT 67-68; 145-146. Camp took contemporaneous notes (Appendix D, Township Exhibit 18) at the

meeting to make sure she understood everything that would be happening at the Janiec 2 Tract, which also did not include any reference to a valve station on the Janiec 2 Tract. NT 145-150.

While Kuprewicz' assignment expanded to the ME2 project in March of 2016, for which SPLP provided confidential documents that he could not share with the Township, Kuprewicz was not aware of the relevant provisions of the Agreement (which were not within the purview of his role), did not discuss the location of the valve station with the Township, did not discuss SPLP's contractual obligations, and did not receive any explanation from SPLP that it could not put the valve station on the SPLP Use Area. NT 119, 121-127, 151-152.

In January 2017, the Township received from SPLP's engineering firm a box of plans and specifications for an erosion and sediment ("E&S") control plan, which detailed a valve on the Janiec 2 Tract. NT 69-70; Appendix D, Township Exhibit 6. This was the first time the Township learned of SPLP's true plan to put the valve station on the Janiec 2 Tract. NT 69-71, 173. Despite the Township's request, SPLP did not provide any explanation for siting the valve station on the Janiec 2 Tract. NT 71.

In February 2017, SPLP's engineer submitted to the Township revised E&S control plans, which included plans dated March 26, 2015, prior to the Settlement Agreement, showing a valve station on the Janiec 2 Tract. NT 72-73; Appendix D, Township Exhibit 13. SPLP has never advised the Township that engineering constraints make it unable to put the valve station on the SPLP Use Area. NT 65, 210-211. Gordon's testimony makes clear that SPLP's intent was to use the Janiec 2 Tract for a valve station despite its promise to the contrary in the Settlement Agreement.

5. SPLP has not established that it is unable to locate the valve on the SPLP Use Area.

Gordon has never been told by SPLP's design engineer that drilling cannot be done in the SPLP Use Area and he has no report in that regard. NT 244-245. SPLP has not provided to the Township any computer data, written analysis, or other engineering report to demonstrate that it is unable to construct the valve station on the SPLP Use Area, only that it is preferable to use the Janiec 2 Tract. SPLP has not produced any plans, drawings or diagrams to depict the construction "challenges" in putting the valve station on the SPLP Use Area as it alleges. NT 223–224. SPLP at best established that given a choice of routes for the valve station, the Janiec 2 Tract is better for SPLP; however, this ignores the bargained for promise to put the valve station on the SPLP Use Area unless unable to do so. Gordon did not testify that the valve station is unable to be constructed on the SPLP Use Area, only that: (1) from an engineering standpoint it would not be "prudent" to site the valve on the SPLP Use Area, because it's extremely difficult and "potentially unsafe" (NT 194); (2) he noted challenges in constructability (NT 223); and, (3) he does not know whether "it's practical" (NT 249).

C. Facts establishing that the need for relief is immediate.

On or about July 3, 2017, the Township received notice from SPLP stating that it was starting construction on the Janiec 2 Tract within several weeks. NT 74. The Township also received notice from the Pennsylvania Department of Transportation that SPLP was beginning work in the area of the Janiec 2 Tract. NT 76. However, on July 6, 2017, the same date as the pre-conference hearing on the Township's Amended Complaint, SPLP commenced work on the Janiec 2 Tract. NT 74-76, 213-214; Appendix D, Township Exhibit 9. The Township requested that SPLP cease operations on the Janiec 2 Tract until this case is decided by the PUC, but it refused. NT 76.

D. Facts establishing that injury would be irreparable if relief is not granted.

A valve station for a pipeline such as the ME2 pipeline is placed at a location where the horizontal direction drilling comes close to the surface. NT 126, 127. SPLP's recent placement of HDD equipment on the Janiec 2 Tract indicates that SPLP intends to place a valve on the Janiec 2 Tract. NT 126-127.

Construction has as a significant impact on the Township. Approximately 25,000 to 36,000 vehicles use Boot Road in the Township each day and approximately 70,000 vehicles use Route 202 through the Township each day. NT 63. The Agreement confined SPLP's construction activities for SPLP's above ground facilities to SPLP's existing pump station site and the SPLP Use Area to minimize the impact to the Township residents, including traffic, vibration, dust, noise and safety. NT 63-65. Frack-outs during drilling, allowing bentonite and water to migrate into underground water supplies, adds an additional level of concern. NT 128-129.

If SPLP installs a valve station on the Janiec 2 Tract, it could not later simply move the valve station to the SPLP Use Area. Re-drilling and re-running of pipes would be required, reexposing Township residents and the general public to all of the same nuisances and risks. NT 81; 127-128.

The Township previously approved a \$35 million land development project for the Janiec 2 Tract known as the Traditions Project, which would provide a service to the elderly of the community, significant real estate taxes and hundreds of thousands of dollars in road and stormwater improvements, which is not going forward as a result of SPLP's condemnation and use of the site. NT 82-84; Appendix D, Township Exhibit 11.

E. Facts establishing that the relief requested is not injurious to the public.

There is no evidence that stopping construction on the Janiec 2 Tract would be injurious to the public. If there is any injury from delay, it is caused by SPLP not revealing its secret plans to use the Janiec 2 Tract in violation of the Agreement. Gordon testified that there has not been a shortage on propane since ME1 was completed and there is no evidence of a potential fuel shortage if this project is delayed. NT 219. Further, there are other parts of Chester County in which SPLP intends to run the pipeline where drilling has already stopped because of problems it is causing to water. NT 246-247.⁴

The Township is not trying to stop SPLP from running a pipeline through the Township, but rather seeking to have SPLP abide by the Agreement. NT 81-82. The Township is seeking to keep the valve station inside the legal description as prepared by SPLP. NT 167. The Township and SPLP, as a public municipal corporation and a public utility, entered into the Agreement because it is good for the public.

III. ARGUMENT

A. The Standard for an Interim Emergency Order

The Township is seeking an interim emergency order pursuant to 52 Pa. Code §3.6. Section 3.6(b) sets forth the standard for an interim emergency order, stating, in pertinent part:

A petition for an interim emergency order must be supported by a verified statement of facts which establishes the existence of the need for interim emergency relief, including facts to support the following: (1) the petitioner's right to relief is clear; (2) the need for relief is immediate; (3) the injury would be irreparable if relief is not granted; and, (4) the relief requested is not injurious to the public interest.

⁴ The Pennsylvania Department of Environmental Protection ("PA DEP") and SPLP signed a Consent Order and Agreement ("COA") on July 24, 2017, which prohibits SPLP from further HDD activities in West Whiteland and Uwchland Townships, Chester County, until authorized by the PA DEP, and on July 25, 2017, the Environmental Hearing Board suspended all PA DEP permits and stopped SPLP's HDD activities at all 55 sites throughout the Commonwealth, pending a further Order of the EHB. Copies of the COA and the EHB's Order are attached hereto at Appendix E and F, respectively, and are both incorporated by reference as if set forth in full.

The petitioner must establish these four factors by a preponderance of evidence.

Application of Fink Gas Co. for Approval of the Abandonment of Serv. by Fink Gas Co. to 22

Customers Located in Armstrong Cty., Pennsylvania, & the Abandonment by Fink Gas Co. of All

Nat. Gas Servs. & Nat. Gas Distribution Servs., 2015 WL 5011629, at *3-4 (Pa. P.U.C. Aug. 20, 2015) (citing Samuel J. Lansberry, Inc. v. Pennsylvania Pub. Util. Comm'n, 578 A.2d 600, 602

(Pa. Commw. Ct. 1990). The preponderance of the evidence standard has been interpreted by the Pennsylvania Supreme Court as: "...the petitioner's evidence must be more convincing, by even the smallest amount, than that presented by the other party." Application of Fink Gas Co., supra at *4 (citing Se-Ling Hosiery. Inc. v. Margulies, 70 A.2d 854 (Pa. 1950)).

The purpose of an interim emergency order is to grant or deny injunctive relief during the pendency of a proceeding. 52 Pa.Code §3.1; *Application of Fink Gas Co., supra* at *3. The interim emergency relief preserves the status quo pending the disposition of the underlying proceeding. *Petition of Norfolk Southern Railway Company for rescission or amendment of the Pennsylvania Public Utility Commission's Order entered on June 12, 1975, 2011 WL 6122882 at *9 (Pa.P.U.C. December 1, 2011). As stated by Judge Barnes, the status quo that is to be preserved by preliminary injunction is the last actual, peaceable, lawful, and non-contested status which preceded the pending controversy. <i>Pa. PUC v. Israel*, 356 Pa. 400, 406, 52 A.2d 317, 321 (1947).

⁵ SPLP maintains that Township must provide an additional factor of an "emergency" as defined by 52 Pa.Code 3.1. but SPLP confuses the standard for the requested "interim emergency order" under §3.6 with the §3.2 "emergency order" standard. Unlike § 3.2(b), § 3.6(b) does not require the petitioner to establish "the existence of an emergency," which is defined at § 3.1 as "a clear and present danger to life or property." An emergency order is properly sought where there is no ongoing proceeding related to the controversy for which emergency relief is sought, whereas an interim emergency order is sought during the pendency of a proceeding before the Commission. An emergency order is issued *ex parte*, without the benefit of a hearing before an Administrative Law Judge in which the public utility is provided the right to introduce evidence and cross-examine the complainant's witnesses, whereas interim emergency relief is granted only after the public utility has been given the opportunity to present evidence and cross-examine a complainant's witnesses. An *ex parte* emergency order is not immediately certified for review by the full Commission, whereas an interim emergency order by the Administrative Law Judge must be

B. The Township raised substantial legal questions regarding SPLP's breach of the Agreement, making the Township's right to interim relief clear.

In order to establish that its right to relief is clear, the Township need not establish an absolute right to relief on the underlying claim, but rather that the underlying claim raises substantial legal questions. *T. W. Phillips Gas and Oil v. Peoples Natural Gas*, 492 A.2d 776 (Pa. Comm. Ct. 1985); *Application of Fink Gas Co.*, 2015 WL 5011629, at *3–4. As noted by Judge Barnes, the Township's underlying claim in this case raises substantial legal questions. Such questions include: (1) whether the Agreement requires SPLP to construct the valve in the SPLP Use Area; (2) whether SPLP gave the Township proper notice of an inability to locate the valve station in the SPLP Use Area; (3) whether at the time of execution of the Agreement, SPLP had different plans and withheld material information from the Township; and, (4) whether there are engineering constraints that prevent SPLP from constructing the valve station on the SPLP Use Area.

The Township presented substantial evidence that SPLP breached material promises and representations of the Agreement with respect to locating the valve station on the SPLP Use Area, and that the Township justifiably relied on SPLP's promises and representations. Further, SPLP never established at the hearing that it was unable to locate the valve station on the SPLP

certified to the Commission for interlocutory review pursuant to 52 Pa. Code §3.6. The *ex parte* nature of an emergency order requires a heightened standard of emergency, distinguishing it from an interim emergency order that tracks the Pennsylvania standard for a preliminary injunction and simply preserves the status quo until a final ruling by the Commission.

The prior rulings of the PUC further indicate this distinction between an emergency order and an interim emergency order. See Application of Fink Gas Co., supra and Petition of Norfolk Southern Railway Company, supra (neither of which holds that a complainant must independently prove the "fifth factor," the existence of an "emergency," in order to obtain an interim emergency order). Both Application of Fink Gas Co., supra an i Norfolk Southern, supra hold that "[t]he party seeking relief bears the burden of proving that the facts and circumstances meet all four of the requirements in the Commission's regulations." Norfolk Southern, supra at *6, citing 66 Pa.C.S. §332 and 52 Pa.Code §3.6(b).

Use Area due to engineering constraints or that it notified the Township as required by the Agreement.

C. The Township established that the need for relief is immediate.

As determined by Judge Barnes, LaLonde's credible testimony established that on or about July 3, 2017, the Township received notice from SPLP stating that it was starting construction on the Janiec 2 Tract within several weeks, then only three days later on July 6, 2017, the same date as the pre-conference hearing on the Township's Amended Complaint, SPLP refused to agree to a stay of construction and began clearing work on the Janiec 2 Tract. The clearing work, the preparation of a construction entrance, and the testimony of SPLP's own representative, Gordon, indicate that SPLP intends to immediately begin construction of the valve station on the Janiec 2 Tract.

D. The Township established that it will suffer irreparable injury if interim relief is not granted.

The Township has set forth substantial evidence that shows pipeline construction has a significant impact on the community, including, traffic, air, dust, noise, vibrations, potential water contamination and other impacts. HDD is not without significant cost. Re-drilling to correct the contractual breach would expose the Township and the public to needless risk, nuisance and costs. These risks are highlighted by the impacted water supplies in an adjacent township, which have forced SPLP to stop drilling indefinitely, and SPLP's failure to provide proper construction notice or use proper E&S controls in its haste to beat an injunction.

Further, where there is great uncertainty regarding whether the Township could recover its monetary losses, it satisfies the irreparable injury requirement of 52 Pa. Code § 3.7(a)(3). West Penn Power Co. v. Pa. Pub. Util. Comm'n, 615 A.2d 951 (Pa. Commw. Ct. 1992). As

noted by Judge Barnes, the Township is losing the benefits of a major development on the Janiec 2 Tract as a result of SPLP's use of that property in contradiction of the Agreement.

E. The Township established that the interim emergency relief will not be injurious to the public.

Judge Barnes properly determined that the interim emergency relief would not be injurious to the public, noting that HDD is currently shut down in other parts of Chester County due to water contamination from frackouts, that SPLP at one time agreed to the constrictions on its imprint in the Township, and that the status quo, with no above-ground facilities on the Janiec 2 Tract, would be maintained throughout the litigation of the complaint. Further, the Township is not seeking to permanently stop all construction of the Mariner East pipeline in the Township, but rather to stop construction not in compliance with SPLP's voluntarily Agreement. In entering the Agreement, the Township, a public political subdivision, and SPLP, a public utility, agreed that the Agreement was in the best interest of the public.

IV. <u>CONCLUSION</u>

SPLP promised to place the ME2 valve station on the SPLP Use Area at a specific location. It also represented that it had no other plans to put the valve station anywhere else in the Township. It did not try to put the valve station where promised, and hid its intentions to locate the valve elsewhere in the Township for over two years, until the Township uncovered the plan in an E&S application. Clearing has occurred and construction is imminent. Re-drilling and moving the valve will have to occur if emergency relief is not granted, to the great risk and detriment of Township residents and the public. The Township has met the requirements set forth at 52 Pa. Code §3.6(b) and is entitled to interim emergency relief.

Date: 7/31/2017

By: Out

HIGH SWARTZ LAPT

David J. Brooman Ésquire

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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WEST GOSHEN TOWNSHIP,

Complainant

Docket No. C-2017-2589346

ν.

SUNOCO PIPELINE, L.P.,

Respondent

CERTIFICATE OF SERVICE

I hereby certify that on July 31, 2017 a true and correct copy of Petitioner West Goshen Township's Brief in Support of the Interim Emergency Order entered on July 24, 2017, was electronically filed and served upon the parties listed below by email and US Mail, postage prepaid, in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a party).

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David J. Brooman, Esquire

APPENDIX A

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

C-2017-2589346

West Goshen Township

v. :

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Sunoco Pipeline, L.P.

INTERIM EMERGENCY ORDER AND CERTIFICATION OF MATERIAL QUESTION

On July 18, 2017, I conducted a hearing on the Petition for Interim Emergency Relief filed on July 10, 2017 by Complainant West Goshen Township (West Goshen or Township), against Respondent Sunoco Pipeline, L.P. (Sunoco) at Docket No. C-2017-2589346. Specifically, Complainant seeks an Interim Emergency Order pursuant to 52 Pa. Code § 3.6 enjoining Respondent from beginning or continuing construction of a valve and any other facilities appurtenant thereto for Sunoco's Mariner East 2 pipeline (ME2) in West Goshen Township, or any other location not specifically agreed to in Sunoco's Settlement Agreement with the Township, until after the Commission issues a final order ending the formal amended complaint proceeding at Docket No. C-2017-2589346.

DISCUSSION

Legal Standards:

The purpose of an interim emergency order is to grant or deny injunctive relief during the pendency of a proceeding. 52 Pa. Code § 3.1. The purpose of granting injunctive relief is to maintain things as they are until the rights of the parties can be considered and determined after a full hearing. Further, the status quo that is to be preserved by preliminary injunction is the last actual, peaceable, lawful, and noncontested status which preceded the pending controversy. *Pa. PUC v. Israel*, 356 Pa. 400, 406, 52 A.2d 317, 321 (1947).

The standards that govern the issuance of interim emergency orders are set forth at 52 Pa. Code § 3.6. Section 3.6 requires that a petition for interim emergency relief be supported by a verified statement of facts that establishes the existence of the need for emergency relief. including facts to support the following:

- (1) The petitioner's right to relief is clear.
- (2) The need for relief is immediate.
- (3) The injury would be irreparable if relief is not granted.
- (4) The relief requested is not injurious to the public interest.

52 Pa. Code § 3.6 (b).

The Commission may grant interim emergency relief only when *all* the foregoing elements exist. *Glade Park East Home Owners Association v. Pa. PUC*, 628 A.2d 468, 473 (Pa. Cmwlth. 1993). Further, as to the first element, it is not necessary to determine the merits of the controversy in order to find that a petitioner's right to relief is clear; rather, the only required determination is that the petition raises substantial legal questions. *T.W. Phillips Gas and Oil v. Peoples Natural Gas*, 492 A.2d 776 (Pa. Cmwlth. 1985).

The party seeking relief bears the burden of proving that the facts and circumstances meet all four of the requirements in the Commission's Regulation.

66 Pa.C.S. § 332; 52 Pa. Code § 3.6(b). The burden of proof must be carried by a preponderance of the evidence. Samuel J. Lansberry, Inc. v. Pa. PUC, 578 A.2d 600 (Pa. Cmwlth. 1990), alloc. den., 529 Pa. 654, 602 A.2d 863 (1992). That is, the Petitioner's evidence must be more convincing, by even the smallest amount, than that presented by the other party. Se-Ling Hosiery v. Margulies, 364 Pa. 45, 70 A.2d 854 (1950).

Additionally, any finding of fact necessary to support the Commission's adjudication must be based upon substantial evidence. *Mill v. Pa. PUC*, 447 A.2d 1100 (Pa. Cmwlth. 1982); *Edan Transportation Corp. v. Pa. PUC*, 623 A.2d 6 (Pa. Cmwlth. 1993); 2 Pa. C.S. § 704. More is required than a mere trace of evidence or a suspicion of the existence of a fact

sought to be established. Norfolk and Western Ry. v. Pa. PUC, 489 Pa. 109, 413 A.2d 1037 (1980); Erie Resistor Corp. v. Unemployment Compensation Bd. of Review, 166 A.2d 96 (Pa. Super. 1960); Murphy v. Commonwealth, Dept. of Public Welfare, White Haven Center, 480 A.2d 382 (Pa. Cmwlth. 1984).

Section 3.10(a) provides that an order granting or denying interim emergency relief is immediately effective upon issuance by the Administrative Law Judge (ALJ) and that no stay of the order will be permitted pending Commission review of the order. 52 Pa. Code §3.10(b) requires the ALJ to certify the question of the grant or denial of relief to the Commission as a material question in accordance with 52 Pa. Code § 5.305.

Disposition:

1. Whether the Petitioner's Right to Relief is Clear

For West Goshen to meet the first criteria, it need not establish entitlement as an absolute right to relief on the underlying claim. Rather, in addition to satisfying the other three elements for interim emergency relief, it must establish that the underlying claim raises substantial legal questions. *T. W. Phillips Gas and Oil v. Peoples Natural Gas*, 492 A.2d 776 (Pa. Cmwlth. 1985).

The underlying claim in the instant case raises substantial legal questions including but not limited to: 1) whether the Settlement Agreement requires Sunoco to construct any above-ground valve station facilities in the Township within the "SPLP Use Area" unless Sunoco is unable to do so due to engineering constraints; (2) whether Sunoco gave the Township proper notice of an intent to relocate valve 344 from the SPLP Use Area to the Janiec Tract 2²; (3) whether at the time of execution of the Settlement Agreement, Sunoco had plans and withheld material information about is plans for the ME2 phase pipeline; (4) whether Sunoco

SPLP Use Area is that area of land on Boot Road, to the west of Route 202, which already has Sunoco facilities existing upon it. SPLP Additional Acreage is an undeveloped parcel located within the SPLP Use Area.
 Janiec 1 Tract is also referred to as SPLP Additional Acreage and is in the SPLP Use Area to the west of Route 202. Janiec 2 Tract is the property Sunoco condemned in May, 2016 and cleared for construction on July 6, 2017.

always intended to site Valve 344 on the Janiec 2 Tract and misrepresented this intention at the time of the Settlement Agreement; (5) whether there are engineering constraints that prevent Sunoco from constructing Valve 344 on the SPLP Use Area; (6) whether the township has the right to review the alleged engineering constraints that might be identified as preventing the installation of valve facilities outside the SPLP Use Area; and (7) whether the Settlement Agreement grants Sunoco the right to locate valve facilities anywhere it wishes in the township other than on the SPLP Additional Acreage.

In 2014 Sunoco presented to the Township proposed improvements to its existing pump station in the Township, about its ME1 project. N.T. 47. Sunoco's existing pump station is located on the SPLP Use Area near the intersection of Boot Road and Route 202, to the north of East Boot Road and to the west of the Route 202 Southbound off-ramp. N.T. 47-48, Township Exhibits 1 and 2. To the north of the existing pump station is a separate four-acre parcel that was owned by the Janiec family and known as the "Janiec 1 Tract". N.T. 49-50. To the east of Route 202 and north of Boot Road was another wooded property also owned by the Janiec family and known as the "Janiec 2 Tract". N.T. 57-58, 17-22. Township Exhibit 2.

The Township's expert witness in pipeline safety, Richard Kuprewicz, reviewed documents including a piping instrument diagram for the Boot Road pump station regarding the Mariner East Phase 1 project (8-inch pipe) (ME1) in 2014 and later reviewed more documents from Sunoco regarding a Mariner East Phase 2 project (20-inch pipe) (ME2) on April 8, 2016. N.T. 118-120. He was not involved with any settlement negotiations to put any facilities at any locations. N.T. 121. Mr. Kuprewicz looked at the elevation profile, the siting and design of pump stations and valves and the integrity of the existing pipeline being refurbished. He made recommendations to the Township regarding the placement of flares, valve replacement and valve automation. N.T. 117-118. He agrees a valve should be placed where the pipe arca close to the surface even if this occurs on the Janiec 2 property; however, no reason was ever given to him as to why Sunoco could not do horizontal directional drilling (HDD) at the SPLP use area. N.T. 126-127.

Mr. Kuprewicz testified that duplicative drilling, and needless removing and relocating of a built valve station and its appurtenances is costly as there is a duplication of

expenses and issues with permits associated with having to come up with a new HDD bore. Additionally, a duplicative construction effort is risky as there is an increase risk of HDD breakouts or frac-outs³, which could damage drinking water. A frac-out is when during boring, a drilling mixture of bentonite and water a crack-out or break-out occurs under pressure and the mixture escapes from the cylinder for boring and migrates into water, possibly drinking water wells. N.T. 128-129.

After consultation with counsel and Kuprewicz, the Township's Board of Supervisors together with witnesses LaLonde, Camp, and Brooman participated in the settlement negotiations on behalf of the Township. N.T. 56, 139. Richard Gordon, Don Zoladkiewicz, Kathleen Shea, and Christopher Lewis, Esquire ("Lewis") of Blank Rome participated in the settlement negotiations for Sunoco. N.T. 56. Kuprewicz was not involved in the settlement negotiations with Sunoco and did not receive copies of any drafts of the Settlement Agreement; his role was limited to safety review. N.T. 57, 120-121. After a year of negotiations, the Township and Sunoco reached the Settlement Agreement, which Sunoco signed in April 2015 and the Township Board of Supervisors approved in May 2015. N.T. 54-55, 222, Township Exhibit 4. This Agreement was certified and filed at the Commission at U-2015-2486071 on June 15, 2015. The Parties dispute the meaning of the Settlement. The Township avers the location of the valve on the SPLP Use Area was central to the agreement and that while entering into the Settlement Agreement, Sunoco was secretly planning to locate the valve on Janiec 2 Tract.

At the hearing on July 18, 2017, when asked whether a plan existed for the SPLP Use Area like the one developed for Janiec 2 Tract, Sunoco's witness Richard Gordon admitted, "there's not a plan like this one," referring to Township Exhibit "13," and not even a draft plan. N.T. 225-226, 230-231. There is evidence to show Mr. Gordon was aware of plans and recommendations from his engineering consultants to go forward with Janiec 2 Tract, while leading the Township to believe Sunoco would be placing the valve station on the Janiec 1 Tract. N.T. 225-229. Thus, there is a substantial legal issue with regard to whether Sunoco ever

³ The frac-out, or inadvertent return of drilling lubricant is a potential concern when the HDD is used under sensitive habitats, waterways and areas of concern for cultural resources.

notified the Township in a timely manner that it was unable to locate the valve on the SPLP Use Area. The map provided to the Township at the meeting is dated September 28, 2015 and identified as Township Exhibit 5. N.T. 69, 145. The map provided by Sunoco to the Township at the January 2016 meeting does not depict a valve station on the Janiec 2 Tract. N.T. 67-68, Township Exhibit 5. I am also persuaded by the testimony of Kristin Camp, who took notes at the meeting to make sure she understood everything that would be happening at the Janiec 2 Tract, because the Township wanted to know how Sunoco would impact the Traditions Project, which the board wanted to see go forward. N.T. 145-147. Township Exhibit 18. Ms. Camp kept her notes contemporaneously with the meeting to recall what exactly happened and there is nothing in her notes about a valve, which she would have written down if discussed. N.T. 147-150. Township Exhibit 18.

Additionally, in February 2017 Sunoco's engineer submitted to the Township subsequent erosion and sediment control plans, which included plans dated March 26, 2015 showing a valve station on the Janiec 2 Tract. N.T. 72, Township Exhibit 13.

Additionally, there is an issue whether Sunoco can feasibly and safely locate the valve on the SPLP Use Are, or whether this locale is restrained by sound reasonable engineering concerns. Mr. Gordon did not testify that the valve station is unable to be constructed on the SPLP Use Area, only that: (1) from an engineering standpoint it would not be "prudent" to site the valve on the SPLP Use Area, because it's extremely difficult and "potentially unsafe" (N.T. 194); (2) he noted challenges in constructability (N.T. 223); and (3) he does not know whether "it's practical" (N.T. 249). For these reasons, I find the Petitioner's right to relief is clear in that the underlying claim raises substantial legal questions.

2. Whether the Need for Relief is Immediate

I am persuaded by the credible testimony of Casey LaLonde, Township Manager for West Goshen Township, to find that on or about July 3, 2017 the Township received notice from Sunoco stating that it was starting construction on the Janiec 2 Tract within several weeks.

N.T. 74. However, on July 6, 2017, the same date as the pre-conference hearing on the Township's Amended Complaint, Sunoco would not promise a stay of construction, and it began

clearing work on the Janiec 2 Tract. N.T. 30, 74-75, Township Exhibit 9. The clearing and grading of the Janiec 2 Tract, and the preparation of the construction entrance thereon, indicate that Sunoco intends to immediately begin construction of the valve station on the Janiec 2 Tract. N.T. 76. The Township also received notice from the Pennsylvania Department of Transportation that Sunoco was beginning work in the Janiec 2 Tract. N.T. 76. The Township requested that Sunoco cease operations on the Janiec 2 Tract until this case is decided by the PUC, but it refused. N.T. 30, 76. Sunoco's witness, Matthew Gordon, Project Manager of Mariner East Project, testified that work has commenced on the Janiec 2 tract. N.T. 213-214. Given these facts, I find the need for injunctive relief to be immediate.

3. Whether the Injury Would be Irreparable if Relief is not Granted

Monetary losses can satisfy the irreparable injury requirement of 52 Pa. Code § 3.7(a). West Penn Power Co. v. Pa. Pub. Util. Comm'n, 615 A.2d 951 (Pa. Cmwlth. 1992). If there is a great deal of uncertainty as whether West Goshen Township could recover possible losses, they have satisfied the irreparable injury requirement of 52 Pa. Code § 3.7(a)(3). Id. at 959.

Prior to Sunoco's use of the Janiec 2 Tract, in December, 2015, the Township approved a \$35 million land development project known as the Traditions Project. N.T. 82, Township Exhibit 11. The Traditions Project would have been the first facility of its kind in the Township, would have generated significant real estate tax and earned income tax revenue for the Township, and would have provided approximately \$200,000 of road improvements in the Township. N.T. 82-83. However, the developer abandoned the Traditions Project when Sunoco condemned the Janiec 2 Tract for its use on May 12, 2016. N.T. 83 – 84, 114. If Sunoco moved from the Janiec 2 Tract, the Traditions Project could happen. N.T. 84.

Construction has a negative impact on the Township including safety, transportation delays, dust, and noise. N.T. 63-64. Excessive HDD drilling needlessly increases the risk of frac-outs of bentonite drilling mixtures. N.T. 128-129. Approximately 25,000 to 36,000 vehicles use Boot Road in the Township each day and approximately 70,000 vehicles use

Route 202 through the Township each day (N.T. 63), so construction has as a significant impact on the Township.

The Township code at Chapter 69 requires a pre-construction meeting be held with the Township engineering at least 48 hours prior to construction commencing, including grubbing and clearing of a site. N.T. 74. Sunoco did not provide the Township with notice 48 hours before beginning grubbing and clearing of the Janiec 2 Tract. N.T. 75. There is evidence that the Settlement Agreement confined Sunoco's construction activities to Sunoco's existing pump station site and the SPLP Use Area, to minimize the impact to the Township residents and to minimize impeding access for firefighters entering and departing from the Goshen Fire Company, which is located adjacent to the Janiec 2 Tract. N.T. 63-64.

Additionally, there is evidence that if Sunoco installs a valve station on the Janiec 2 Tract, it could not later simply move the valve station to the SPLP Use Area, because the pipe might be too deep at the location of the SPLP Use Area. N.T. 127. If Sunoco installs the valve station on the Janiec 2 Tract, then is required to move the valve station to the SPLP Use Area, Sunoco would be required to re-drill and re-run the pipeline to the SPLP Use Area, creating a second round of risks to the public, including breakouts and frackouts within the Township. N.T. 127-128. If Sunoco continues construction as planned on the Janiec 2 Tract, but later must relocate the valve station to the SPLP Use Area, the Township will endure the noise, vibration, obstructions, and other negative consequences of the construction activities twice. N.T. 81. For these reasons, 1 find the injury would be irreparable if the injunctive relief is not granted.

4. Whether the Interim Emergency Relief will be injurious to the public

Mr. Gordon testified an interim emergency order would delay the targeted completion deadline for the Mariner East project and would cause producers of propane, ethane and butane natural gas liquids (NGLs) a delay in being able to transport and ship their products through Pennsylvania; however, it is noted that horizontal directional drilling is currently shut down in other parts of Chester County due to water contamination from frac-outs. N.T. 246.

Thus, there is insufficient evidence to show a substantial financial loss will be sustained by Sunoco's customers pending a temporary interim injunction in this case.

West Goshen Is not seeking to permanently stop construction of the Mariner East Pipeline; or even from running a pipeline through the Township altogether; however, it seeks enforcement of a Settlement Agreement in the interest of its residents. N.T. 81-82. At least at one point, in May, 2015 Sunoco appears to have agreed to constrictions on its imprint in the township. I fail to see how an injunction on construction on the Janiec 2 Tract until a final Commission decision regarding the amended complaint would be injurious to the public. Further, the status quo whereby there is no construction on Janiec 2 Tract would be maintained throughout the litigation of the complaint. Thus, the public would not be injured by the requested emergency interim relief.

Conclusion:

In conclusion, West Goshen Township has demonstrated by a preponderance of the evidence, and meeting all four requirements, that it is entitled to emergency interim relief pursuant to 52 Pa. Code § 3.6. Accordingly, the relief requested will be granted in the Ordering paragraphs below. Pursuant to the Commission's Rules of Practice and Procedure, this Order shall be immediately certified to this Commission for consideration and disposition in accordance with 52 Pa. Code § 5.305, pertaining to interlocutory review of a material question submitted by a presiding officer.

THEREFORE,

IT IS ORDERED:

1. That the petition for interim emergency relief, filed on July 10, 2017, by West Goshen Township is granted.

- 2. That Sunoco Pipeline L.P. is enjoined from beginning and shall cease and desist all current construction including: 1) constructing Valve 344; 2) constructing appurtenant facilities to Valve 344; and 3) horizontal directional drilling activities on the Janiec 2 Tract in West Goshen Township until the entry of a final Commission Order ending the formal amended complaint proceeding at Docket No. C-2017-2589346.
- 3. That the granting of relief by interim emergency order in the proceedings at Docket No. C-2017-2589346 is certified to the Commission as a material question requiring interlocutory review.

Date: July 24, 2017	
	Elizabeth Barnes
	Administrative Law Judge

C-2017-2589346 - WEST GOSHEN TOWNSHIP v. SUNOCO PIPELINE L.P.

(Revised 7/10/2017)

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APPENDIX B

BEFORE THE PENNSYLVANIA PUBLIC UTILITIY COMMISSION

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WEST GOSHEN TOWNSHIP,

Petitioner

Docket No. C-2017-2589346

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SUNOCO PIPELINE, L.P.,

Respondent

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PETITIONER'S PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

Petitioner, West Goshen Township, through its attorneys, High Swartz LLP, respectfully submits the following proposed findings of fact and conclusions of law pertaining to its Petition for Interim Emergency Order pursuant to 52 Pa. Code §3.6, heard before the Honorable Elizabeth Barnes, Administrative Law Judge, on July 18, 2017:

I. FINDINGS OF FACT

A. Introduction

1. On July 10, 2017, Petitioner, West Goshen Township ("Township"), filed a Petition seeking, *inter alia*, an Interim Emergency Order pursuant to 52 Pa. Code § 3.6 ("Petition"), enjoining Respondent, Sunoco Pipeline, L.P. ("Sunoco" or "SPLP"), from beginning or continuing construction of a valve and any other facilities appurtenant thereto for Sunoco's Mariner East 2 pipeline ("ME2") in the Township, or at any location not specifically

agreed to in Sunoco's settlement agreement with Township, until after the Pennsylvania Public Utility Commission issues a final order on the Township's First Amended Formal Complaint ("Amended Complaint") in this matter. *See* Township's Petition.

- 2. The Township's Amended Complaint seeks interpretation and enforcement of a Settlement Agreement executed by the parties ending certain PUC litigation between them. The Settlement Agreement was certified by the Secretary of the Commission as effective on June 15, 2015 ("Settlement Agreement"). See Township Petition at Exhibit "1."
- 3. The Settlement Agreement resolved two prior actions, one initiated by Sunoco in or around March 21, 2014, under docket number C-2014-2451943, in which Sunoco sought a determination of public necessity to allow it to bypass zoning regulations and provide it with the right of eminent domain related to the Mariner East 1 ("ME1") pipeline project, and the second initiated by the Concerned Citizens of West Goshen Township ("CCWGT") on or about November 7, 2014, under docket number C-2014-2451943, in which CCWGT alleged safety concerns with the proposed facilities in the Township. *See* Township Exhibit "4."
- 4. The Settlement Agreement provisions relevant to the Township's Petition provide the following:
- a. The Township and its safety consultant, Richard Kuprewicz, were expressly relying on the accuracy of information provided by Sunoco in reaching the Agreement (Settlement Agreement Section II.A.);
- b. The Settlement Agreement applied to the entire Mariner East Project, including the existing ME1 pipeline and all other pipelines and related facilities to be owned or operated by SPLP in the Township (Settlement Agreement Section 11.A.1);

- c. Any above ground facilities related to the Mariner East Project would be located on an existing site where other above ground facilities were located already, except one valve station, which was to be constructed on a specific location (the "SPLP Use Area") on land adjacent to the existing SPLP facilities (Settlement Agreement Section II.A.2.);
- d. If SPLP was unable to construct the valve station at the designated location due to engineering constraints, it must notify the Township (Settlement Agreement Section II.A.2);
- e. SPLP had no plans to put any other above ground facilities anywhere else in the Township as of the date of the Settlement Agreement (SPLP signed April 14, 2015) (Settlement Agreement II.A.3.);
- f. Kuprewicz's safety review, based on the above facts, was incorporated into the Agreement (Settlement Agreement III.A.1);
- g. The Township's actions, including allowing SPLP to withdraw its petition and refraining from filing an action or injunction regarding the location of the valve station, were effective as long as SPLP constructed and operated the facilities in the Township in accordance with Sections II and III of the Settlement Agreement (Section IV.A.2.d).

 See Township Exhibit "4" at the referenced sections.

B. The July 18, 2017 Hearing and Witnesses

- 5. On July 18, 2017 a hearing was held on the Township's Petition.
- 6. At the hearing, Casey LaLonde, Richard Kuprewicz, Kristin Camp, Esquire and David Brooman, Esquire, testified on behalf of the Township and Matthew Gordon testified on behalf of Sunoco. *See* Notes of Testimony from 7/18/17 hearing ("NT") *generally*.

- 7. Casey LaLonde ("LaLonde") is the appointed Township Manager for West Goshen Township, responsible for management of all aspects of township business from personnel to projects, as well as assisting with litigation involving the Township. NT 46:12-13, 18-21.
- 8. Richard Kuprewicz ("Kuprewicz") of Accufacts, Inc. is an expert in pipeline safety, with 40 over years' experience in the energy industry, evaluating pipeline safety and reviewing horizontal directional drilling ("HDD") plans for reasonableness. NT 115:9-15, 116:23-25, 117:1-3. NT. *See also* Township Exhibit "12."
- 9. Kristin Camp ("Camp") is the Solicitor, essentially general counsel, for the Township. NT 135:8-16.
- 10. David Brooman, Esquire ("Brooman") of High Swartz LLP is special counsel to the Township in this matter and participated in the prior settlement negotiations with Sunoco.

 NT 56:2-3, 136:13-15.
- 11. Matthew Gordon ("Gordon") is employed by Sunoco as a project director, since 2012 for the ME1 pipeline, and currently for the ME2 pipeline projects; his duties include overseeing design, permitting, land acquisition and construction. NT 172:17–176:13-23.
- 12. Gordon's education and experience is set forth in his resume marked as Exhibit R-3. While he has been in the pipeline industry with Sunoco since 2006, he had less than 6 years pipeline experience before assuming the role of Principal Engineer, Project Manager in October 2012 for the ME projects. NT 176:24-179:3.
- 13. Sunoco's ME2 project is expanding services from ME1, to convey gas producers from Utica and Marcellus shale to shippers and users, with the ME2 20 line transporting propane and butane and ME1 transporting primarily ethane and propane. NT 179:25-181:11.

- 14. Prior to the ME2 project, other than small relocations, Gordon's only pipeline construction project prior to ME2 was approximately 50 miles of new 12 inch pipe associated with the ME1 project. NT 179:14-24.
 - 15. Gordon is not a certified professional engineer (P.E.). Exhibit R-3.
- 16. Gordon relies on professional engineers to interpret materials such as computer models. NT 224:19-225:12.
- 17. Gordon was not offered as an expert or qualified as an expert at the hearing, and thus presented no expert testimony.

C. The Township's right to relief is clear – substantial legal issues exist.

- i. The settlement negotiations for the valve at the SPLP Use Area.
- 18. In 2014 Sunoco presented to the Township proposed improvements to its existing pump station in the Township, in connection with its ME1 project. NT 47:5-8.
- 19. Sunoco's existing pump station is located near the intersection of Boot Road and Route 202, to the north of East Boot Road and to the west of the Route 202 Southbound off-ramp. NT 47:25-48:6. *See also* Township Exhibits "1" and "2."
- 20. To the north of the existing pump station is a separate four-acre parcel that was owned by the Janiec family and known as the "Janiec 1 Tract". NT 49:20-50:2.
- 21. To the east of Route 202 and north of Boot Road was another wooded property also owned by the Janiec family and known as the "Janiec 2 Tract". NT 57:21-58:11, 17-22. *See also* Township Exhibit "2."

- 22. At the time of the initial meeting with the Township in 2014, Sunoco intended to purchase or take through an easement the Janiec 1 Tract and use it as an expansion area for the ME1 project. NT 50:8-12.
- 23. Upon learning of Sunoco's intended use of the Janiec 1 Tract in 2014, the Township became concerned of the potential impacts that the constructions activities would have on the surrounding neighborhoods. NT 51:23-52:9.
- 24. Sunoco filed an application with the Township's Zoning Hearing Board relating to its intended use of the Janiec 1 Tract. NT 52:13-15.
- 25. The Township opposed Sunoco's Zoning Hearing Board application. NT 52:20-24.
- 26. Sunoco withdrew its application to the Township's Zoning Hearing Board before it was decided and submitted the case to the Pennsylvania Public Utility Commission ("PUC"). NT 53:6-8.
 - 27. The Township opposed Sunoco's application to the PUC. NT 53:10-13.
- 28. The Township hired Kuprewicz in mid-2014 to review all aspects of safety regarding Sunoco's proposed operation of the ME1 project and its effects on the Township, in regard to Sunoco's application to the PUC. NT 53:16-20, 117:8-14.
- 29. Sunoco allowed Kuprewicz to review certain documents, drawings and specifications after he signed a confidentiality agreement with Sunoco, but Kuprewicz was not permitted to share the documents with the Township or the Township's counsel. NT 56:21-25, 119:4-8.
- 30. For the ME1 project Kuprewicz reviewed the elevation profile, the location and design of pump stations, the location of valves and other related issues, and made

recommendations to Sunoco regarding flare and valve placement and valve automation. NT 117:17-118:4, 118:8-16, 119:12-17.

- 31. After consultation with counsel and Kuprewicz, the Township decided to explore a settlement with Sunoco in order to address its largest concerns with the Sunoco project. NT 137:1-7.
- 32. The Township's primary goals were to assure safety and that any expansion or any additional facilities that Sunoco would need to build related to ME1 or ME2 would be contained within the existing parcels owned by Sunoco to the west of Rt. 202 near the existing pump station. NT 137:8-138:14.
- 33. The Township residents were very concerned about keeping the facilities contained to one area. NT 139:1-14.
- 34. LaLonde, Camp, Brooman and the Township's Board of Supervisors participated in the settlement negotiations on behalf of the Township. NT 56:1-3, 8-9, 139:19-23.
- 35. Gordon, Don Zoladkiewicz, Kathleen Shea, and Christopher Lewis, Esquire ("Lewis") of Blank Rome participated in the settlement negotiations for Sunoco. NT 56:5-7.
- 36. Kuprewicz was not involved in the settlement negotiations with Sunoco and did not receive copies of any drafts of the Settlement Agreement; his role was limited to safety review. NT 57:4-13, 120:24-121:9.
- 37. During the settlement negotiations, the Township conveyed its concerns regarding the safety of the Township and its desire to maintain all of Sunoco's facilities in the Township on a single site, rather than spread out throughout the Township. NT 55:2-13, 59:4-10. *See also* Township Exhibit "3."

- 38. During the settlement negotiations, Sunoco declined the Township's request for copies of engineering plans or drawings, other than what was included in a PowerPoint presentation to the Board of Supervisors, stating that they could not be disclosed to the Township for proprietary and security reasons. NT 56:10-20. *See also* Township Exhibit "3."
- 39. Initially during settlement negotiations, Sunoco represented to the Township that all above-ground facilities, except for a valve station for the Mariner East 2 ("ME2") project, would be located within the footprint of Sunoco's existing pump station (NT 59:11-24), with a lay down area adjacent to the existing pump station on the Janiec 1 Tract, known as the SPLP Additional Acreage. NT 59:25-60:9-14.
- 40. By January 30, 2015 the settlement negotiations progressed to a draft term sheet exchanged by email between Brooman and Lewis. NT 160:4-161:7. *See also* Township Exhibit "14."
- 41. There were ten terms in the draft term sheet, about which there were discussions back and forth between counsel for the Township and Sunoco. NT 161:8-10, 162:7-8. *See also* Township Exhibit "14."
- 42. During those discussions, Sunoco counsel explained several times that Sunoco did not want to put covenants in the Settlement Agreement regarding the location of their facilities for fear that other townships would request the same, so Sunoco needed to state its covenants as facts. NT 162:7-163:4.
- 43. On February 4, 2015 Sunoco's counsel responded to the January 30, 2015 email explaining, consistent with the prior discussions, that a specific objective of Sunoco was that they not put in a covenant something that would come back to hurt them with other townships, so

the covenants would be couched as representations of fact. NT161:11-163:13. *See also* Township Exhibit "15."

- 44. The term sheet attached to Township Exhibit "15" took the Sunoco promises and stated them as facts. NT 163:15 -164:14. *See also* Township Exhibit "15."
- 45. At or around February 4, 2015, Sunoco first raised the issue of adding a valve station. NT 164:20-165:12.
- 46. The Township wanted the valve station as close to the existing facilities as possible, but it was Sunoco that selected the SPLP Use Area. NT 165:13-24, 166:2-8.
- 47. Sunoco made a PowerPoint presentation for the Township Board of Supervisors explaining the location of the valve at the SPLP Use Area. NT 55:2-13, 59:4-10. *See also* Township Exhibit "3."
- 48. Gordon was the person at Sunoco that actually selected the SPLP Use Area for use in the Settlement Agreement. NT 222:19-21.
- 49. On February 10, 2015 Sunoco counsel sent an email to Township counsel showing what the valve would look like. NT 165:25-166:19. *See also* Township Exhibit "16."
- 50. On February 11, 2015 Sunoco counsel sent an email to Township counsel including a term sheet indicating that the valve station would be in the SPLP Additional Acreage and specifically in the SPLP Use Area thereon. NT 166:20-167-7. *See also* Township Exhibit "17."
- 51. Sunoco subsequently reduced the SPLP Use Area to a legal description. NT 167:8-10.

- 52. Sunoco represented that the location of the valve station might change, but within the confines of the SPLP Use Area as set forth in the term sheet identified as Township Exhibit "17." NT 172:7-173:5.
- 53. During the settlement negotiations, there was never discussion about the Janiec 2 Tract, as the number one tenet of the Township was that there would be no more above ground facilities, but if there needed to be, it would be located right on Sunoco's existing pump station. NT 58:12-16, 173:6-11.
- 54. After a year of negotiations, the Township and Sunoco reached the Settlement Agreement, which Sunoco signed in April 2015 and the Township Board of Supervisors approved in May 2015. NT 54:12-16, 55:14-21, 222:22-23. *See also* Township Exhibit "4."
 - ii. The location of the valve on the SPLP Use Area was central to the Agreement.
- 55. The Township understood the Settlement Agreement as Sunoco's promise to locate the new pumps station, vapor combustion unit and all accessory and appurtenant facilities for the ME1 and ME2 projects on Sunoco's existing pump station site, except for a remote operated valve station to be constructed and maintained on the SPLP Use Area, as depicted on Township Exhibit 2. NT 60:20-62:12, 139:24-141:3.
- 56. The Township further understood Section II of the Settlement Agreement to be Sunoco's promise that Sunoco were unable to construct the remote operated valve station in the SPLP Use Area due to engineering constraints, Sunoco would notify the Township, and the two parties would discuss the issue and determine a resolution. NT 62:13-23.

- 57. The Township further understood Section II of the Settlement Agreement to mean that they were providing no permission for any other facilities anywhere else in the Township, including the Janiec 2 Tract. NT 62:24-63:4.
- 58. Sunoco's promises in Section II of the Settlement Agreement were central to the Township's acceptance of the Settlement Agreement. NT 63:5-7.
- 59. The Township would not have entered into the Settlement Agreement but for the promises of Sunoco set forth in Section II of the Agreement. NT 63:12-14.

iii. Sunoco secretly was planning to locate the valve on Janiec 2.

- 60. Gordon provided advice on the technical, design and construction aspects of the project and was provided drafts and the final version of the Settlement Agreement and associated diagrams. NT 221:20-222:18.
- 61. Gordon was responsible for implementing parts of the settlement in relation to ME1. NT 192-19 -21.
- 62. Gordon testified that Sunoco attempted to site the valve station on the SPLP Use Area per the Settlement Agreement (NT 183-20-184:10) and that Sunoco was "running parallel paths" (NT 205:1-10), but this assertion is belied by his subsequent testimony and the documentary evidence.
- 63. By March of 2015, Sunoco had done Google Earth view of the site and based on that decided not to do any further drawings, mapping or development of the SPLP Use Area.

 NT 231:3-10.

- 64. Gordon did not even run a computer model for the SPLP Use Area as an option* for the valve station, because it was not considered due to a residential house at Boot Road and Mary Jane Lane. NT 224:14-224:18.
- 65. When asked whether a plan existed for the SPLP Use Area like the one developed for Janiec 2 Tract, Gordon admitted, "there's not a plan like this one," referring to Township Exhibit "13," and not even a draft plan. NT 225:23-226:3, 230:20-231-2.
- 66. By March of 2015 Gordon made a determination to go forward only with the Janiec 2 Tract, yet continued to promise the Township that Sunoco would put the valve station on the SPLP Use Area in the negotiations, and in the Settlement Agreement, because he felt under a clause in the contract, if he could not locate the valve as agreed, he could locate it elsewhere on notice to the Township. NT 225:23-229:5.
- 67. Despite the promise in the Settlement Agreement that the valve would be located on the SPLP Use area and the representation in the Settlement Agreement that Sunoco had no plans to put above ground facilities anywhere else in the Township, Gordon did not notify the Township of the Janiec 2 Tract determination and does not believe anyone else from Sunoco did either. NT 229:6–20.
- 68. Gordon maintains that throughout 2015 he was still having meetings with his consultants with the possibility that the valve could still go on the promised SPLP Use Area site, but he doubts there are minutes of those meetings (NT 231:14-19) and he produced no emails or supporting documents about the meetings. (NT 231:20 232-3).
- 69. Gordon noted that these meetings were still occurring because he still did not have the locations of the underground utilities or soil study information until the fall of 2015 (NT

229:21-230-10, 232:4-15), but these items are both depicted on Sunoco's March 26, 2015 plans. NT 232:16-23, 233:4-11, 249:22-250:18. *See also* Township Exhibit "13."

- iv. Sunoco never notified the Township that it was unable to locate the valve on the SPLP Use Area.
- 70. At the Township's first Board of Supervisors meeting in January 2016, the Board of Supervisors was considering final approval of a long-pending land development project for an independent living facility on the Janiec 2 Tract ("Traditions Project"), when it learned from the Goshen Fire Company that Sunoco was interested in using the Janiec 2 Tract. NT 66:3-25, 108:19-23, 141:13-142-16.
- 71. The Township obtained an extension regarding the approval of the Traditions
 Project so the Township could meet with Sunoco to find out what they were doing. NT 142:17143:14.
- 72. On January 20, 2016, Township officials, including LaLonde and Camp, met with Sunoco officials, including Gordon and Sunoco counsel Kathleen Shea, to discuss what Sunoco was planning on the Janiec 2 Tract and how it would impact the land development plan. NT 67:3-10, 143:15-144:19.
- 73. At the meeting, Sunoco provided the Township with a map of the general layout of the ME2 pipeline and advised that it was going to use the Janiec 2 Tract for a lay-down yard and to perform horizontal drilling to reach East Goshen Township to the east and West Whiteland Township to the west. NT 67:16-22, 68:9-14, 144:20-145:17.
- 74. The map provided to the Township at the meeting is dated September 28, 2015 and identified as Township Exhibit "5." NT 69:9-10, 145:17. *See also* Township Exhibit "5."

- 75. The map provided by Sunoco to the Township at the January 2016 meeting does not depict a valve station on the Janiec 2 Tract. NT 67:23-68:5, 147:6-15. *See also* Township Exhibit "5."
- 76. Sunoco never mentioned anything at the January 2016 meeting about a valve station anywhere on the Janiec 2 Tract. NT 68:6-9, NT 145:18-146:3.
- 77. Camp took notes at the meeting to make sure she understood everything that would be happening at the Janiec 2 Tract, because the Township wanted to know how Sunoco would impact the Traditions Project, which the board wanted to see go forward; hence, she would have known if permanent above ground facilities were discussed at the meeting. NT 145:18-21, 146:4-147:5. *See also* Township Exhibit "18."
- 78. Camp kept her notes contemporaneously with the meeting in order to recall what exactly happened and there is nothing in her notes about a valve, which she would have written down if discussed. NT 147:16-150:13. *See also* Township Exhibit "18."
- 79. Prior to the January 2016 meeting, Sunoco never advised the Township of any interest in the Janiec 2 Tract. NT 67:11-14.
- 80. In March 2016, the Township expanded Kuprewicz's assignment to include review of the ME2 project. NT 119:13-15.
- 81. Camp did not discuss the January 20, 2016 meeting with Kuprewicz. NT 151:24-152:3.
- 82. In April 2016, Sunoco provided Kuprewicz with additional documents in connection with his review of ME2, again under a confidentiality agreement which prevented him from sharing the documents with the Township or the Township's counsel. NT 119:16-23, 122:4-6.

- 83. In or around April 2016 Kuprewicz spoke with Sunoco representative, Mike Slough ("Slough"), regarding the ME2 documents; they discussed Sunoco's HDD plan for ME2 and the location of a valve on the Janiec 2 Tract, but Kuprewicz did not discuss the location of the valve with the Township at that time. NT 122:8-12, 123:7-20, 124:23-125:5.
- 84. Kuprewicz and Slough did not discuss notification to the Township under the Settlement Agreement, Sunoco's obligation to put a valve station on the SPLP Use Area, placing a valve on the SPLP Use Area or the reason that a valve could not be placed thereon, or the reason that Sunoco could not perform the HDD at the SPLP Use Area. NT 122:22-123:4, 125:9-23, 127:20-22.
- 85. Kuprewicz was not aware that the Settlement Agreement calls for a valve on the SPLP Use Area and did not discuss the location of the valve on the Janiec 2 Tract with the Township until after the initiation of this lawsuit. NT 121:10-15, 125:6-8.
- 86. In January 2017 the Township received from Sunoco's engineering firm a box of plans and specifications for an erosion and sediment ("E&S") control plan on the Janiec 2 Tract, which detailed a valve on the Janiec 2 Tract. NT 69:22-67:2. *See also* Township Exhibit "6."
- 87. Upon seeing the erosion and sediment control application submitted by Sunoco, the Township's staff engineer, Rick Craig, informed LaLonde, who in turn informed Camp, that Sunoco was placing a valve station on the Janiec 2 Tract. NT 70:5-8.
- 88. The plans submitted by Sunoco in January 2017, containing the valve station on the Janiec 2 Tract, were dated June 12, 2015, approximately one month after the Township approved the Settlement Agreement. NT 70:16-25. *See also* Township Exhibit "6."

- 89. The Township's review of the June 12, 2015 plans submitted in January 2017 was the first time the Township learned that Sunoco intended to put a valve station on the Janiec 2 Tract. NT 69:16-18, 71:7-9.
- 90. Brooman never saw plans for the Janiec 2 property until the Township called him after receiving the E&S plans. NT 173-20-24.
- 91. From the January 2016 meeting until January 2017 Sunoco never advised the Township that it decided to put a valve station on the SPLP Use Area. NT 69:11-15.
- 92. Despite the Township's request, Sunoco did not provide any explanation for the valve station on the Janiec 2 Tract. NT 71:10-15.
- 93. In February 2017 Sunoco's engineer submitted to the Township subsequent erosion and sediment control plans, which included plans dated March 26, 2015 showing a valve station on the Janiec 2 Tract. NT 72:3-22. *See also* Township Exhibit "13."
- 94. The March 26, 2015 plans showing the valve station on the Janiec 2 Tract were in place before the Township and Sunoco entered into the Settlement Agreement. NT 73:1-3, 8-9. *See also* Township Exhibit "13."
- 95. Sunoco has never advised the Township that engineering constraints make it unable to put the valve station on the SPLP Use Area. NT 65:18-21.
- 96. Gordon maintains that Sunoco notified the Township "of its decision" to locate the valve on the Janiec 2 Tract at a meeting in January 2016 (NT 206:21-208-18), but admits that he did not send a confirming letter and did not send an agenda for the meeting (NT 233:21-24).
- 97. Gordon testified that Sunoco did provide a drawing to the Township at the January 2016 meeting, but admitted that the drawing does not depict a valve station or even note

that the valve would not be on the SPLP Use Area, as that information was intentionally withheld from the Township. NT 234:2-236:13.

- 98. Gordon maintains that the erosion and sediment control permit application was submitted by Sunoco sometime in 2016, which he claims provided notice of the valve station on the Janiec 2 Tract (NT 208:19-210:12); however, he did not remember the date of submission and he did not show evidence of submission (NT 236:19-237-2).
- 99. While the Township received the January 2017 and February 2017 crosion and sediment control applications that show the valve station at the Janiec 2 tract, there was no notice to the Township that Sunoco was unable to use the SPLP Use Area and this suit was initiated soon thereafter.
- 100. Gordon also testified about the March 2017 "sit-down" meeting with the Township "about this valve site," and why Sunoco was using the Janiec 2 site, but he did not testify that he explained that engineering constraints made Sunoco unable to place the valve station as agreed. NT 210:10-211:17.
 - v. Sunoco has not established that it is unable to locate the valve on the SPLP Use Area.
- 101. An engineer has never told Gordon that the drilling cannot be done in the SPLP Use Area and he has no report in that regard. NT 244:17-245-23.
- 102. Sunoco has not provided to the Township any computer data, written analysis or other engineering report, to demonstrate that it is unable to construct the valve station on the SPLP Use Area, only that it is preferable to use the Janiec 2 Tract.

- 103. Sunoco has not produced any plans or drawings or diagrams to depict the construction "challenges" in putting the valve station on the SPLP Use Area as it alleges. NT 223:8–224:6.
- 104. Sunoco can only established that given a choice of routes for the valve station, the Janiec 2 Tract is better for Sunoco; however, this ignores the bargained for promise to put the valve station on the SPLP Use Area unless unable to do so.
- 105. Sunoco has not produced any evidence regarding the difference in cost between the two locations.
- 106. Gordon did not testify that the valve station is unable to be constructed on the SPLP Use Area, only that:
- a. from an engineering standpoint it would not be "prudent" to site the valve on the SPLP Use Area, because it's extremely difficult and "potentially unsafe" (NT 194:2-11).
 - b. he noted challenges in constructability (NT 223:8–12).
 - c. he does not know whether "it's practical" (NT 249:6-10).
- 107. In explaining why Sunoco "decided" not to use the SPLP Use Area (not why it was unable to) (NT 184:25-185:2), Gordon explained:
- a. Sunoco *tries* to adhere to a 2,000 foot minimum drill curvature (he did not set forth the limits) (NT 184:25-186:15), but he did not provide any of the stress calculations for pipeline drilling and did not even run such calculations for using the SPLP Use Area (NT 223:13-21).
- b. Using the path of the pipeline paralleling Boot Road in the drill plan (see Exhibit R5) to run the ME2 line to the SPLP Use Area, Sunoco would have to condemn or acquire a home on the corner of Mary Jane Lane and Boot Road (NT 186:21-187:17); however,

no one ever contacted the homeowner to see if they would be willing to sell, nor ask the Township to contact them (NT 250:19-252-3).

- c. "We" did not "think" we'd be able to make the turn to get that pipe to line up with the drill because of the Aqua PA facilities (NT 187:18-188:9).
- 108. Gordon testified that Sunoco also looked at open cutting the road in the existing easement in making the decision to use the Janiec 2 Tract, noting:
- a. Boot Road is congested with utilities (NT 188:10-189:13) (even though Sunoco knew this before entering into the Settlement Agreement, *see* Township Exhibit "13");
- b. When Sunoco shut down a lane of Boot Road for ME1 it caused a lot of traffic issues (NT 189:14-20) (but Sunoco made no attempt to coordinate with the Township or PennDOT to determine if traffic could be more effectively controlled).
- c. Existing pipelines running down the edges of the road make down the middle of the road the only place Sunoco can put two more pipelines, which would require a complete shutdown of Boot Road, which Gordon did not think would be "accepted very well from a permitting standpoint" (NT 189:20-190:5) (although no engineering diagram or analysis was provided to demonstrate this and there is no demonstrated attempt to coordinate with PennDOT).
- 109. Gordon testified that to install the valve on the SPLP Use Area Sunoco would need a shored excavation to weld fittings, which he characterized as "not the safest working conditions" (NT 193:3-16) (though he provided no explanation or analysis as to why this could not be done safely with proper precautions).

D. The need for relief is immediate.

- 110. On or about July 3, 2017 the Township received notice from Sunoeo stating that it was starting construction on the Janice 2 Tract within several weeks. NT 74:1-5.
- 111. However, on July 6, 2017, the same date as the pre-conference hearing on the Township's Amended Complaint, Sunoco began clearing work on the Janiec 2 Tract. NT 74:7-11, 75:17-24. *See also* Township Exhibit "9."
- 112. The clearing and grading of the Janiec 2 Tract, and the preparation of the construction entrance thereon, indicate that Sunoco intends to immediately begin construction of the valve station on the Janiec 2 Tract. NT 76:8-17.
- 113. The Township also received notice from the Pennsylvania Department of Transportation that Sunoco was beginning work in the area of the Janiec 2 Traet. NT 76:18-19.
- 114. The Township requested that Sunoco cease operations on the Janiec 2 Tract until this case is decided by the PUC, but it refused. NT 76:21-25.
- 115. Gordon testified that work has commenced on the Janiec 2 tract. NT 213-17-214:15.

E. The injury would be irreparable if relief is not granted.

- 116. A valve station for a pipeline such as the ME2 pipeline is placed at a location where the horizontal direction drilling comes close to the surface. NT 126:6-7, 127:7-9.
- 117. Sunoco's recent placement of HDD equipment on the Janiec 2 Tract indicates that Sunoco intends to place a valve on the Janiec 2 Tract. NT 126:1-7, 126:24-127:2.

- 118. Approximately 25,000 to 36,000 vehicles use Boot Road in the Township each day and approximately 70,000 vehicles use Route 202 through the Township each day (NT 63:18-19), so construction has as a significant impact on the Township.
- 119. The Township code at Chapter 69 requires that a pre-construction meeting be held with the Township engineering at least 48 hours prior to construction commencing, including grubbing and clearing of a site. NT 74:14-19.
- 120. Sunoco did not provide the Township with notice 48 hours before beginning grubbing and clearing of the Janiec 2 Tract. NT 75:12-13.
- 121. The Settlement Agreement confined Sunoco's construction activities to Sunoco's existing pump station site and the SPLP Use Area, to minimize the impact to the Township residents. NT 63:19-64:20
- 122. Construction has an impact on the Township including safety, dust, and noise. NT 63:19-64:20.
- 123. The Settlement Agreement confined Sunoco's construction activities in the Township to the west side of Route 202, away from the access to the Goshen Fire Company, which is located adjacent to the Janiec 2 Tract. NT 64:21-65:7.
- 124. HDD involves boring in a cylinder using a drilling mixture of bentonite and water; a breakout or frackout occurs when the pressure involved causes a break out of the drilling cylinder and allows the drilling mixture to migrate into underground water supplies. NT 128:14-129:3.
- 125. If Sunoco installs a valve station on the Janice 2 Tract, it could not later simply move the valve station to the SPLP Use Area, because of the pipe would be too deep at the location of the SPLP Use Area. NT 127:10-19.

- 126. If Sunoco installs the valve station on the Janiec 2 Tract, then is required to move the valve station to the SPLP Use Area, Sunoco would be required to re-drill and re-run the pipeline to the SPLP Use Area, creating a second round of risks to the public, including breakouts and frackouts within the Township. NT 127:23-128:8.
- 127. If Sunoco continues construction as planned on the Janicc 2 Tract, but later must relocate the valve station to the SPLP Use Area, the Township will have to endure the noise, vibration, obstructions, and other consequences of the construction activities twice. NT 81:13-22.
- 128. Prior to Sunoco's use of the Janiec 2 Tract, the Township approved the \$35 million land development project known as the Traditions Project. NT 82:8-16. *See also* Township Exhibit "11."
- Township, would have generated significant real estate tax and earned income tax revenue for the Township, and would have provided approximately \$200,000 of road improvements in the Township. NT 82:18-83:15.
- 130. However, the developer abandoned the Traditions Project when Sunoco condemned the Janiec 2 Tract for its use. NT 83:18-23.
- 131. If Sunoco moved off of the Janiec 2 Tract, the Traditions Project could happen.

 NT 84:2-4.

F. The relief requested is not injurious to the public.

- 132. There is no evidence that stopping construction on the Janiec 2 Tract would be injurious to the public.
- 133. If there is any injury from delay, it is caused by Sunoco not revealing its secret plans to use the Janiec 2 Tract in violation of the agreement.
- 134. Gordon testified that the company is "hoping" to put the ME2 pipeline in service in October 2017, and that stopping this work will be costly to Sunoco. NT 218:14-219:2.
- 135. Gordon testified that there has not been a shortage on propane since ME1 was completed and he did not testify as to any potential fuel shortages if this project is delayed. NT 219:3-13.
- 136. Gordon testified that stopping drilling at the Janiec 2 Tract would be harmful to the project schedule, but there are other parts of Chester County where Sunoco intends to run the pipeline where drilling has already stopped because of problems it is causing to water. NT 246:24-247-15.
- 137. The Township is not trying to stop Sunoco from running a pipeline through the Township, but rather seeking to have Sunoco abide by the Settlement Agreement. NT 81:25-82:5.
- 138. The Township is seeking to keep the valve station inside the legal description as prepared by Sunoco. NT 167:11-14.
- 139. The Township and Sunoco, as a public municipal corporation and a public utility, entered into the Settlement Agreement because it is good for the public.

II. CONCLUSIONS OF LAW

- 1. The purpose of an interim emergency order is to grant or deny injunctive relief during the pendency of a proceeding. 52 Pa.Code §3.1; *Application of Fink Gas Co. for Approval of the Abandonment of Serv. by Fink Gas Co. to 22 Customers Located in Armstrong Cty., Pennsylvania, & the Abandonment by Fink Gas Co. of All Nat. Gas Servs. & Nat. Gas Distribution Servs.*, 2015 WL 5011629, at *3 (Pa. P.U.C. Aug. 20, 2015).
- 2. The "purpose of emergency relief is to preserve the status quo pending the disposition of the underlying proceeding." *Petition of Norfolk Southern Railway Company for rescission or amendment of the Pennsylvania Public Utility Commission's Order entered on June 12, 1975,* 2011 WL 6122882 at *9 (Pa.P.U.C. December 1, 2011).
- 3. The factors a petitioner must prove for an interim emergency order are plainly set forth in the PUC regulations: (1) the petitioner's right to relief is clear; (2) the need for relief is immediate; (3) the injury would be irreparable if relief is not granted; and, (4) the relief requested is not injurious to the public interest." 52 Pa. Code § 3.6(b)
- 4. The petitioner must establish these four factors by a preponderance of evidence. *Application of Fink, supra* at *3–4 (citing *Samuel J. Lansberry, Inc. v. Pennsylvania Pub. Util. Comm'n*, 578 A.2d 600, 602 (Pa. Commw. Ct. 1990).
- 5. The preponderance of the evidence standard has been interpreted by the Pennsylvania Supreme Court as: "... the petitioner's evidence must be more convincing, by even the smallest amount, than that presented by the other party." *Application of Fink Glass* at *4, citing *Se-Ling Hosiery. Inc. v. Margulies*, 70 A.2d 854 (Pa. 1950).
- 6. The Commission is empowered to hear two types of requests for injunctive relief pursuant to the PUC regulations at 52 Pa. Code §§3.1-3.11

- 7. A complainant can seek an emergency order pursuant to 52 Pa. Code §3.2, or an interim emergency order pursuant to 52 Pa. Code §3.6.
 - 8. § 3.2(b) sets forth the standard for an emergency order, stating,
 - "A petition for emergency order must be supported by a verified statement of facts which establishes the existence of an emergency, including facts to support the following...(the same four part test found at § 3.6)."
 - 9. § 3.6 (b) sets forth the standard for an interim emergency order, stating:
 - "To the extent practicable, a petition for an interim emergency order must be in the form of a petition as set forth in § 5.41 (relating to petitions generally). A petition for an interim emergency order must be supported by a verified statement of facts which establishes the existence of the need for interim emergency relief, including facts to support the following . . .(the four part test)."
- 10. Unlike § 3.2 (b), § 3.6(b) does not require the petitioner to establish "the existence of an emergency."
- 11. The Township is seeking an interim emergency order pursuant to 52 Pa. Code §3.6.
- 12. The Township is not required to establish an "emergency," as that term is defined in the PUC's regulations at 52 Pa. Code § 3.1, to obtain interim emergency relief pursuant to §3.6(b).
- 13. The Township is not required to establish "a clear and present danger to life or property" to obtain an "interim emergency order" (also defined at 52 Pa. Code §3.1) pursuant to §3.6(b).
- 14. An emergency order is properly sought where there is no ongoing proceeding related to the controversy for which emergency relief is sought.

- 15. An emergency order is issued ex parte, without the benefit of a hearing before an Administrative Law Judge in which the public utility is provided the right to introduce evidence and cross examine the complainant's witnesses.
- 16. Interim emergency relief is granted only after the public utility has been given the opportunity to present evidence and cross examine a complainant's witnesses.
- 17. An ex parte emergency order is not immediately certified for review by the full Commission.
- 18. An interim emergency order by the Administrative Law Judge must be certified to the Commission for interlocutory review pursuant to 52 Pa. Code §3.6
- 19. The ex parte nature of an emergency order requires a heightened standard of emergency, distinguishing it from an interim emergency order that tracks the Pennsylvania standard for a preliminary injunction and simply preserves the status quo until a final ruling by the Commission.
- 20. In addition to the same four factors a complainant must establish for an interim emergency order pursuant to §3.6, obtaining an emergency order pursuant to §3.2 requires the petitioner also prove the existence of an "emergency" as defined in §3.1.
- § 3.6(b), the controlling regulation for an interim emergency order, does not list the additional requirement of an "emergency," as defined in §3.1.
- 22. Application of Fink does not hold that a complainant must independently prove a "fifth factor" of the existence of an "emergency," § 3.1.
- 23. *Norfolk Southern* does not hold that a complainant must establish the existence of an "emergency" to obtain an interim emergency order.

- 24. Application of Fink Gas Company and Norfolk Southern both hold that '[t]he party seeking relief bears the burden of proving that the facts and circumstances meet **all four** of the requirements in the Commission's regulations." Norfolk Southern at *6, citing 66 Pa.C.S. §332 and 52 Pa.Code §3.6(b) (emphasis added).
- 25. The four requirements set forth in §3.6(b) have been established by the Township by a preponderance of the evidence.

A. The Township's Right to Interim Relief is Clear.

- 26. The four corners of the Settlement Agreement establishes that the Township's right to relief is clear.
- 27. The documentary evidence and oral testimony admitted into evidence at the interim emergency hearing establishes that the Township's right to relief is clear.
- 28. The Township Manager, Casey LaLonde, established that the Township's right to relief resulting from SPLP's breach of the Settlement Agreement is clear. § 3.6(b)
- 29. The Township has raised "substantial legal questions." *Application of Fink Gas Co.*, 2015 WL 5011629, at *3–4 (Pa.P.U.C. Aug. 20, 2015).
- 30. The Township presented substantial evidence that SPLP breached material promises and representations of the Settlement Agreement with respect to the location of the ME2 valve station in West Goshen Township.
- 31. SPLP promised the Township and its citizens that any new ME1, ME2 or ME2x (a/k/a ME 3) valve would be located in the "SPLP Use Area," as that areas is precisely defined and identified in Appendix 1 of the Settlement Agreement and Township Exhibit "2."

- 32. SPLP represented to the Township and its citizens that any new ME1, ME2 or ME2x (a/k/a ME 3) valve would be located in the "SPLP Use Area," as that area is precisely defined and identified in Appendix 1 of the Settlement Agreement and Township Exhibit "2."
- 33. SPLP represented to the Township and its citizens in the Settlement Agreement that it had no plans to place any new ME1, ME2 or ME2x (a/k/a ME 3) valve anywhere in the Township other than the SPLP Use Area.
- 34. The Township presented substantial evidence from its Township Manager, Casey LaLonde, and its Township Solicitor, Kristin Camp, that it justifiably relied on SPLP's promises and representations.
- 35. The Township presented substantial evidence from its Township Manager, Casey LaLonde, and its Township Solicitor, Kristin Camp, that SPLP did not notify the Township, as required by the Settlement Agreement, that it did not intend to use the SPLP Use Area for an ME2 valve.
- 36. SPLP did not notify the Township, as required by the Scttlement Agreement, that it condemned the Janiec 2 Tract for the purpose of citing a valve station on the Janiec 2 Tract.
- 37. SPLP did not establish at the interim relief hearing that engineering constraints caused SPLP to locate the valve station on the Janiec 2 Tract.

B. The Need for Relief is Immediate.

- 38. The Township established by a preponderance of the evidence at the interim relief hearing that the need for relief is immediate.
- 39. LaLonde and Gordon both testified that construction has started on the Janiec 2 Tract.

- 40. Gordon testified that intends to use the site for HDD drilling without delay, which means that this is the location where the pipeline will be close to the surface and where the pump station will be installed, contrary to Sunoco's promises.
- 41. Some of the issues that supported the petition have either been corrected upon filing of the Petition or have already occurred, but actual construction has not yet started.
- 42. If interim emergency relief is not granted, the pipeline will be installed in the immediate future and hopes the pipeline would be operational Without interim relief, the Township will suffer not once, but twice, the impacts and damage caused by HDD.
- 43. Sunoco has refused to voluntarily stay construction pending the outcome of this matter.
- 44. While Sunoco has not established that it is not unable to located the valve on the SPLP Use Area, if it intends to establish this in the future, the Township needs time to conduct discovery and evaluate the accuracy and veracity of this position, and interim emergency relief is required in the meantime to preserve the status quo.

C. <u>The Township Will Suffer Irreparable Injury if Interim Relief is not</u> Granted.

- 45. The Township has set forth evidence that construction, and pipeline construction, has a significant impact on the community, including, traffic, air, dust, noise, vibrations, potential water contamination and other impacts.
- 46. Sunoco has admitted that its drilling has impacted water supplies in adjacent Township which has caused them to shut down drilling.
- 47. Drilling is not without significant cost and risk and re-drilling to correct the contractual breach would expose the Township and the public to needless risk and costs.

- 48. By allowing the HDD and valve station at the Janiec 2 tract while this case is pending, without interim emergency relief, the stablished at the interim relief hearing that the injury to its land, and the impacts to its groundwater, caused by SPLP's HDD is irreparable.
- 49. The Township, its residents and the public irreparable injury if, it has to suffer through the drilling and valve installation at the wrong location, only to suffer it again when the valve station must be moved per the contractual obligations.
- 50. The construction activities without notice to the Township and failure to use E&S controls in Sunoco's haste to beat the injunction, the blockage of the fire departments ingress and egress until stopped by the Township and the contamination of the water supply in the adjacent Township all highlight the significant impact and potential impacts and risks to the community that the Township would have to be exposed to twice if drilling and valve placement is not stopped on the Janiec 2 Tract on an interim basis.

D. <u>Interim Emergency</u> Relief Will Not Be Injurious to the Public.

- 51. HDD by SPLP is currently shut down in other parts Chester County due to water contamination.
- 52. The Township is not seeking to permanently stop construction of the Mariner East pipeline; rather, the Township seeks through its petition to protect the health and safety of its residents by stopping construction in the wrong location.
- 53. Stopping the incorrect construction will prevent unnecessary suffering and risk to the public.
- 54. Any costs associated with the delay is not caused by the entry of the interim order but by Sunoco's own actions in hiding its true plans and not revealing them over two years ago.

- 55. The purported evidence presented through Gordon at the interim emergency hearing to establish injury to the public was not sufficient nor credible to support a finding of harm to the public.
- 56. Granting the requested interim emergency relief will not be injurious to the public interest.

E. Conclusion

- 57. Sunoco promised to put the valve station on the SPLP Use Area at a specific location and move it within that area, upon notice to the Township, if it was unable to locate it where planned. It also represented that it had no other plans to put the valve station anywhere else in the Township. It did not try to put the valve station where promised, hid its existing intentions to locate valve elsewhere from the Township for over two years when the Township uncovered the plan in and E&S application. Clearing has occurred and construction is imminent. Re drilling and moving the valve will have to occur if relief is not granted, to the great risk and detriment of the public.
- 58. The Township has met the requirements set forth at 52 Pa. Code §3.6(b), and is entitled to interim emergency relief.

WHEREFORE, based on the above findings of fact and conclusions of law the Township of West Goshen, its elected and appointed officials, and its residents, respectfully request an interim emergency order enjoining SPLP from beginning any construction on the Janiec 2 property until after the Commission issues a final order on the Township's currently pending First Amended Formal Complaint to Enforce the Settlement Agreement.

HIGH & WARTZ LLP

Bv:

David J. Brooman, Esquire Richard C. Sokorai, Esquire Mark R. Fischer, Jr., Esquire Attorneys for Petitioner

West Goshen Township

Date: 7/21/2017

APPENDIX C

NOTES OF TESTIMONY (NT)

COMMONWEALTH OF PENNSYLVANIA

PUBLIC UTILITY COMMISSION

West Goshen Township v. Sunoco Pipeline

L.P.

Violation and Breach of Settlement

: Docket No. : C-2017-2589346

Agreement.

Initial Hearing

Pages 34 through 254

Hearing Room 2

Commonwealth Keystone Building Harrisburg, Pennsylvania

Tuesday, July 18, 2017

Met, pursuant to notice, at 1:00 p.m.

BEFORE:

ELIZABETH H. BARNES, Administrative Law Judge

APPEARANCES:

DAVID BROOMAN, Esquire RICHARD SOKORAI, Esquire High Swartz LLP 40 Bast Airy Street Norristown, Pennsylvania 19404 (For West Goshen Township)

CHRISTOPHER A. LEWIS, Esquire MICHAEL MONTALBANO, Esquire Blank Rome LLP One Logan Square 130 North 18th Street Philadelphia, Pennsylvania 19103-6998 (For Sunoco Pipeline L.P.)

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- When did you first become involved with Sunoco as Q. Township Manager?
 - Α. In 2014.
 - What happened in 2014? Q.
- In 2014, we initially were approached by Sunoco Α. about their Mariner 1 project, which in the presentation to township staff would include improvements to the existing pump station at Boot Road and 202.
- ٥. And what was your understanding as to what they were trying to do there?
- They were repurposing their existing Mariner 1 line to ship Marcellus gas liquids south to Marcus Hook, I guess.
- Q. Now, what I would like you to do is just focus on -- we have two exhibits in front of you. Township Exhibit 1 and Township Exhibit 2.
 - Α. Yes.
- Q, These were actually attachments to a settlement agreement that we'll discuss later. But focusing on Township Exhibit 1, could you just tell us -- put the writing on the bottom right-hand corner where it says -whatever it says. I can't see without my glasses -- where it says, "Boot Station General Arrangement."
 - A. Yes.
 - Q. And just orient us to what we're looking at here.
 - Α. Certainly. This is an aerial view of the existing

- Q. I just want to make sure I'm clear. The roadway on the right-hand side that's going up and down, that's Route 202 itself?
- A. No. That is the off-ramp of 202. 202 is a fourlane highway just east off the map.
- Q. Okay. I understand. And Boot Road is running sideways at the bottom of that area you just described where the existing facilities are?
 - A. Correct.
- Q. Now, the box -- there's like a yellow box in the middle. That's the existing facilities?
 - A. That is correct.
- Q. And then if we look at Township Exhibit 2, tell us what we're looking at here.
- A. It's a wider shot of the same vicinity. Again, you can see the four-lane Route 202 to the right with the off-ramps and on-ramps coming from Boot Road.

JUDGE BARNES: I'm sorry. I don't have two.

MR. SOKORAI: They don't have Township Exhibit

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MR. BROOMAN: Sorry. We didn't circulate a Township 2 with our stack.

(Pause.)

JUDGE BARNES: Thank you.

THE WITNESS: Okay. Just to start over, you can see that the main feature of this larger scale aerial, Route 202 is the main highway.

BY MR. SOKORAI:

- Q. Going up and down?
- A. Going up and down, correct, with the off-ramp coming south. The direction on it is north facing. This is our Boot Road Interchange as we call it. It's a very heavily trafficked interexchange. You can see East Boot Road is the horizontal line near the bottom of the map. You can see that same Sunoco pump station area called out I think it's in red outline this time, and, again, you can see those two large Aqua water tanks just to the north of the Sunoco site.
- Q. There's a big line or two lines on this. It looks like a sail going up above the existing facilities there.
 - A. Yes.
 - Q. What is that area?
- A. There's a separate four-acre parcel, I believe, that's to the north of the pump station site owned by the

Janiec family, to my knowledge, at the time. In fact, they have owned it for decades.

JUDGE BARNES: Can you spell Janiec?
THE WITNESS: Yes, J-a-n-i-e-c.

BY MR. SOKORAI:

- Q. And that Janiec property, is that property that the township became involved in when these petitions were filed?
- A. Yes. My recollection from our initial meeting is that Sunoco intended to purchase or through an easement take that property and use it as an expansion area for the Mariner 1 project and build a brand new pump station and facilities on that property, correct.
- Q. Are there residents thereby, and, if so, can you show us on this Township 2 document?
- A. Yes. To the west, to your left on the photo, we have the Mary Jane Lane neighborhood which dates from early to mid 1950s.

JUDGE BARNES: I'm sorry. I need a name spelling for Mary --

THE WITNESS: I'm sorry. Mary Jane, M-a-r-y, J-a-n-e, Lane. That is just immediately to the west of the existing pump station site. Their backyards back right up to the property for Sunoco.

Further to the left and to the west on the map is our Village of Shannon, S-h-a-n-n-o-n, which is a large

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densely populated townhouse development just to the west of the existing site.

BY MR. SOKORAI:

- And while not depicted on this Township 2 document, 0. can you explain using this document, are there utilities in this area for the residents?
- There are several utilities, including Α. Yes. The sewer authority owns sanitary sewer lines. township. All of these homes in this vicinity and also to the south of Boot Road off the map is our Hamlet Hill, H-a-m-l-e-t, Hill neighborhood, which is single-family homes, but still pretty densely populated. They're all served by public utilities, including electric, Aqua PA for water, and West Goshen Authority for sanitary sewer. So there's crisscrossing public utilities throughout this entire area.
- Now, when the township found out that Sunoco was O. looking at this area at the Janiec -- we've called this area west of 202 in that sail there the Janiec 1 tract. turns out, the Janiecs own property on the other side as well that will be relevant. So we'll call that Janiec 1.

When you found out that Janiec 1 was at issue, did the township take a position?

At the time, we were obviously concerned about it Α. given the possible construction and impact on our neighborhood; so, yes, we were concerned to say the least.

Q. And what was your primary concern?

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- A. Potential construction activities impacts to the neighborhood and also, once we determined at the staff level that there was going to be a major expansion of this possibly a second pump station on the Janiec 1 tract with the neighbors in that Mary Jane Lane neighborhood so close by, we were concerned about dust, noise, construction activities, anything that a large scale development would bring to a neighborhood.
- Q. Am I correct that a zoning petition was brought by Sunoco before your -- or zoning application was brought before your township?
- A. Correct. A Zoning Hearing Board application was filed by Sunoco with our local Township Zoning Hearing Board. I attended as an observer the initial hearing, and I don't know if there was a second hearing actually scheduled, but our main meeting room where our hearings take place was standing room only once the general public found out about this case.
 - Q. Did the township oppose the zoning application?
- A. On the staff and the Board of Supervisors level, we did oppose it. At the time, the Board of Supervisors again were very concerned about the impacts, and shortly thereafter the -- well, I won't go there, but yes.
 - Q. Did the zoning application carry through to

completion?

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- A. No. From my recollection, we had the initial and possibly a second hearing, but I don't know if it even got to a second hearing.
 - Q. What happened?
- A. Sunoco, I believe they actually withdrew their Zoning Hearing Board petition and submitted the case to the Public Utility Commission instead.
 - Q. Did the township do anything at that time?
- A. Yes. We kept all of our options open legally as to what to do in front of the Commission, and my recollection is I think we received relief, and then that relief was overturned by the Commission entirely.
- Q. Did you hire any consultants with respect to evaluating all your options?
- A. Yes. Once the township staff understood the large scale nature of this project and the Marcellus liquids that were going to be transported, after an exhaustive search, the township hired a nationally renowned safety expert named Richard Kuprewicz with Accufacts, Incorporated. I believe he operates out of Washington State.
- Q. Now, you indicated that when you went to the PUC, you initially had some relief and then that was reversed.
 - A. Yes.
 - Q. Did the township consider the matter over at that

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- A. No, we did not.
- Q. What was your understanding?
- A. Even though we had been reversed by the Public Utility Commission, we still were investigating avenues in which we could still maintain the health, safety and welfare of our residents. So we were working with our special counsel to look at all avenues.
- Q. And ultimately during the course of looking at those avenues, did the opportunity arise to enter into a settlement agreement with Sunoco?
- A. Yes. After approximately one year of negotiations with Sunoco, we did end up with a settlement agreement.
- Q. In advance of that settlement agreement -- was that settlement agreement approved by the Board of Supervisors?
 - A. Yes. That was approved in May of 2015.
- Q. Prior to the Board of Supervisors agreeing to enter into that agreement, did Sunoco prepare a slide show for presentation to the Board of Supervisors?
 - A. Yes, they did.
- Q. I want to show you Township Exhibit 3 and ask you if that is a copy of the slides prepared.
- A. Yes. This appears to be the PowerPoint presentation that was provided to the Board of Supervisors.
 - Q. And do you recall what the major ideas were being

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conveyed with this presentation?

A. Yes. The Board of Supervisors and our township staff, we were very concerned about obviously safety. That's our main prerogative and main charge under the Second Class Township Code is the health, safety, welfare of our residents. We are concerned about safety issues, also about the various new equipment that was going to be installed at the pump station, including the vapor combustion unit. We discussed new fencing that was installed.

Our main concern was safety first and, secondary, aesthetics and trying to maintain everything on this one site without having these facilities then spread out all over the township.

- Q. When you reached that agreement with Sunoco and the township, was that reduced to writing?
 - A. Yes.
- Q. And that's what we refer to as the settlement agreement?
 - A. Correct.
 - Q. Is that marked as Township Exhibit 4?
 - A. This appears to be the settlement agreement, yes.
- Q. Now, were you involved in the negotiations that led to that settlement agreement?
 - A. Yes.
 - Q. Who all was involved in those negotiations?

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- A. Involved in the negotiations was myself; Kristin Camp; our township solicitor, Dave Brooman with High Swartz; and, of course, the Board of Supervisors.
 - Q. Anybody from Sunoco?
- A. Yes; Mr. Lewis, Matt Gordon, Don Zoladkiewicz with Sunoco. Kathleen Shea was involved as general counsel, I believe, with Sunoco at the time. That was generally the group that met. And Mr. Kuprewicz as well on the safety side for us.
- Q. Now, during these negotiations, were engineering plans and drawings shared other than what we just showed at the Township Exhibit Number 3, that little slide show?
 - A. Not with the township staff, no.
- Q. Was a reason given to you why they couldn't see any engineering plans with respect to the pipeline construction?
- A. Yes. Sunoco stated that because of proprietary and I guess security reasons, township staff was not allowed to see any drawings.
 - Q. Did you ask for a copy of drawings?
 - A. Yes.
- Q. Now, I believe your expert was able to get a copy; right?
- A. Yes. To my recollection, he signed a confidentiality agreement directly with Sunoco, which they then allowed him to see the documents and the plans.

- Q. But then he was not permitted to then share those documents with you or the township?
 - A. No, sir, no.
- Q. Now, was Mr. Kuprewicz involved in the negotiations of the settlement agreement?
 - A. No.

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- Q. What was his role?
- A. His role was strictly to review the plan specifications of Mariner 1 in order to with full assurance to the township and the Township Board of Supervisors be able to state that the construction processes and construction quality met federal standards and met his standards as a safety expert.
- Q. Now, I would like to draw your attention back to Township Exhibit Number 2.
 - A. Yes.
- Q. We see 202 kind of running up and down, north and south, slightly to the right of center of the diagram or the picture; correct?
 - A. Yes.
- Q. On the right-hand side further east, to the east of 202, there's another wooded area there. Describe what that area is.
- A. Certainly. To the east of 202, we've come to call it Janiec 2, because the Janiec family owns both sides of

Route 202 in this vicinity. Virtually the entire area -- do you guys have a pointer?

(Pointer handed to witness.)

- A. Thank you. Virtually the entire area -- just to orient yourself again, this is Route 202 north and south, Boot Road east and west. The actual township boundary line is right in this vicinity. This is East Goshen Township to our east. Culbertson Drive in this vicinity is East Goshen Township. The Janiec family owns approximately from here all the way to what you see on the map behind the homes in that vicinity.
- Q. Now, during the entirety of all the negotiations that you had with Sunoco, the township had with Sunoco, was there ever any mention at all of any possibility of any facilities being placed on that property to the east?
 - A. No.

- Q. That was also owned by the Janiec family?
- A. Correct.
- Q. The area immediately east of 202?
- A. Correct.
 - Q. We'll call that the Janiec 2 area; okay?
 - A. Yes, sir.
- Q. Janiec was on the left, the old area, Janiec 1;

 Janiec 2 on the right. So nobody ever mentioned any

 facilities on Janiec 2?

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- Q. And what was your primary goals during these negotiations?
- A. The primary goals were to insure the safety of our residents. We have a densely populated area adjacent and south of the existing pump station. The primary goal was to insure that any above-ground facilities were maintained in this general area on the existing pump station and to insure that we did not have above-ground facilities spreading out again over the entirety of the township.
- Q. Now, what did Sunoco represent as to those -- I'm going to split up their facilities into two separate things. There was all the facilities above ground related to the pipeline, and then there was a special one that we're going to talk about separate called the valve station for the Mariner 2.
 - A. Right.
- Q. With respect to all of the facilities, where did Sunoco say they were going to go, all the above-ground facilities, except for the valve station?
- A. All of the above-ground facilities include the vapor combustion unit, which was a new piece of equipment. Everything was going to be contained in the general footprint of their existing pump station.
 - Q. Now, did they ever tell you that they needed an

additional area above the existing area for this valve station?

- A. The only discussion that was ever had about an additional area was very adjacent to the existing pump station.
 - Q. And what's that called?
- A. That's the SPLP additional use area, this dark outlined area here, again adjacent to the pump station site.
- Q. And what was the remaining sail up there, the rest of the Janiec 1 tract going to be used for?
- A. They had expressed that this additional area most likely will be used as a lay-down area for construction, meaning pipe may be delivered for the Mariner 2 project in this area here.
- Q. All the way up until execution of the settlement agreement, any mention of Janiec 2?
 - A. No.
- Q. Now, I would like to turn your attention to the settlement agreement, which I believe we marked as Exhibit 4. Was it your understanding that the promises about the location of the facilities by Sunoco was contained in this agreement?
 - A. Yes.
 - Q. Can you please point out those promises?
 - A. Certainly. In Section I on page 1, it states that

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the vapor combustion unit would be located at the existing pump station. Let me see. Section II on page 2 states very specifically about any proposed equipment would be stationed at the existing pump station site.

- Q. Okay. So let's just walk through Section II really quick.
 - A. Yes.
- Q. Did you understand that for the purposes of this agreement, that the Mariner East project was all Mariner East pipes related to Mariner 1. Mariner 2 or any other Mariner project?
 - A. Correct.
 - Q. And that's set forth in Section II.A.1?
 - A. Section II.A.1, correct.
 - Q. And then in Section II.A.2?
 - A. Yes.
- Q. The pump station, VCU and all accessory and appurtenant facilities will be maintained within the present active site?
 - A. Correct.
- Q. Is that the site you were already talking about on the diagram here?
 - A. Yes. That is the existing pump station site here.
- Q. Except that a remote operated valve station will be constructed and maintained on SPLP's adjacent 4.42 acre

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property, also known as the former Janiec tract or the SPLP additional acreage. Is that what we're talking about?

- A. That is correct.
- Q. And then they further narrowed that down in this saying it's not going to be the entire acreage but in that use area you already described?
 - A. That is correct.
 - Q. Did you consider these promises?
 - A. Absolutely, yes.
- Q. And these were the promises that were made to you leading up to the execution of this contract?
 - A. Yes.
- Q. They also said subject to any engineering constraints, SPLP intends to construct the valve in the general area depicted on the map, which is in the specific area that they located in the use area. What was the idea if they couldn't keep it within that specific spot in the use area? Where would it go?
- A. If there were any engineering constraints, they would have to notify us, bring it to our attention, and they would use -- if they had to extend, you know, 50 feet, 100 feet into the remaining acreage, they would notify us, we would discuss it, and we'd go from there.
- Q. And did this contract at the same paragraph specifically say no other permission for any other

A. That is correct.

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- Q. Did that include Janiec 2?
- A. That is correct.
- Q. Were these promises by Sunoco regarding the location of these facilities, were they incidental or central to your agreement?
 - A. They were central to our agreement.
 - Q. Why is that?
- A. Again, the health, safety and welfare of our township residents is paramount to our Board of Supervisors. Without those covenants and promises being made, the Board of Supervisors most likely would not have entered into a settlement agreement if those promises were not made.
- Q. What types of impacts would disregarding this settlement agreement have on the township?
- A. Approximately -- well, there are several.

 Approximately, 25 to 36,000 vehicles use Boot Road each day both ways. About 70,000 cars use 202 each day. The impacts would be numerous, including ongoing construction if we did not have the settlement agreement in place. We would have no -- there could be construction all over the township along the entire Mariner 1 or Mariner 2 line, impacts, ongoing construction, dust, noise to the residents, to visitors, to passersby that the township thought better that

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 this settlement agreement answered and we entered into that agreement.

- Q. Were there advantages to the township to using the agreed-upon site rather than this other site that came out of nowhere?
- A. Yes. Obviously, containing any new development or facilities for Sunoco, considering that this pump station had been there since the early or mid 1930s, was very preferential and mandated essentially by the supervisors that that was their intent, was to keep all the construction activities to this general location here.
- Q. How about traffic; is there an advantage to traffic on one side or the other?
- A. Yes. This direction of Boot Road, obviously we have the very dense population here. Eastbound on Boot Road, just about another half mile east, we have about 8,000 employees of various very large corporations, including QVC, that use this road on a daily basis.

Keeping construction activities pinpointed here would negate a lot of traffic concerns.

- Q. How about access to fire department or other emergency services; is there an advantage on one side or the other?
- A. Yes. Just off the map to the right here is the substation of Goshen, G-o-s-h-e-n, Fire Company. They run

Q. To the right?

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- A. To the right, correct, just off the photo. Their main access is right here onto Boot Road. The substation for Goshen Fire Company serves a significant portion of the north part of our 12-square mile township.
- Q. So based on these goals, you reached this agreement. When was that agreement signed by the township?
 - A. May 13th, I believe, of 2015.
 - Q. 2015?
 - A. Correct.
 - Q. And it was submitted to the PUC for approval?
 - A. Yes, shortly thereafter.
- Q. And how long were those negotiations with Sunoco to reach that agreement?
 - A. About a year.
- Q. Now, up until today, has Sunoco ever advised the township that engineering constraints make it unable to put the valve station where it was agreed?
 - A. No.
 - Q. All the way up until today?
- A. Correct.
 - Q. Now, in January of -- well, let me ask you this.

 Did you ever have occasion to have a meeting with Sunoco in

January of '16, approximately seven months after the execution of this agreement?

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A. Yes, we did. In this location on the Janiec 2 parcel, ever since about 2009, we have had a project under review called the Traditions development. It's an independent living facility that was going to take up almost this entire tract of land. We had been under engineering review again for many years. It was, again, an independent living facility, about a \$35 million development that was going to go in here.

In December of 2015, after all of those years under review, the applicant was finally ready for final plan approval. We have one meeting a month for the Board of Supervisors' public meeting. That Traditions development project approval was -- apart from the annual township budget approval, which is also the same night, was the very big piece of business to be done that night.

The applicant was present. His lawyer was present at the meeting, and the approval essentially by the Board was interrupted by a member -- actually, the president of Goshen Fire Company, and he related to the Board of Supervisors some facts; that the Board then decided, with the Traditions' attorney's approval, tabled that development approval due to his assertions at the meeting that Sunoco had apparently had interest in this property.

- Q. The Janiec 2 property?
- A. The Janiec 2 property, correct. The Board hearing this information received again a project approval extension from the applicant for this Traditions project, and we asked for a meeting. Now, this is the second week of December. So we have Christmas coming, New Years coming. It was January of '16 that we then were able to get a meeting with Sunoco to discuss, hey, what's going on with the Janiec 2 property.
- Q. Did Sunoco ever mention their interest in acquiring or using the Janiec 2 property prior to that meeting that you called for?
 - A. No.

- O. So tell me what happened at that meeting.
- A. At the meeting in January, we were provided with a map of the general layout of the pipeline. At this meeting, we were told that this Janiec 2 parcel was determined to be a place that Sunoco now wanted to have a lay-down yard and a location where they were going to have horizontal drills placed to do their horizontal drilling to reach East Goshen to the east and West Whiteland to the west.
- Q. Township Exhibit 5, is that a copy of the drawing that was provided to you at that meeting?
 - A. Yes, it is.

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- Is there a valve station depicted anywhere on that ο. drawing?
 - There is not. A.
 - What's that? Q.
 - There is not, no. A.
- In fact, did Sunoco ever tell you that there would Ο. be a valve station put anywhere on the Janiec 2 tract at this meeting?
- The only items that they discussed was the No. lay-down yard, essentially construction yard for the Mariner 2 project. They discussed an open trench that they would need to lay the pipe in the ground and pull it, as they call it, west to West Whiteland Township and east to East Goshen Township.
 - Who was present and when was that meeting? Q.
- It was maybe the third week of January, January 22nd maybe. On the township, I believe it was myself, Kristin Camp, the township solicitor. I believe our inhouse staff, township engineer Rick Craig was there, but I can't recall, and possibly Derek Davis.

JUDGE BARNES: Can you spell Camp?

THE WITNESS: I'm sorry?

JUDGE BARNES: Can you spell her name?

THE WITNESS: Oh, yes. I'm sorry. Kristin

Camp, C-a-m-p, township solicitor; Rick Craig, C-r-a-i-g,

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BY MR. SOKORAI:

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Q. And this was January when?

A. 2016.

Q. January 2016. And the date of the plans that they gave you that day on Township 5?

township engineer; and I believe the assistant township

manager, Derek Davis, D-a-v-i-s; they were present on our

- A. The date on the plans of Exhibit 5 -- oh, man. The date is September 28th, 2015.
- Q. Now, from the date of that January meeting all the way up until January of 2017, for that entire year, did Sunoco ever advise that it was unable to put a valve station on the agreed-upon SPLP use area?
 - A. No.
- Q. Did it ever advise you that it intended to put a valve station all the way across 202 on the Janiec 2 tract?
 - A. No.
- Q. What happened in January of '17, if anything, to tip off the township that Sunoco actually did plan on using the Janiec 2 tract?
- A. Yes. In maybe the second week of January, we received essentially a box of plans and specifications from the I believe it's Sunoco's engineering firm, Tetra Tech, which was an erosion and sedimentation control plan for the

Janiec 2 property, which detailed this valve location, which we had never seen before.

- Q. Okay. Did anyone in the township see this application?
- A. Yes. It was sent to our township engineer, staff engineer, Rick Craig, and immediately upon his review, he informed me and I informed our solicitor that we have a valve station now on the Janiec 2 property.
 - Q. How about the public; did they see this?
- A. The public found out about it relatively quickly. We're not sure exactly how, but information spread pretty quickly.
- Q. Now, what was the date on the plans? This was submitted in mid January '17, but what was the date on the plans? Township Exhibit 6.
- A. Township Exhibit 6, these are civil construction plans for Sunoco block valve at Boot Road. Issued for review date is June 12th, 2015, and the issued for bid date is November 30th, 2015.
- Q. Now, did that June date on Township Exhibit 6, did you take note of that when you saw that date?
 - A. Yes.
 - Q. Why?
- A. The issued for review date was a month after we had just approved the settlement agreement.

Q. In 2015?

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- A. In 2015, correct.
- Q. And do you know when the PUC approved that settlement agreement?
- A. I don't know the date, but it was shortly after May of 2015.
- Q. But this was the first time you heard that they're moving it over there?
 - A. Yes.
- Q. Did the township ask for an explanation from Sunoco as to why a valve station was now appearing on the Janiec 2 tract?
 - A. Yes.
 - Q. Did they give you an explanation?
 - A. Not really, no, not at all.
- Q. This plan that was dated June 15 marked as Township Exhibit 6, was that plan prepared by the same folks who prepared Township Exhibit 5, which was given to you all the way back in '16?
 - A. Yes. It's the same firm.
 - O. Tetra Tech?
 - A. Correct.
- Q. Did they give you any reason why the pump station, even though they knew back in '15 that they're would be a pump station on Janiec 2, did they give you any reason why

A. No.

- Q. No reason given. Have you ever learned of other plans showing the valve station on Janiec 2 that even predate Township Exhibit 6?
- A. Yes. I believe I've seen one other plan that predated even those construction plans from 2015.
- Q. Now, I think actually if you flip forward to Township Exhibit 13.
 - A. Thirteen?
- Q. Yes. Is that subsequent erosion and sediment control plans that were submitted?
- A. Okay. Yes. This is another Tetra Tech set of plans. The front cover says February 2017. On the first plan sheet, the first plan sheet shows August 31st, 2015.
- Q. Now, each page, are they the same -- let's see.

 There's multiple documents here, and when we get to --
 - A. Oh, yes, yes.
- Q. When we get to the second page, take a look at that first date; the third page of the exhibit, second page of the drawing.
 - A. Yes. Issued for review, March 26th, 2015.
- Q. Okay. So what did you conclude when you saw plans dated March of '15 before the settlement agreement was even committed to writing that you're just now seeing in '17?

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24 25 Q. Now, after those E&S plans were submitted, did you have any other meetings with Sunoco?

A. Given the extensive amount of work that must have gone into these plans, that these did pre-date the settlement agreement, that -- may I offer an opinion, Your Honor?

MR. LEWIS: I'm going to object.

BY MR. SOKORAI:

- Q. I just want to know if you drew any conclusions.
- A. I did. I concluded that the plans were in place before the settlement agreement.
- Q. Did the township actually issue an E&S or an erosion and sediment control permit?
- A. The township engineer, Rick Craig, C-r-a-i-g, did issue an erosion and sedimentation control permit that was applied for in January 2017. We're under constraints by both state law and township code that a permit must be granted for a project. There's no way around not issuing a permit.
- Q. Even if portions of that contract violate a settlement agreement?
 - A. Yes.
- Q. So it doesn't mean you're happy about it, but you have to do it?
 - A. Correct.

- Q. And tell me what happened.
- A. I received I believe an email again from a representative of Sunoco stating as much, and within a day or two, we received the report that there was a land clearing company up on the Janiec 2 tract already starting grubbing and clearing of the site.
- Q. Now, do you have requirements in the township with respect to any pre-clearing, pre-disturbance activities?
- A. Yes. The township code, Chapter 69, requires -and it's clearly stated on the application for the township
 erosion and sedimentation control permit that a preconstruction meeting must be held with the township engineer
 at least 48 hours prior to construction commencing,
 including grubbing and clearing of a site.
- Q. Now, I want to show you Township Exhibit 7. Can you please turn to that?
 - A. Yes.
- Q. It's a two-page document. One is the title page of Chapter 69, soil erosion and sediment control.
 - A. Yes.

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- Q. Did the clearing activities coincide with any PUC action, PUC events, to your recollection, the date of any prehearing conferences?
- A. To my recollection, there was a pre-conference hearing I think July 6th or somewhere around that area.
- Q. And -- well, let me ask you this. Do you recall observing the beginning of these disturbance activities on the same day as that conference?
 - A. Yes, yes.
 - Q. That's when you found out about it?
- A. Yes.

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Q. When you got the notice from Sunoco that it was

- Q. And the same day as this hearing?
- A. The pre-conference hearing, yes, that's right.
- Q. Do you have any idea as to whether Sunoco intends to put the valve station with any degree of immediacy, whether they intend to start construction now?
- A. I would say yes. I don't know why they would have graded and cleared the site if they weren't ready for construction.
 - O. Any other indications that it's immediate?
- A. Yes. The site has been cleared. Construction entrance has been done. So, yes, I would assume it's imminent.
- Q. Did you get PennDOT notices that work was beginning?
 - A. Yes, we did.
- Q. Did the township request Sunoco to cease operations until the issues with this case are done?
 - A. We did.

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- Q. Did they agree to stop?
- A. No.

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No.

- Q. So would it be less cumbersome or less disruptive to your township to use the agreed-upon site and why?
- A. Yes. I mean, obviously, the access and blockage of Goshen Fire is of paramount concern to the township for safety. Again, this Goshen substation services a major portion of the north side of the township. Their ambulances and fire trucks exit, if you orient yourself on the map, they exit the building and use that primary entrance or exit onto Boot Road as their only way to get on and out for a fire call.
- Q. Now, there's been a representation in this case by Sunoco's counsel that, hey, look, we don't need immediate relief because we'll just simply move the valve station if we have to move the valve station later. Do you agree with that representation that it's no big deal?
- A. No. It's a major deal, because we'll have to go through construction again. The noise, the vibration, the obstruction, everything will have to occur again instead of just putting it where they were supposed to in the first place.
 - Q. Are these important issues to the township?
 - A. Major issues to the township, absolutely.
 - Q. Now, are you trying to stop Sunoco from putting a

A. No.

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- Q. What are you trying to do? Why are you here today?
- A. The township just wants them to abide by the settlement agreement strictly.
 - Q. Put it where they promised?
 - A. Yes, yes.
- Q. Let me just ask you about this Traditions project. We have a site plan. Did that actually get approval by the township?
 - A. It did, yes, correct.
- Q. So the township approved a developer to come in and put something here. What was approved to go here?
- A. It was again an independent living facility, about a \$35 million construction project on the site. It would have provided 114 units, market rate rent.
 - Q. Would that be a service to your constituents?
- A. Absolutely. The market demographic according to the developers was 75 to 85-year-olds. We don't have a facility like this in the general area as an independent living facility. So it was going to be an amenity for our township residents.
 - Q. Tax revenue associated with it?
- A. Tax revenue, going from a vacant, unused lot since the '70s to a \$35 million building, we would have had

Q. Were road improvements associated with that development?

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- A. Yes. The developer agreed to about \$200,000 of direct improvements. With this intersection of Boot Road and 202, it's incredibly congested. They were going to do \$200,000 of improvements. Again on your Exhibit 11, . . . Greenhill Road and Boot Road is again congested. They were going to do significant improvements to that intersection, plus provide another \$200,000 of cash to the township for other road improvements east on Boot Road that feed directly into the site.
- Q. Is any of that project or the benefits associated with that project happening now?
- A. No. The developer walked away from the project completely.
- Q. You say he walked away. Was this property condemned?
- A. The property was condemned to my knowledge by Sunoco, the entire property, yes.
- Q. So the developer no longer owns this property; correct?

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Q. And if Sunoco were to move off of this property, that project could happen?

A. It could, yes.

Q. I just want to make sure that I have -- we have discussed a number of exhibits. We have Township 1, 2, 3, 4, 5. We did 6. We did 7, 8, number 9 -- oh, we didn't do number 9 or 10. Let me just talk real quickly about number 9.

MR. LEWIS: Your Honor?

JUDGE BARNES: Yes.

MR. LEWIS: With your permission, Mr. Sokorai is going through the exhibit list. My list is 1 and 2 -- so we have 1 through 8. We then have 11 and 13.

JUDGE BARNES: The only three exhibits -- I agree. The only three exhibits that he has not discussed are Township 9, 10 and 12.

MR. BROOMAN: I'm sorry. Do you say you don't have them or they weren't discussed?

MR. LEWIS: They weren't discussed.

MR. BROOMAN: Okay. Thank you.

(Pause.)

BY MR. SOKORAI:

Q. All right. So Township Number 9 is just some photographs. Can you just tell me what these photographs

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First, if you would turn your attention to Exhibit Q. R-6, could you please read out loud the last paragraph on the first page?

"A discussion of the Final Land Development for a Α. 43,671 square foot, 114 unit independent living facility for Traditions Development of Boot Road between State Route 202 and Greenhill Road ensued. The project was scheduled for approval at this meeting. Mr. Bob Hall, President of Goshen Fire Company, stated that he understood Sunoco Logistics had approached Traditions about possibly using their property in the construction phase of the Mariner II pipeline project. Mr. Hall requested that the Board of Supervisors delay their vote until the Township could investigate the impacts of the Mariner II project on emergency access for the Goshen Fire Company substation located adjacent to the Traditions property. Mr. John Jaros, representing Traditions, stated that he was still requesting Final approval this evening, as the project has met all Township conditions for approval."

- And is this the conversation or discussion at a Q. township meeting to which you were referring earlier?
- Yes, and I apologize. I thought it was December, A. but it was less than a month later in January of 2016, not December of '15.
- And then at the January 27th meeting, could you Q. read I guess it's the second or third paragraph from the

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JUDGE BARNES: All right. The Court will accept him as an expert witness regarding pipeline safety. You may question him as you see fit.

MR. SOKORAI: Thank you, Your Honor.

BY MR. SOKORAI:

- Q. Could you just tell us when you were retained by West Goshen Township and for what purpose?
- A. Approximately mid-2014, and mainly it was focused on what we'll call the Mariner East 1 project, the eight inch existing pipeline repurposing where they were going to reverse it and put it into HVL service.

I basically was asked to look at all aspects of safety regarding the proposed operation of that pipeline as it could affect the West Goshen Township.

- Q. Okay. What types of things would you look at and why, or did you look at and why?
- A. Well, for a liquid pipeline, you start with an elevation profile, because that's kind of what I'll call the soul or the basic foundation which everything else will build off of.

So the elevation profile, and then from there, without getting into too much technical detail, where would you have pump stations, how would they basically be designed, where would you suggest to put valves, and then check into other issues related to, what did you do to re-verify the

integrity of the pipeline in a situation of ME1, because that was an existing pipeline being refurbished.

- Q. And did you in fact look at all those documents?
- A. Yes, I did.
- Q. And did you make recommendations to the township regarding Mariner East 1 eight inch line?
 - A. Yes, I did.
 - Q. And what types of recommendations did you make?
- A. Well, there was a lot of discussion, they were getting a lot of feedback from the public about trying to avoid the pump station having a flare, and without getting into the details against confidentiality, my position would be that Sunoco understood the importance of the flare at that pump station, and it was important that that be installed there. So that was one of the issues that was fairly technically detailed. And then we had to --
- Q. I'm sorry. Is the flare the same thing as that VCU that other witnesses talked about earlier?
- A. I didn't hear the other witnesses, but I'll call it a flare. I don't know what "VCU" means.
- Q. So you made some recommendations regarding having that flare there. Anything else?
- A. Well, went into the detail review of what I'll call the piping instrument diagram for the Boot Road pump station. These are all confidential documents that were

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provided by Sunoco and I looked at those extensively and concluded that Sunoco had prudently designed that system to handle its service.

- Q. Now, you mentioned this confidentiality. When you received documents and drawings and specifications from Sunoco, were you able to share them with West Goshen Township and West Goshen Township's counsel?
 - A. No.
- Q. So you and you alone were permitted to review these documents?
 - A. That's correct.
- Q. Okay. Did Sunoco agree to automate any valves in connection with your recommendations?
- A. Yes.. We had discussions about some valve placement and valve, beyond the placement, the requirement to automate the valves such that they could be remotely closed and opened from the control center.
- Q. And in fact, I think both of those valves were ultimately done?
 - A. Yes, on the eight inch.
- Q. Okay. And was there any correlation with any lawsuits that West Goshen Township brought?
- A. Well, the original understanding in talking with the Sunoco project manager, Mike Slough, is they were going to automate these valves. They were existing valves that

West Goshen Township and Sunoco?

- A. Not involved in terms of negotiations and things like that. From time to time, if they had like a flare or what you call the VCU would come up, I would explain to the attorneys why technically this may be needed or why it wouldn't be needed.
- Q. But did you receive copies, draft copies of the settlement agreement?
 - A. No.

- Q. Are you aware that the settlement agreement calls for a valve at a very specific location called the SPLP use area?
 - A. I'm aware of that now, yes.
 - Q. Because of this lawsuit?
- A. Yes.
- Q. Okay. But you were not involved in any of the negotiations to put any particular facilities at any particular spots, correct?
 - A. That is correct, yes.
- Q. And was the location of the valve station important to your analysis, or was that more of a township issue?
 - A. That was a township issue.
- Q. Are property boundaries and township boundaries relevant to your analysis?
 - A. No. Mine is a safety analysis.

Q.

Did you ever discuss with Mr. Slough Sunoco's

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obligation to put the valve station in the SPLP use area?

- A. No.
- Q. Did it ever even come up in conversation?
- A. No, it did not.
- Q. What was your role in evaluation, if at all, in evaluation of Sunoco's HDD plan?
- A. I became aware of it because the documents were supplied to me in April of 2016, and then I had a conversation with Mike about, you're HDD-ing basically underneath the township.

And he explained to me, the reason they were HDD-ing there was, the Pennsylvania DOT requirement to HDD under State Route 202, and so in doing that, that would require that the HDD go well below the pump station, and it turned out it would come up on the east side of State Route 202, and that they would then do a second HDD some distance about, I'll say 200 feet where the original HDD came out by conventional open cut methods which would be an ideal place to put a valve. And I agreed with him, yes, that would be an ideal place to put a valve.

- Q. And why would that be an ideal place to put a valve?
- A. It's close to the surface. You're already at the surface, and so valves usually have to surface above the ground.

BY MR. SOKORAI:

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Q. You indicated that Mr. Slough discussed a valvestation being placed east of 202 in your discussions, correct? A. Yes.

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- Q. And you did not discuss that with the township, correct?
- A. That is -- to the best of my recollection, that is correct at the time, yes.
- Q. And since this lawsuit, you've discussed that, right?
 - A. Yes.
- Q. Okay. Now, what I'm asking you is, was the west side, the SPLP use area, the agreed-upon location, was that discussed as an alternative?
 - A. No.
- Q. Was any reason ever given to you by Mr. Slough or anyone at Sunoco why they couldn't do it at the SPLP use area?
 - A. No.
- Q. Were you evaluating this in any way as to whether this complied with any obligation to put it in the SPLP use area?
 - A. No.
 - Q. Why not?
- A. I didn't see it as my jurisdiction. I was looking for safety issues.
 - Q. Okay. Did you even notice that it was an issue?
- A. No.

there.

JUDGE BARNES: I'm sorry. He keeps referring to HDD.

MR. SOKORAI: I'm sorry. That's an acronym for horizontal directional drilling.

JUDGE BARNES: Okay.

BY MR. SOKORAI:

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- Let me just, because we may have had confusion on Q. the acronyms there, so we have horizontal directional drilling on the east side, but that generally means that's where the valve station would go, correct?
 - I'm sorry, I didn't hear your question. Α.
- The horizontal directional drilling now occurring on the east side of 202, that means that's where the valve

- A. That would be a logical place for it, yes.
- Q. But if the horizontal directional drilling were occurring on the agreed-upon area, the SPLP use area, that would be the logical place for the valve station, right?
 - A. That's correct.
- Q. And that all has to do with the relative location of the pipes to ground level or grade?
 - A. That's correct, yes.
- Q. So If they put the pipe in the ground as they're doing now over on the east side, can they simply just move the valve station over to the SPLP use area later?
- A. No, because the HDD takes the main pipe, in this case the 20 inch, very deep, and then it arcs up to the surface. So the opportunity for a valve is where it comes close to the surface, so as presently proposed back in April of 2016, you know, it was going to go underneath the Boot Road pump station somewhere like 75 feet deep, which there's no way you can get a valve there.
- Q. Was any reason given to you why they couldn't do it the horizontal directional drilling at the SPLP use area?
 - A. No, never came up.
- Q. Would re-drilling, if they have to simply -- if they finish this valve station here and now do new drilling over on the SPLP use area, is that re-drilling and re-

running of the line, is that risk- and cost-free?

- A. No. You're basically duplicating all the expenses and issues and permits that may be associated with having to come up with a new HDD bore.
 - O. Are there any risks to the public?
- A. Well, yes. I'm reading way too much about HDD breakouts or frackouts, you know. We shouldn't be having to say "frackouts" going up from --
- Q. Okay. How about in Chester County or Delaware County, have you seen any of these frackouts?
- A. Yes. I've seen a newspaper article. I've not seen the sites themselves.
 - O. What are frackouts?
- A. It's when you're doing an HDD, you're boring and you have a drilling mixture of bentonite and water.

 Bentonite by its nature is supposed to be an inert clay, so it shouldn't be an environmental issue, but it can be a particulate issue.

A breakout or a frackout is, you're doing a bore under -- and this is oversimplification, so I apologize -- you're doing the HDD bore, you're in a cylinder of bentonite and water mixture, and you monitor the pressures to monitor the integrity of the bore.

And in some cases, you could actually, in the pressures involved, can crack out or break out and get out of the

cylinder for boring, and it can migrate that into water, or l in some cases I see they're getting into drinking water 2 wells. 3 MR. SOKORAI: I don't have any further 4 Thank you. questions. 5 JUDGE BARNES: Bentonite is spelled 6 B-E-N-T-O-N-I-T-E; is that correct? 7 THE WITNESS: You're asking an engineer to 8 spell? 9 (Laughter.) 10 JUDGE BARNES: Yes, I am. 11 BY MR. SOKORAI: 12 Is that your best guess? 13 That's close enough. Α. 14 JUDGE BARNES: Subject to check, okay, just 15 for the court reporter. Thank you. 16 MR. SOKORAI: Opposing counsel and the Court 17 may have some questions here. 18 MR. LEWIS: Is this the microphone? 19 JUDGE BARNES: You have one on your table, Mr. 20 Lewis, Please speak into it. Thank you. This is cross-21 examination. 22 CROSS-EXAMINATION 23 BY MR. LEWIS: 24

Mr. Kuprewicz, this is Christopher Lewis.

Q.

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After much consultation with the PUC counsel as well as the expert, Richard Kuprewicz, the township decided it made sense to discuss potential settlement. They were no longer going to protest or try to defeat the public utility status that Sunoco claimed, and instead they decided to try to negotiate a settlement agreement where the board's largest concerns could be addressed.

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And that was primarily, as Mr. LaLonde testified, protecting the health, safety and welfare of the residents, containing -- one of the biggest concerns of some of the residents that opposed the application before the Zoning Hearing Board was, what was this going to look like.

The existing pump station had been there since the 1930's, you know, rather industrial looking in a residential area, but people are used to it. It's been there.

So one of the goals of the supervisors was that any expansion or any additional facilities that Sunoco would need to build related to Mariner 1 would be contained within that same parcel or, as Sunoco had advised the township, that they had acquired or -- at that time, I think they had acquired the what was referred to as Janiec 1 tract, the 4.42 acres adjacent to the Boot Road pump station.

The board wanted to make sure that if anything had to be constructed related to Mariner 1 or Mariner 2 I guess at that point, it really would be contained within those two

parcels to the west of Route 202.

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The other concerns were really just safety issues, a lot of people, you know, now learning for the first time what Mariner 1 and Mariner 2, what types of liquids or gas would be transported through the pipes.

Everybody was very concerned that these materials were more volatile or highly volatile, and given the proximity of these pipelines to residential properties, to schools, to churches, the residents were really urging the Board of Supervisors to do all they could to make sure that what was being done was done in the most safe, prudent manner that it could, and that's what the township really then researched, who was the best in terms of the experts in terms of pipeline safety. That's how actually one of the other supervisors learned about Mr. Kuprewicz, retained him, and part of the settlement agreement that was critical was making sure that Mr. Kuprewicz be provided with information to be able to come back to the board and assess whether what they were doing, you know, met the PHMSA guidelines. don't know, that's an acronym for -- you'll have to help me, Mr. Brooman, with the lettering. It's the federal agency that promulgates guidelines in terms of pipeline safety.

Mr. Kuprewicz advised the board whether or not, in his expert opinion, Sunoco was doing what they could to meet those guidelines and/or to exceed those guidelines.

 Q. With respect to the many residents or number of residents who had this concern about this, keeping it all contained in this --

A. Yeah, the residents of Mary Jane Lane and even the subdivision called Hamlet Hill, it is across Boot Road, I guess up on the south side of Boot Road, pretty dense residential development.

From I'd say April of 2014, every month when the board met, through when the settlement agreement was done in May of 2015, pretty much every Board of Supervisors' meeting was standing room only, these residents coming to really understand what the board was going to do to try to protect their interests with respect to what was happening with Sunoco.

- Q. Now, there's a document that we had that's called Township Exhibit 2, which is an overhead picture of the Janiec 1 tract. Here's a blowup right here.
 - A. I have it.
- Q. Were you involved in the negotiations for the settlement agreement?
- A. I was. Mr. Myers and Mr. Brooman were primary counsel, but I was reviewing things and providing input or quidance.
- Q. And the guidance that you would provide, in your understanding of the settlement agreement, tell me what it

was, all the way through the process with respect to that little area called the SPLP use area.

A. So that's referred to in the settlement agreement, and that's what we also refer to as Janiec 1 property, the 4.4 acres that Sunoco had acquired from the Janiecs, I think with the original intention to put another pump station and the VCU.

And then through the settlement agreement, it was determined that they could actually retrofit the existing pump station and put the VCU on the existing Boot Road facility, but that they would need to -- they wanted to build in some flexibility that if there were other above ground structures that would have to be constructed for Mariner 1 or another Mariner, Mariner 2, it would be confined with the SPLP use area.

- Q. Okay. Was it your understanding that there was a promise, a covenant, by Sunoco to put those additional -- that valve station in that area?
- A. That's what the settlement agreement contained. It was in the background section, but there was language in the settlement agreement that indicated that all of the representations made in the background paragraphs were being relied upon by all of the parties, specifically as to my client, the Board of Supervisors of West Goshen Township were relying on those representations before they entered

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the settlement agreement.

And again, it was critical to the board as to where above-ground facilities would be located.

- Q. Were you involved in any discussions with anyone from Sunoco or their representatives as to why those promises and covenants would be contained in the facts or background section as opposed to in the covenant section?
 - I do not recollect those conversations. Α.
 - Q. Okay.
- I might have been copied on emails, but I think most of those occurred mainly through Mr. Myers and Mr. Brooman with Mr. Lewis.
- Okay. Now, were you ever involved in a meeting Q. with Sunoco in approximately January of '16, as Mr. LaLonde said, after it was learned in the Traditions project that Sunoco was doing something with respect to the Janiec 2 property?
- So I had been involved since Day One when A. Yes. Traditions first approached the Board of Supervisors seeking a zoning change to allow their use on the Janiec 2 tract.

The board ultimately amended the zoning ordinance and then held what's called a conditional use hearing to the zoning hearing to allow the use.

That use got approved. Residents in East Goshen appealed that use, so that probably took two years. After

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the appeal was -- or the decision of the board was affirmed,

Traditions went forward with its land development plan. So

it had been a very long process.

They had a little bit of a holdup with getting their Army Corps permits, so again, there was a delay. Finally, in December of 2015, the developer came back to the township and said, you know, we have all our other permits, we're ready for the board to consider land development approval.

They came to the first meeting in January of 2016 asking for the board to approve their land.development plan, and literally as the board was being asked to render that decision, before the board took a vote, Bob Hall, president of the Goshen Fire Company, stood up and said, "Board, do you have any idea what's happening here? Sunoco has approached us, asking us for easements to be able to access the Janiec or the Traditions site."

And having been involved in the Traditions development process throughout the years, I was surprised by that. I think the board, this was the first that they had heard about it. And Mr. Hall said, you know, I would ask that the board would please defer taking a vote, that you can understand exactly what Sunoco's going to be doing, how it's going to impact the fire company operations and how it's going to impact Traditions being able to develop the site.

We actually had to wrangle the solicitor representing

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the applicant, because they were really anxious to move this forward, and I said, "Well, the board's not going to take a vote on it. They need to understand what's happening with Sunoco." He reluctantly granted the extension.

And in between the first meeting in January and the second meeting in January when the vote was taken, we had requested to have a meeting with representatives from Sunoco to be brought up to speed on what exactly they were planning on doing with respect to the Goshen Fire Company property and the Janiec 2, or otherwise known as Traditions site.

So, yes, I actually -- we had suggested that we have that meeting so that we could go back to the board and say to them, this is what's happening and this is how it impacts the Traditions development that you were ready to approve.

- Q. Did that meeting occur?
- A. It did occur, and it was either January 20, 2016 or January 22nd. I can't remember the exact date.
- Q. And who was at that meeting, to the best of your recollection?
- A. I was there. Casey LaLonde was there. I believe Rick Craig was there, Mr. Gordon --
 - Q. Who's Rick Craig?
 - A. Rick Craig, C-R-A-I-G, is the township engineer.
 - Q. Okay.
 - A. Derek Davis, the assistant manager, probably was

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there. He typically comes to all meetings that Mr. LaLonde goes to. Kathleen Shea, who was counsel for Sunoco; I believe Mr. Gordon was there.

- Q. From Sunoco?
- A. From Sunoco. A gentleman, Donnie Z. is how I refer to him. He was a relationship manager, I believe, from Sunoco. There may have been agents from Percheron,

 P-E-R-C-H-E-R-O-N, who was Sunoco's land agent, and they had been involved in the acquisition or the negotiation, I believe, of the Janiec property for purposes of Sunoco.
- Q. Okay. Now, do you remember every single aspect of that meeting?
- A. No. I mean, I remember the purpose of the meeting was to try to understand exactly what Sunoco was planning on doing at the Janiec 2 tract, and how it was going to impact the board's decision whether to grant the land development approval and whether or not that land development was even going to be able to be built after Sunoco did what it wanted to do with the property.
- Q. And what was your takeaway from that meeting? What did you learn?
- A. They talked to us about the HDD, the directional drilling, and where on Boot Road they were planning on doing the directional drilling, and that the Janiec tract was sort of in the center of the directional drilling that was

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happening in East Goshen to the east, and that was happening in -- a little bit of West Goshen, but mainly West Whiteland to the west, and that the Janiec tract was central to those two locations of HDD and it was critical to have the Janiec 2 tract to be able to use as a laydown area and to put the drill so that they would I guess pull up what had been directional drilled in. They would excavate a portion of the Janiec tract.

And it was discussed, and actually one of the exhibits was provided to us at that meeting showing the area of the Janiec tract to be used as a laydown area.

- Q. When you say "one of the exhibits," are you referring, I believe it's --
 - A. Township 5.
 - Q. -- Township 5?
 - A. And these red notes, that's my handwriting.
 - Q. Okay.
- A. So I took notes at the meeting to try to really understand from an engineering perspective what was supposed to be happening on the Janiec 2 tract, and they never mentioned in that meeting anything about a valve.
- Q. Okay. In that meeting, nothing was discussed to your recollection about a valve being installed on this property?
 - A. I don't recollect anything relating to a valve. I

recollect it being a laydown area and that the laydown area 1 was going to be a temporary situation, temporary meaning for 2 as long as they were constructing Mariner 1 and Mariner 2.

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And I think I would have -- I mean, again, the purpose of the meeting was to understand if what Sunoco was going to do was going to impact Traditions being able to build what it was building, because you have this developer that's been spending years and years and years trying to get their land development approval, and the board wanting to see that development go forward.

I mean, they changed the zoning to allow it to go forward. They wanted that type of housing. They felt there was a need for it. They also wanted the improvements that were associated with it. There were going to be traffic improvements along Boot Road. There was money being contributed to the Open Space Fund. There were contributions to the fire company that were going to be So the township was really interested in knowing if what Sunoco was going to do there was going to permanently impact and prevent that development from being able to go forward.

- So if you would have of permanent above-ground Q. facilities, you would have known it?
- I absolutely would have, and we would have advised the board that that had to be shown on the land development

plan for Traditions. I mean, it would have impacted what was being approved.

- Q. Did you ever advise the board that there was going to be a permanent impact on Traditions?
 - A. No, because I was not aware of it.
- Q. Okay. Now, Township Exhibit 5, we talked about, that was the diagram that was given to you at the January 20th or 22nd meeting, we're not sure of that date. Is there any indication on here of an above-ground facility such as a valve station?
 - A. No.
- Q. Was there any reason given to you why there were no above-ground facilities anywhere on this diagram?
- A. There was just not one discussed with respect to the use of the Janiec 2 tract.
- Q. Now, do you take notes regularly at meetings such as this one with Sunoco?
 - A. I do.
 - Q. What's the purpose of taking those notes?
- A. I need to take notes to be able to recollect things that happened. I also try, pretty much after most meetings. I have to report back to the client, whether it be the township manager or the Board of Supervisors in this case, and I need to have my notes to rely on to then prepare either memoranda or emails to the Board of Supervisors.

Q. Now, do you take these notes contemporaneously with the meeting?

- A. I do.
- Q. And you then do use your notes thereafter, you said, to prepare these memoranda or --
 - A. I do.
- Q. Okay. And is this done in the ordinary course of business as an attorney?
 - A. It is.
- Q. What I have marked as Township Exhibit 18 is a, what I believe, a copy of your notes. I'm going to ask that you take a look and let me know if these are your notes from that meeting.

(Pause.)

MR. LEWIS: Your Honor, I know Mr. Sokorai has not yet moved the admission of this document, but I believe he's trying to qualify it as a business record that's prepared in the ordinary course of business. I don't believe that an attorney's notes of a meeting qualify under that exception to the hearsay rule.

JUDGE BARNES: First, I'm going to ask you to speak into the microphone going forward --

MR. LEWIS: Oh, I'm sorry.

JUDGE BARNES: I did hear what you said. Do you have a response?

MR. SOKORAT: Your Honor, I believe that any regularly conducted business, as long as it's -- the testimony is that it's the standard practice, used in the ordinary course of business, and retained in the ordinary course of business. I believe that is a business record exception to the hearsay rule.

JUDGE BARNES: All right. I'm overruling the objection. You may answer the question.

THE WITNESS: These are my notes from the meeting.

BY MR. SOKORAI:

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- Q. And you did retain those in the ordinary course of your business?
 - A. I did.
- Q. All right. And you provided a copy to us and that's how we're giving it to you, correct?
 - A. I did.
- Q. All right. Now, first of all, can you tell me what the date of that meeting was?
- A. I don't know if I dated the -- I know I prepared a memorandum. Let's see. Hold on, I'm sorry, it is, on the top of the second page, January 20, 2016.
- Q. Now, can you just kind of walk us through and tell us, what it was that was -- let's do this. Please take a look through those notes.

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A. Okay.

Q. Tell me if there's anything inconsistent in there with what you just explained about the conversation with Sunoco and its effects on that property.

(Witness perusing document.)

- A. There's nothing inconsistent with my testimony, no.
- Q. So even after reviewing your notes contemporaneous with the meeting, you were never told that there was going to be a valve or a valve station on the Janiec 2 property, correct?
- A. There's nothing in these notes that reflects discussion about a valve, and had there been, I believe I would have written it down in these notes.

MR. SOKORAI: No further questions, Your Honor.

JUDGE BARNES: You may cross-examine.

MR. LEWIS: This time I'll speak into the

CROSS-EXAMINATION

BY MR. LEWIS:

microphone.

- Q. Thank you for your testimony, Ms. Camp. You began your testimony, I believe, by pointing out that there was a meeting at which some 300 residents attended; is that correct?
 - A. I believe it was the second -- well, there was

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Q. After you prepared these notes from the January 20, 2016 meeting, did you have any discussion with Mr. Kuprewicz

numerous meetings relating to West Goshen and Sunoco where there were, I don't know, exactly 300, but standing room only in the township building, and oftentimes we had to take it to a local high school to have additional seating capacity. So the one that I was referring to, I believe, was the second zoning hearing after people had learned about the application that they had filed seeking a special exception.

- Q. And would it be fair to say that Sunoco's plans for the Mariner East project are controversial in -- first, are they controversial within the township among the residents?
 - A. Absolutely.
- Q. And would it be also to say that there's substantial opposition among many of the residents against the project?
 - A. Yes.
- Q. And it's also correct that the township supervisors are elected; are they not?
 - A. Are elected?
 - Q. Yes.
 - A. Yes, they are.
 - Q. And this is an election year; is it not?
 - A. There is an election in November, yes, correct.

about these plans?

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- A. I did not. I did not discussions with Mr. Kuprewicz.
- Q. Okay. You were in the hearing room when Mr. Kuprewicz just testified?
 - A. I was.
- Q. And did you hear his testimony that ordinarily, if an HDD is done, that generally a valve will be sited there because that's the point where the pipeline would be closest to the surface?
 - A. I did hear his testimony, yes.
 - Q. But you did not consult with Mr. Kuprewicz --
 - A. I did not.
 - O. -- in 2016?
 - A. I did not.
- Q. If you would turn to Township Exhibit 4, the settlement agreement, and page three, it was your understanding, was it not, that if there were engineering constraints, the company could locate the valve station someplace other than the SPLP use area?
 - A. I'm trying to find the paragraph that addresses --
- Q. It's the second to the last sentence of Subsection 2 --
 - A. I'm sorry, I have the wrong document --
 - Q. -- of page three.

A. Yes.

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- All right. And can you please direct your Q. attention to Township Exhibit 15? Do you have it there? (No response.)
 - Please tell me what that is, sir.
- Township 15 is a memorandum from Mr. Lewis dated Α. February 4, 2015 to Mr. Ken Myers, that's M-Y-E-R-S, who was my partner, myself --
 - At High Swartz? Q.
- Both of High Swartz; Scott Rubin, who was counsel for the Concerned Citizens, and that's spelled R-U-B-I-N; Kristin Camp, who just testified; and Mr. Michael Krancer,

also of Blank Rome.

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- Q. Okay. So did you receive this email and attachment on February 4, 2015?
 - A. I did.
- Q. All right. Please tell me what the email says and what it meant to you.
- A. There were discussions back and forth about those ten points. One of those ten points was to basically turn their representation of fact into a covenant, which was, they were not going to place any further above-ground facilities in West Goshen Township.

That was discussed as it being a covenant, and during meetings and then in this memorandum it was explained that they did not want to put such a representation or a covenant in there that they wouldn't put a valve into a township for fear that every township along the line for the full 318 miles or so would request the same, and said they couldn't do it that way, they needed to state it as fact.

- Q. Okay. Now, were there previous discussions before this email along those same lines?
- A. Yes, and it was explained in meetings not just by Mr. Lewis, but Mr. Krancer, Mr. Alexander and general counsel herself.
- Q. And you described one such meeting to me before. Tell me where that meeting occurred that you particularly

recall.

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- A. It was a meeting right around this time frame, probably late January, in the High Swartz conference room known as Decker (phonetic).
- Q. And this email is consistent with those conversations?
- A. Yes. That last sentence, if you will, of the first paragraph states that specific objective of the company, Sunoco, that they not put anything in a covenant that would come back to hurt them with other townships throughout the 318 mile stretch of pipeline.
 - Q. So the covenant will be couched in terms of a fact?
 - A. Yes, as a representation of fact.
- Q. Now, let's go to the attachment. Did the attachment do anything to the ten term points as indicated in the email?
- A. Yes. Again, we were talking about where they would put, if anything, additional facilities, if you will, above-ground appurtenances, as they like to call them, on the property.

And they cited the VCU or vapor combustion unit and the potential valve for ME-2, so this represents a short slide presentation, if you will, that was given to me so I could relay it to others as to exactly here they were going to put the VCU, and it's shown in two places. One, on the black

and white, it's a very small dot that's right, as shown in a
white box, if you will, next to the pump station
configuration itself, and if you look very carefully, it
actually has an arrow with a box, VCU. And then attached to
it is a circle around a new property they purchased, and
that's where they could potentially put the VCU and any
above-ground valve associated with ME-2.

MR. LEWIS: Excuse me, Your Honor.

(Pause.)

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JUDGE BARNES: For clarity, are we referring to Township 15, the last two pages of the exhibit?

MR. SOKORAI: Yes.

BY MR. SOKORAI:

- Q. So let me ask you. So the very last page, that's the page with the circle around it and you're circling the area of the SPLP use area?
- A. Yeah. It was to be legally defined later, but these at this point were still concepts, and this was a concept drawing, if you will.
- Q. Now, on your email of Township 14, as of January 30th, there was no valve station mentioned, was there?
 - A. Not that I can recall at that time.
- Q. Okay. Do you recall, who raised the issue of a valve station?
 - A. It would have been Sunoco. I'm not exactly sure

who within Sunoco.

- Q. Okay. Do you recall when that issue came up, that, "Hey, in addition to the terms we've been discussing, we also need to put a valve station somewhere?"
 - A. I don't recall a specific date that it came up.
 - Q. Okay. But it did come up somewhere along the way?
- A. It came up right around this time frame. Whether it was directly before or after February 4th -- could have been a little after February 4th.
- Q. What I want to know is, who selected the location for the valve station?
 - A. Sunoco.
- Q. Now, we've heard testimony from Mr. LaLonde and Ms. Camp that the township was interesting in containing all of the facilities into this area, correct?
 - A. Absolutely correct.
- Q. Are you sure that it was Sunoco who selected the SPLP use area?
- A. Well, it was a negotiation, but when they said they wanted to put a valve, the township wanted to put it as close to the Boot area pump station that currently existed, and that's where they drew the circle and said, "We could put it here." The township, again, objected, keep it right on the existing site.
 - Q. Okay. And Township Exhibit 16, can you tell us

what this is and where it came from?

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A. Sixteen is a memorandum of February 10 from Mr. Krancer to myself, Mr. Myers and Mr. Rubin with a carbon to Mr. Lewis, and it was right before that they had said, "We're going to put a valve in the SPLP use area right next to or adjacent to the Boot Road pump station if not within the fence." The township wanted to know what a valve looked like, as did, frankly, Mr. Myers, because he had never seen one. So Mr. Krancer sent over the photo of what a valve looks like, and that's a valve without any landscaping as page two of Township 16. Page three of Township 16 is a valve purportedly fully landscaped.

The other issue being discussed in this memo, which isn't necessarily relevant to my testimony or this proceeding, is there was a whole issue with respect to compliance with sound, and here again, they submitted additional information with respect to sound and measurements of where various decibel readings would be from the VCU unit.

- Q. Okay. And then of course, Sunoco then responded with Township 17?
 - A. Correct.
 - Q. And just walk --
- A. Seventeen is the February 11 memo from Mr. Lewis to myself, Mr. Myers and Mr. Rubin with a carbon copy to Mr.

Krancer. And this was Mr. Lewis following up on a term sheet based on discussions with my partner, Mr. Myers, and Mr. Krancer.

- Q. Okay. And did this discuss the specific location of the valve station?
- A. In I(a), it was a covenant that they weren't going to put any above-ground facilities on the SPLP use area.
- Q. All right. And in fact, did Sunoco ever reduce the SPLP use area to a legal description?
 - A. They did.
- Q. Okay. And are we seeking, is the township seeking to keep the valve station inside the legal description as prepared by Sunoco?
 - A. It is.

MR. SOKORAI: I don't have any further questions.

JUDGE BARNES: Cross-examine.

CROSS-EXAMINATION

BY MR. LEWIS:

Q. Mr. Brooman, I just want to understand one thing and make it clear for the record. Would you take a look at Township Exhibit 16? Did I understand your testimony to be that you understood the third page of this to be a photo of a valve site when it's installed and fully screened and landscaped?

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MR. LEWIS: I have no further questions.

JUDGE BARNES: Redirect?

MR. SOKORAI: Thank you, Your Honor. Just one

REDIRECT EXAMINATION

BY MR. SOKORAI:

question.

- Q. So Mr. Lewis referred to the term sheet attached to Township 17, right?
 - A. Yes.
- Q. You remember talking about that, and he said, well, you understood that the valve station could move around a little bit or move due to engineering constraints. Did you hear him asking those questions?
 - A. Yes.
- Q. I want to refer you to paragraph one, about midway down. "The location depicted on the attached map for the valve station," do you see that?
 - A, Yes,
- Q. "Is understood to be the best approximate location for this valve station at this time, and is subject to full detailed engineering which will determine its exact locations on the SPLP use area." So it was your understanding that it could move, but it would move within the SPLP use area?
 - A. Correct. They represented to us that they didn't

have a final engineering design with respect to ME-2, and that they had no plans to show us, but yes, if there was going to be any valve, it was going to be directly adjacent to the existing Boot Road pump station in the area that became known in the settlement as the SPLP use area.

- Q. There was no discussion of Janiec 2 or any other location in the township ever during these negotiations?
- A. Absolutely not. The number one tenet of West Goshen Township was, no more above-ground facilities, we have enough, and if there are going to be any, it's going to be right on that Boot Road pump station.
- Q. And this February 11th document marked as Township

 17, that pre-dates the March Sunoco plans to put a valve

 station on the Janiec 2 spot by about a month?
 - A. Sixteen days, to be exact.
- Q. Sixteen days, okay. I want to ask you, when was the first time you had ever, ever heard any indication that there was going to be a valve station at any other location except the SPLP use area?
- A. When I got a call from the township after receiving the E&S plans saying, "Did you know there was going to a valve on the Janiec property?" And I said no.
 - Q. You never saw those plans?
 - A. I didn't.

MR. SOKORAI: I have no further questions.

exhibit that's now on the easel that's been previously marked as Exhibit R-4.

First, can you generally describe what R-4 depicts?

- A. I'm sorry, you said R-4?
- Q. Yes, that photo.
- A. Oh, the photo is titled R-4, yes, I'm sorry. I thought you were saying a section on the photo called R-4.

 Yes, R-4 is an aerial view of the intersection of Route 202 with Boot Road and the Janiec properties that were referenced previously.
- Q. Okay. In the settlement agreement on page three, at the top of the page, it states that, "Except that a remote operated valve station will be constructed and maintained on SPLP's adjacent 4.42 acre property, Parcel No. 52-0-10-10.1, also known as the former Janiec tract, the SPLP additional acreage." Can you point out where the SPLP additional acreage is on that photo?
- A. The acreage you're referencing is outlined in orange on this photo.
- Q. Okay. It then states, "The proposed location of such valve station on the SPLP additional acreage is depicted on the map attached hereto as Appendix 1 and incorporated by reference, the SPLP use area." Can you point out where the SPLP use area is?
 - A. The area you're referencing is outlined in blue

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within the orange parcel that you've just referenced previously.

- Q. Did you attempt to site the valve on the SPLP use area?
- A. Yes, we did. It was the preferred location for us to have a valve at the site that we already own and operate, I mean, from a host of reasons. For maintenance purposes, you like to have your equipment in one location to the best of your ability. And obviously, we wanted to satisfy the township concerns.

JUDGE BARNES: Is the microphone turned on?

THE WITNESS: Yes, ma'am. It's green.

JUDGE BARNES: If you could speak a little

THE WITNESS: I'm sorry. I'll try.

JUDGE BARNES: Thank you. I have R-5. I don't know about the court reporter.

(Pause.)

THE WITNESS: Yes, R-5 is a construction detail plan view and profile of a horizontal directional drill that we prepare for the contractors as part of the bid package, construction package, so they know what they are building.

BY MR. LEWIS:

Q. Using Exhibit R-5, can you explain to the

there is a call-out for Geotech SB-03, and then another one on the east side of Route 202, SB-04.

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At the bottom left corner of the drawing, you'll notice the Geotech call-outs for what type of rock we found there, SM, which is a type of sandstone. Likewise on the right hand side, SB-04, again, there's a call-out for SM, and it showed the approximate level of topsoil and fill material.

That fill material is basically placed there when they built the highway, and when construction of the highway occurred, they likely, since it's a significantly lower elevation than the current route profile, they likely did significant excavation, possibly blasting. I don't know about that. But it creates fractures, even when they excavate to build the road.

So as you heard the township expert testify, when you have unconsolidated rock or fractured rock, there's an ability for the drilling fluid to find a crack in the rock and go to the surface instead of coming back to the drill pump. We call that an inadvertent return.

I could revisit the explanation of that, but I think
Your Honor understood what he was saying, or would you like
me to give you an overview of drilling?

JUDGE BARNES: I'm fine.

THE WITNESS: Okay. So basically, the water and the clay will follow those cracks to the surface. Our

BY MR. LEWIS:

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- Q. Mr. Gordon, if the Commission were to order the valve to be sited on the SPLP use area today or at the conclusion of this litigation, would that be prudent from an engineering standpoint?
- A. From an engineering standpoint, no. To install the valve, you're saying, in that use area?
 - Q. Yes.
- A. No, for the reasons we just discussed. The feasibility of getting it in there is extremely difficult and potentially unsafe.
- Q. I think I may have skipped over this. Could you just describe for the Commission what the purpose of the valve is?
- A. So as the pipeline is flowing from west to east, we have pumps that move the product. We also have, at the inlets, the on ramps/off ramps, we have metering that monitors the mass coming in at each point and going out at each point so we can always -- we have a computer that's doing calculations on a fraction of a second basis to make sure what goes in and what comes out equal.

In addition to that, we have pressure point stations located at valve sites segmented throughout the line.

There's a federal requirement that you install main line valves that, in the case of emergency, that you can isolate

- Q. So my question to you is pretty simple, Mr. Gordon, and that is, did Sunoco consider siting the valve on the SPLP use area after that March 2015 date?
- A. Yeah, we were running parallel paths, trying to analyze options to how best install it. We had looked at this long drill, obviously there's a drawing that shows that. We didn't get all of the utility locate data until the fall/winter of 2015, and we still needed to perform geotechnical analysis. I don't recall the dates we received geotech.
- Q. Did you receive instructions from Sunoco upper management in 2016 and 2017 regarding the siting of the valve?
- A. Generally, they would prefer that we try to keep it in the existing site.
 - Q. When did you have those conversations?
 - A. I don't remember specific dates.
 - Q. But what years?
- A. We have a monthly meeting with upper management where I had to present the status of the project, permitting and design and now construction. So every month we would meet, and this parcel, this area had come up on multiple occasions, and they did at those meetings insist that we do our best to try to keep the valve in the existing site.
 - Q. Did you hear Ms. Camp's testimony today?

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stormwater runoff, so instead of using permanent stone, we used a geotextile material mixed with soil and stone that has more permeability and creates less water runoff, and then we amended the plan and submitted that final approved design and received the township's permit.

So there was notices informally there of the actual plan, of what we intended to do with the township engineer, which we heard earlier the township manager said the township engineer brought to his attention.

And then more recently in March, we had a sit-down meeting with the township representatives about this valve site.

- Q. So could you just briefly describe the March meeting, first of all, when it occurred, and who was there and what was discussed?
- A. I don't have the specific date in front of me. My recollection on the Sunoco side was myself, Kathleen Shea Ballay, S-H-E-A, B-A-L-L-A-Y. I believe Joe McGinn was there, and on the township side I believe Casey LaLonde was there, Kristin Camp. I believe there was someone else on the township side as well, but I forget who off the top of my head.

MR. SOKORAI: Can we just clarify what year we're talking about?

MR. LEWIS: Twenty-seventeen.

THE WITNESS: Twenty-seventeen, March 2017.

BY MR. LEWIS:

- Q. What was discussed at that meeting?
- A. We discussed, the main focus was the valve site again. We were questioned, could we put it into a vault to get it below the ground, with the line of questions the manager had asked, aesthetically what we were going to do, what impacts would that have on the resulting development of the site.

So we went through the more current design where the valve is located on the property now or expected to be, and we were talking about upcoming issues in relationship to the settlement -- or, I'm sorry, to their PUC filing opposing the valve.

- Q. Did you tell the township at that time the reasons why the company was siting the valve on the Janiec 2 tract?
 - A. I did.
- Q. Mr. Gordon, does the company have all the permits it requires to do the work on the Janiec 2 tract?
 - A. Yes.
- Q. I've provided you with a copy of a document that's been pre-marked Exhibit R-8. Can you identify that document for the record?
- A. Under Chapter 102, this is the erosion and sediment permit that was issued by the Pennsylvania Department of

- Q. And what is the date of that permit?
- A. It's dated June 6, 2017.

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- Q. Could you read into the record the description of proposed work?
- A. Installation of the Sunoco PA pipeline project.

 Pipe will be installed via horizontal directional drill,

 also notes HDD, for most of the length within West Goshen.

 There will be a vegetative block valve pad installed east of

 Route 202 along Boot Road. In accordance with post

 construction stormwater management plan report and plan

 dated June 2, 2017 and erosion and sediment control report

 and plan dated February 2017.

So this is the result of those previous submissions I referenced earlier when we applied for the permit in 2016 and then updated the application in 2017. It was ultimately issued in June of 2017.

- Q. Has the company commenced work on the Janiec 2 tract?
 - A. Yes.
 - Q. What is the current status of the work?
- A. As described earlier, I believe Mr. LaLonde said that we used a brush hog to basically mow the brush there. You have to mow the brush before you put down the erosion and sedimentation control devices so that they can lay flat and properly perform their functions.

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That's also recognized in the PA DEP permits construction sequence. The only time you put controls down before you clear the brush is when you're on a steep slope, and as you can see in the pictures, this lot does not constitute a steep slope.

So they used that mowing attachment to mow down the brush on site, and then they installed the erosion and sedimentation control devices, the silt socks around the perimeter on the down slope sides where they belong, per the approved township permit drawings.

We also installed a rock construction entrance off of Boot Road so that the equipment could access the site without using the driveway from the fire department that crosses over our parks R-easement -- I'm sorry, our fee owned parcel.

- Q. I'm going to give you a set of photos that have been marked Exhibits R-11, R-12, R-13, R-14 and R-15, and could you describe what is shown by each photo, and also point out which photo shows the driveway you constructed?
- A. Okay. I'm currently looking at photo R-11. R-11 is on the Janiec 2 parcel, approximately here, looking towards the road, somewhat in a southeasterly direction.

You can see that there's still some grass present, that it has been mowed. The mulch debris was moved over into piles to be loaded out.

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pipeline has to be complete in order for us to transport product safely.

- Q. Would delay impact parties other than Sunoco?
- A. It will delay the producers out at the western part of the state that are developing the material from the two shale areas and it will delay the shippers who have committed to volumes to ship the materials to the marketplaces, very similar like the opportunity -- well, problem that arose on Mariner 1 that the project solved, the polar vortex, when there was a shortage on propane.

There hasn't been a shortage on propane since the Mariner 1 went in. Now we have additional ability to supply more products when these lines are completed.

- Q. And what would the impact of delay be on consumer?
- A. Those raw materials couldn't be produced into manufacturing goods. Those fuels wouldn't be able to get to the marketplace.

(Pause.)

MR. LEWIS: We skipped one exhibit.

BY MR. LEWIS:

- Q. Can you identify Exhibit R-16?
- A. That's an aerial photograph of the fire department.
- Q. And do you see the two green arrows?
- A. Yes.
- Q. And what do the two green arrows show?

	15 and 16 for identification, and were received in
2	evidence.)
3	JUDGE BARNES: I just want to say, as an
4	aside, the lights may go off at six p.m. Do you have
5	MR. SOKORAI: Hopefully we will be able to get
6	done.
7	JUDGE BARNES: Good. Do you have cross-
8	examination?
9	MR. SOKORAI: We do. I know we are limited or
ιο	time, but may we take just five minutes before we kick off?
11	JUDGE BARNES: All right.
12	MR. SOKORAI: I don't think it will impact
13	JUDGE BARNES: Fair enough.
14	(Recess.)
1.5	JUDGE BARNES: Mr. Gordon, I remind you that
16	you are still under oath. Thank you.
17	MR. SOKORAI: Thank you, Your Honor.
18	CROSS-EXAMINATION
19	BY MR. SOKORAI:
20	Q. Mr. Gordon, were you involved in the negotiations
21	that led to the settlement agreement?
22	A. Some of them, yes.
23	Q. Which ones were you involved in?
24	A. Mr. Slough had asked me a lot of questions from

technical and construction aspects of the project, and I did

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attend one of the meetings, I think it was in Blank Rome's office down in Philadelphia where Mr. Brooman and Mr. LaLonde were present.

- Q. Okay. And what was the purpose of you being at those meetings?
- A. To help provide answers to any technical questions relative to construction or design of the project.
- Q. Did you review the settlement agreement before it was executed by both parties?
- A. I had seen versions of the settlement agreement throughout the process off and on.
- Q. Do you know if you saw the final version of the settlement agreement?
 - A. Yes.
- Q. Did you see the diagrams that were attached to the settlement agreement?
- A. I probably did. I don't recall them specifically.

 If you have them --
- Q. Were you the person who selected the SPLP use area for use in the settlement agreement?
 - A. Yes.
- Q. Now, the settlement agreement is dated, was executed by Sunoco in April of 2015, correct?
 - A. I believe so. I don't have it in front of me.
 - Q. Now, we have seen drawings and plans prepared by

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Tetra Tech for Sunoco in as early as June of 2015 showing locations for the valve station not on the SPLP use area, correct?

- A. I believe so.
- Q. In fact, those drawings show that the valve station goes on the Janiec 2 property, correct?
 - A. Yes.
- Q. Now, you have not come here and provided us with any plans or drawings or diagrams that depict any potential placement on the SPLP use area as agreed, have you?
- A. No. What I did was explain the challenges in constructability of doing so.
- Q. Well, you said that there was computer models where this information gets plugged into?
- A. When the HDD design is finalized or prior to finalizing, they run a stress calculation on what the pipe will see before it's finalized.
- Q. Now, you haven't brought any of the results of those computer models for the HDD pipeline at this location, have you?
 - A. No, sir.
- Q. Okay. Did you run them for the SPLP use area as well as the Janiec 2 tract?
- A. No. When the alignment was going through a house, we didn't feel the need to pursue that one -- well, I should

say it's more so, since it was going to go through a house and since we had the inability to make the pullback pipe on the property line up with the HDD to actually pull the pipe into the ground, there was no point in actually reviewing the HDD analysis further. The better alternative at that point was feasibility of open cut construction.

- Q. When did you first realize that you would have to go through a property with a residence on it?
 - A. I don't know the exact date.
 - Q. Well, estimate for us.
- A. I can't give you a good estimate. I don't know specifically when that happened. I would say probably 2015, 2016 time frame.
- Q. Okay. Well, let's focus on, early as we can in 2015, all right. The computer models, do you know when the computer models were run?
- A. As I mentioned, there wasn't a computer model run for that because of the house.
- Q. Because of the house. So when was the computer run for the Janiec 2 tract?
 - A. For the existing one?
 - Q. Yes.

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A. I don't know the specific date, because I usually don't review the models. My engineering firm reviews it and their PE seals off on the drawings.

- You didn't think they'd be relevant for the Court to see?
 - I didn't bring them. A.
- So we didn't bother to do the computer models for Q. the agreed upon site. Now, we did talk about drawings and I believe you said the plans were developed in parallel, correct?
 - Yes. Α.

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So we have the March '15 profile drawing that shows, the March 2015 profile drawing that shows the Janiec 2 tract. I think R-5 is one. The parallel plan that you

 said was being developed for the Boot Road area, where is that?

A. There's not a plan like this one. We did some KMZs where we modeled what the radius of curvature would look like. The consultant did the modeling. We reviewed them from a feasibility standpoint on what we called a MOC call. It's a management of change call where we review the project designs every Thursday since 2014.

So the engineers step me through what they've done on that call and determine what feasibility they see or don't see in a given change to the project, and then based on their recommendations, we make a decision on how to proceed.

And then if there's items that are of a larger nature beyond my delegation of authority, as I mentioned earlier, there's a monthly meeting with senior management where I present options to pick from and get their input as well in the decision making process.

- Q. Now, it was based on the input from these consultants at these meetings that you didn't bother to make the alternate drawing for the parallel plan, putting it through the SPLP use area, correct?
- A. There was KMZs, which is basically a Google Earth mapping system where we review the feasibility in that platform before we go to the time and expense to produce this type of a drawing, because it's a system that has to

produce thousands of drawings. Changes to each one can have a cost associated with it and have a ripple effect on the stationing throughout the entire project.

- Q. I understand. So those KMZs were done before this profile was drawn?
 - A. Yes.

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- Q. Okay. So this profile was drawn in March of 2015?
- A. You're talking about R-5?
- Q. Yeah, I think it was R-5, I think specifically -- yeah, it's our exhibit, Exhibit 20 -- I'm sorry, hold on one second.
- A. Your exhibit shows the original revision per review of March '15, and then it has subsequent revisions up through --
 - A. Right.
 - Q. -- 2016, and that's Township Exhibit 13, right?
- A. Let me see,
 - Q. It's on the front page of the --
 - A. Yes, that's correct. Yes, sir.
 - Q. Township 13, okay. So what I'm saying is, all those KMZs were done before --
 - A. We do the KMZ before we do --
- Q. Do the drawing --
 - A. -- put it into a final construction drawing.
- 25 Q. So my point is, if the settlement agreement is

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being executed, it's being negotiated in February and March, 2015, right?

- I believe so. Α.
- And the settlement agreement is executed by Sunoco Q. in April of 2015, correct?
 - I believe that was the date we discussed earlier. Α.
 - The township signs it May of 2015, correct? Q.
 - I believe so. A.
- PUC approves it after that, right, late May or June Q. of 2015, right?
 - Α. I believe so.
- But all the while, the KMZs were already run and Q. performed and so that Sunoco knew that it wasn't going to put the on valve station on the SPLP use area because it didn't even bother to draw plans, correct?
- I was actually pushing my engineers to continue to try to find a feasible way to make it work, and they kept coming up with roadblocks as to why different options would not work throughout that time, yes.
- So I just want to clarify, then, at the time the settlement agreement was being negotiated, Sunoco, their project manager, the guy in charge of everything, didn't think, or his engineers didn't think they could do what they're representing that they're going to do in the settlement agreement, correct?

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- A. In terms of in the settlement agreement, we knew we had to site a valve, and that if we couldn't put it in that site, we would notify the township, so the valve was a known and the design that looked like the most feasible was to go in the Janiec 2 parcel.
- Q. So you say you're going to notify the township, okay. Now, so you know in pre -- while the settlement agreement is being negotiated, you knew it wasn't likely that it was going to go where you put it in the settlement agreement, but you didn't notify the township at that time, correct?
 - A. Me personally, no.
 - Q. Did anybody from Sunoco?
 - A. I don't believe so.
- Q. Now, we talked about all those other dates associated with the execution of the settlement agreement. No written notice during any of those dates, correct?
 - A. Not that I'm aware of.
 - Q. No verbal notice from you, correct?
 - A. Not from me.
- Q. So now later in 2015, by September of 2015, you've decided you know it's going at the Janiec 2, right?
 - A. I'm sorry, you said September?
 - Q. Yes.
 - A. I think we had plans from them. There was still

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the fall of 2015, up into the winter of 2015, so approximately November time frame. And likewise, I didn't

the monthly meetings with management telling me, you know,

to try and get it to work at the existing site, that their

looking like that was the way -- at that point, and I said

this earlier, I'm not sure if you caught it, I didn't have

all of my subsurface utility locates completed yet, because

those tell me the feasibility of the drill that ultimately

I didn't get the subsurface utility locate data until

We didn't give up on it at that point, but it was

preference to have it at the other site, as was mine.

have all my geotech back.

we're going with here.

So this --

So at that point, until I have all my utilities located in the work spaces and until I have my geotechnical data back, I don't have a final design. I have a concept design that no PE is even going to stamp until they get that data to look at and review.

- Q. But you didn't even have a draft design, did you, for anybody --
 - A. For the alternates you're talking about, or for --
 - Q. For the agreed upon location.
 - A. Just the KMZs.
 - Q. What?

I doubt it. Α.

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- Do you have emails confirming those meetings? Q.
- There's probably some emails confirming my attempts to continue to make the Janiec parcel work between the consultant and I.
- Did you bring any of those here today to help shed Q. light on --

A.

- Q. -- your efforts to do this?
- A. I did not.

No.

- Q. So now we get to September of 2015, and you said a little bit later, into the fall, and now you said you've done these soil studies, and in your mind you've determined it's not going to go in the SPLP use area?
- A. Well, I think at that point I know that the drill in the Janiec 2 property is going to work, and I have the geotech that we pointed out earlier to show that the drill underneath 202 in the use parcel is in a zone of fractured rock and likely to cause an inadvertent return and create a safety issue.

So at that point, I know that it's not a good path forward to use the SPLP use area in the end of 2015.

- Q. Where is the analysis that says that's not good?
- A. Well, is the analysis of the geotech or --
- Q. Yes, everything that you relied upon by that time in September of '15 that said this was not a good location to do it, where is all that stuff?
- A. Well, you can see the geotech results here on the drawings that we've shown. As far as the analysis, there's probably some correspondence between the consultant and I.
 - Q. Never gave that to the township, correct?
- A. No.

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- A. In 2016, yes.
- Q. And when in 2016, approximately?
- A. Again, you asked me that. I answered that. I don't recall the specific date.
- Q. Without a specific date, do you know if it was late in the year, early in the year?
- A. As we referenced earlier, there's 85 townships that we cross that we make these submissions to, so the specific date for each township, I just -- I don't recall. We generally started west to east, so the further west the township, it would have been earlier in the year 2016. The further east, such like West Goshen, would have been closer to the summertime or maybe later in the year 2016.
- Q. Now, you indicate that stopping the drilling at this site would cause delay, right?
 - A. Yes.
- Q. First of all, you've never said that you cannot do the drilling in the SPLP use area, correct?
- A. What I showed earlier is that the drill machine would have to set up to the west of the use area in order to maintain the radius of curvature to not overstress the pipe, and the curvature would be at a depth of approximately 20 feet to make a successful drill for that side.
- However, I don't think it will be successful because of the rock data that we're looking at on the other exhibits

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No.

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Now, you talk about this delay. How long is the Q.

delay if you would have to drill at the SPLP use area?

showing that it's fractured rock and sandstone.

Well, has an engineer ever determined that it can't be done?

- Α. I don't know to say that an engineer said it can't be done. It's that, can it be done safely is the question, and the safety is a concern in regard to inadvertent returns.
- Q. Has an engineer given you a report that said it cannot be done safely?
- Not a specific report. It would be on the weekly Α. meetings that we had to review the design where they verbally would have told me that it didn't look good.
- Is there any document here today at all that we can Ο. rely on from any type of engineer that says it can't be done safely?
 - Not here with me. Α.
- You're saying one exists, you just didn't bring it with you?
- Α. I'm not sure. There could be emails from my consultants, but I'd have to go search for them.
- You didn't think that was an important issue to bring to the Court?

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- A. How long is the delay would depend on how long we're delayed from starting construction.
- Q. So you don't have a timetable as to how far this would delay the project if the Court was to say, stop drilling here, drill over there?
- A. Well, we would have to start the permitting process with DEP. That's probably, I'd say, best case, six months, could take as long as up to two years like it did for the other portions of the project.

For the open cut section with PennDOT coming into the site, that in itself, if PennDOT would approve it, which I think is highly unlikely, I think that would be probably a year, maybe more.

- Q. Speaking of PennDOT, did you say that you have now cut a driveway directly onto Boot Road?
 - A. Yes, temporary access road.
 - Q. When did Sunoco do that?
- A. I want to say it was shortly after the township complained.
 - Q. Was there an HOP permit for that?
 - A. Yes.
 - Q. And when was that submitted?
 - A. I don't know the date it was submitted.
- Q. Now, there's other portions of Chester County where Sunoco intends to run a pipeline that it's not actively

1	drilling; is that correct?
2	A. Yes.
3	Q. Including West Whiteland Township, correct?
4	A. Correct.
5	Q. And there are significant issues with respect to
6	water supplies not being affected by the horizontal
7	directional drilling, correct?
8	A. Yes, there's a concern there.
9	Q. And as a result, people made complaints, right,
10	saying that, "My water's turning colors and my wells are
11	running dry, " right?
12	A. People did make complaints about the drill.
13	Q. And Sunoco has suspended drilling operations in
14	that township, correct?
15	A. Yes.
16	MR. SOKORAI: I don't have any further
17	questions. Thanks.
18	JUDGE BARNES: Any redirect?
19	MR. LEWIS: I'll try to be very brief
20	JUDGE BARNES: Let's be brief.
21	MR. LEWIS: Your Honor.
22	JUDGE BARNES: Thank you

BY MR. LEWIS:

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Q. Mr. Gordon, can you take a look at Township Exhibit

REDIRECT EXAMINATION

Traditions site.

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- Q. Is there any question in your mind that as of today, as of today, West Goshen Township knows the reasons why the valve needs to be cited in the Janiec 2 tract?
 - A. I believe they clearly understand why.
- Q. Is it possible to site the valve at the SPLP use area without open cutting Boot Road for about 3,000 feet?
- A. I don't know that it's practical. Without drilling the Janiec property and drilling backwards, I don't see how you do it other than open cutting Boot Road.
- Q. And there has been a prehearing conference memoranda submitted by the township calling for hearings in this case to occur in 2019. In your view, if hearings were to occur in 2019 and the Commission were to stop work at the site until 2019, would that delay the completion of the project?
 - A. Yes.

MR. LEWIS: That's it. No further questions.
MR. SOKORAI: Very briefly, Your Honor.

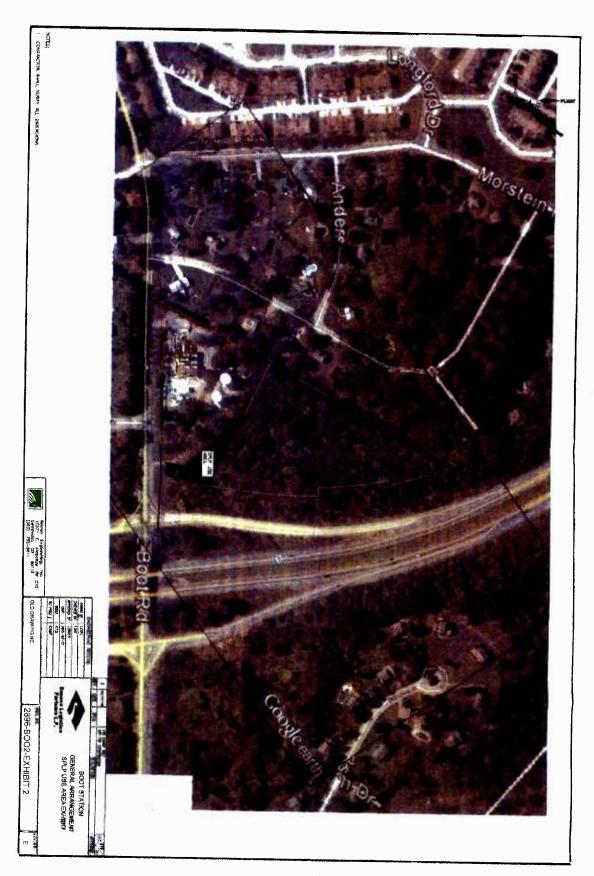
RECROSS-EXAMINATION

BY MR. SOKORAI:

- Q. You talks about these borings that indicated the soils were not compatible or not optimal for the drilling at the SPLP use area location, correct?
 - A. For the profile from the use area to the Janiec 2

APPENDIX D

EXHIBIT 2



Township 2

EXHIBIT 3





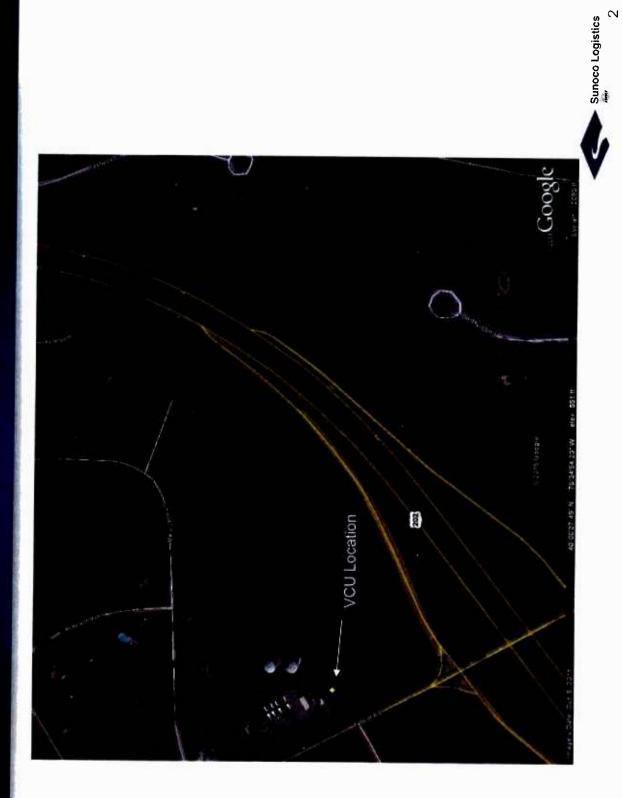




Boot Pump Station Configuration Sunoco Logistics Mariner East

February, 2015

SXL INTERNATION



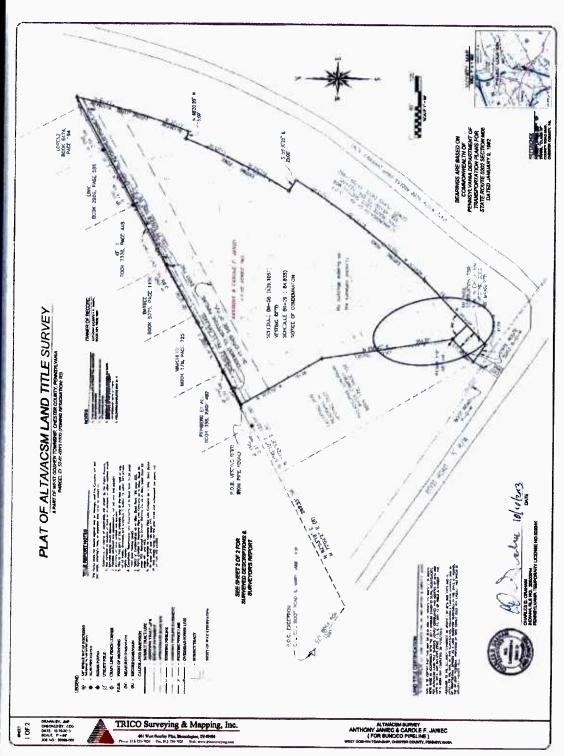




EXHIBIT 4

PENNSYLVANIA PUBLIC UTILITY COMMISSION

CERTIFICATE OF FILING

Agreement between the Township, Sunoco Pipeline LP and the local group of concern citizens of West Goshen Township.

U-2015-2486071

BY THE COMMISSION:

AND NOW, June 15, 2015, the Public Utility Commission certifies that the above, captioned contract or indenture dated May 13, 2015 has been on file with the Commission since May 15, 2015, in accordance with Section 507 of the Public Utility Code, 66 Pa. C.S. §507.

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Secretary

PROPOSED SETTLEMENT AGREEMENT - NOT FINAL UNTIL SIGNED BY ALL PARTIES

SETTLEMENT AGREEMENT

This Agreement is made by, between, and among Sunoco Pipeline, L.P., a limited partnership organized under the laws of the State of Texas ("SPLP"); West Goshen Township, a Township of the Second Class located in Chester County, Pennsylvania ("WGT"); and, Concerned Citizens of West Goshen Township, an ad hoc association of individual persons each of whom owns and resides on property adjacent to or within approximately 1,000 feet of the properties owned by SPLP near Boot Road in WGT ("CCWGT"), hereinafter collectively referred to as the "Parties."

I. Background

- A. On March 21, 2014, Sunoco filed a Petition with the Pennsylvania Public Utility Commission ("Commission") requesting, inter alia, approval for the situation and construction of a building on property owned by SPLP near Boot Road in WGT to house facilities related to a pump station ("SPLP Petition"). The Boot Road Pump Station, and an associated Vapor Combustion Unit ("VCU"), would serve a natural gas liquids pipeline owned by SPLP that is part of a project commonly known as Mariner East, which would transport propane, ethane, and other natural gas liquids from points west and north of WGT to points in Delaware County, Pennsylvania, and the State of Delaware. The Commission docketed the proceeding at P-2014-2411966.
- B. On April 18, 2014, CCWGT filed a Protest and Preliminary Objections to the SPLP Petition. On April 21, 2014, WGT intervened as of right in the Commission docket.
- C. In response to the Preliminary Objections of CCWGT and other parties, SPLP filed an Amended Petition against which further preliminary objections were filed by CCWGT, WGT, and other parties.

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- D. After the exchange of various other pleadings, the Commission issued an Opinion and Order dated October 29, 2014, that denied all preliminary objections and returned the matter to the Office of Administrative Law Judge for further proceedings.
- E. On November 7, 2014, CCWGT filed a Formal Complaint with the Commission against SPLP concerning alleged safety concerns with proposed SPLP facilities in WGT, docketed at C-2014-2451943 ("CCWGT Complaint"). After the exchange of various pleadings, the Administrative Law Judges assigned to the CCWGT Complaint denied SPLP's preliminary objections to the Complaint and denied CCWGT's request to consolidate its Complaint with the SPLP Petition.
- F. Subsequent to, and as a result of, these procedural matters, the Parties exchanged information (both formally and informally) and conducted settlement negotiations in an attempt to resolve this litigation and related matters.

II. Pertinent Information Provided by SPLP

- A. SPLP has provided WGT and WGT's consulting expert with the following information ("SPLP Information"). WGT and CCWGT expressly rely upon the accuracy of the SPLP Information in reaching this Agreement.
- 1. As used herein, the phrase "Mariner East Project" refers to the existing Mariner East 1 pipeline and appurtenant facilities, and all additional pipelines and appurtenant facilities to be owned and/or operated by SPLP in WGT for the transportation of propane, ethane, butane, and/or other natural gas liquids.
- 2. The pump station, the VCU and all accessory and appurtenant above-ground facilities associated with all phases of the Mariner East Project will be maintained within the present active site, Parcel No. 52-1-8-U, on which the existing Boot Road Pump Station

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currently operates (the "SPLP Existing Site"), except that a remote operated valve station will be constructed and maintained on SPLP's adjacent 4.42 acre property, Parcel No. 52-0-10-10.1, also known as the former Janiec Tract, (the "SPLP Additional Acreage"). The proposed location of such valve station on the SPLP Additional Acreage is depicted on the map attached hereto as Appendix 1 and incorporated by reference (the "SPLP Use Area"). Subject to any engineering constraints, SPLP intends to construct the valve station in the general area depicted on the map attached hereto as Appendix 1. If due to engineering constraints, SPLP is unable to construct the valve station in the SPLP Use Area, SPLP will notify WGT. Nothing in this Settlement Agreement constitutes an authorization or agreement for SPLP to construct the valve station in any location on the SPLP Additional Acreage other than in the SPLP Use Area.

- 3. As of the date of execution of this Agreement, SPLP has no plan or intention to construct any additional above-ground permanent utility facilities in WGT except as otherwise expressly set forth in this Agreement.
- there will be an enclosed VCU at the Boot Road Pump Station. The location of the VCU on the SPLP Existing Site will be as noted on the map provided to WGT and CCWGT attached hereto as Appendix 2 and incorporated by reference. The VCU is designed and will be constructed and operated to contain any pilot light or flame completely within its structure such that no flame is visible outside the pump station site except in rare instances. In the event of a rare instance in which a flame is visible, in addition to first responders and emergency responders to which SPLP currently provides notification, SPLP shall notify the WGT Township Manager of the circumstances causing the flame to be visible.

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- 5. The VCU is designed so that the anticipated noise level at a distance of 145 feet is 51.3 decibels, as shown on the noise diagram provided by SPLP to WGT and CCWGT attached hereto as Appendix 3 and incorporated by reference.
- As is the case for all of its products pipelines, the Mariner East Project present and proposed pipelines are included within SPLP's current rupture monitoring system which has several alarms designed for different pipeline conditions and events. Included in SPLP's rupture monitoring system is the Inter Site Automatic Close Logic system (ISACL), a first line of defense automated alarm system designed to automatically shut-down the pipeline and close remotely operated valves on the mainline in the event of a rupture or low pressure on the pipeline. Each individual Mariner East Project pipeline station shall be equipped with an automated shutdown and upset condition response logic that is triggered for all or any segment of the Mariner East Project. If triggered, the pipeline or a segment of the pipeline shall be automatically shut-down and the remotely operated valves impacting the mainline pipeline closed, with no operator discretion. The ISACL system can be triggered by other locations on the pipeline or can be initiated locally and it will trigger events at other pipeline locations.
- Boot Road Pump Station in WGT that are controlled by a centralized control room, and these valves will be used in connection with the Mariner East Project. In addition, SPLP maintains a number of remotely operated valves and manual valves, including manual valves at pipeline markers 228 and 236.6 (the pipeline valve locations immediately upstream and downstream from Boot Road) in connection with its Mariner East Project. As part of its final design, SPLP is installing remotely operated valves that are controlled by its centralized control room at pipeline markers 228 and 236.6. SPLP will use commercially reasonable efforts to apply for any permits,

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rights of way, approvals and extensions of utility service within sixty (60) days after the Effective Date of this Agreement. These remotely operated valves will be installed within ninety (90) days after receipt of all necessary permits, rights of way, approvals, and extensions of utility service.

III. WGT's Safety Review

1. WGT has engaged Accufacts, Inc., and its President, Richard Kuprewicz, a nationally recognized expert in the field of liquids pipeline safety, to prepare a written report as to the safety of Mariner East 1 (the "Kuprewicz Report") based on the design and engineering facts and information heretofore provided by SPLP. The Kuprewicz Report is attached as Appendix 5 hereto and is made a part of this Agreement.

IV. The Parties' Promises, Covenants and Agreements

- A. Based on the SPLP Information recited in Section II of this Agreement, the Parties agree to make the following promises, covenants and agreements:
 - 1. SPLP covenants and agrees as follows:
- a. Because of its existing Pump Station Facility at Boot Road, except with respect to the SPLP Use Area, SPLP covenants and agrees that it shall not construct or install any pump stations, VCUs or above-ground permanent public utility facilities on the SPLP Additional Acreage for any phase of the Mariner East Project. SPLP also agrees that, except for the SPLP Use Area, any use of the SPLP Additional Acreage for staging construction, laydown or other operational activity will be temporary, and SPLP will restore the surface to its former condition following the completion of such activity. SPLP will execute and record a deed restriction reflecting this limitation within sixty (60) days of the Effective Date of this Agreement, in a form substantially similar to the Form of Deed Restriction attached hereto as

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Appendix 4. SPLP will provide copies of the recorded deed restriction to counsel for WGT and CCWGT within five business days of the date of recording.

- b. SPLP will provide the WGT Township Manager with immediate notice of any Mariner East pipeline condition changes requiring remediation under 49 CFR. Section 195.452(h)(4)(i), (ii), (iii) or (iv) that potentially could impact WGT, and thereafter will provide a written report within thirty (30) days describing the remediation efforts undertaken by SPLP, the location of the remediation efforts, and the expected timeframe within which these remediation efforts will be completed.
- Within thirty (30) days after the Effective Date of this Agreement, SPLP agrees to consult with WGT officials concerning land development plans, including landscaping and fencing plans, with respect to the SPLP Existing Site and the SPLP Additional Acreage and to provide WGT officials with any existing landscaping or screening plans for such areas.
 - WGT covenants and agrees as follows:
- WGT shall not oppose the thirty-four feet (34') height proposed for the VCU.
- b. WGT consents to the withdrawal by SPLP of the SPLP Petition now pending before the Commission, and will not initiate any action or proceeding claiming that the existing or reconfigured pump station at Boot Road violates WGT's zoning or land development ordinances.
- c. For so long as SPLP offers to provide intrastate petroleum and refined petroleum products pipeline service to the public, including transportation of propane or ethane, WOT will not contest, dispute or protest SPLP's service for lack of public utility status in

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any federal, state, local or regulatory proceeding or file any lawsuit, litigation or action or join any lawsuit, litigation or action with respect thereto:

- described in Section II above; (ii) abides by the covenants and agreements in Section III, A. I above; and (iii) operates in a manner consistent with the safety, design and engineering facts and information heretofore provided to WGT's consultant, WGT agrees that it will not file or join in any complaint against the safety of SPLP's service or facilities with the Commission or any other federal, state or local government agency or endorse or promote any protest or action filed by the CCWGT or any other individual or group against SPLP with respect to the safety of Mariner East 1 or the valve station described in paragraph II.A.2. of this Agreement.
- e. With respect to Mariner East 2, SPLP agrees, upon the execution of a mutually agreeable confidentiality agreement, that it will provide to Accufacts, Inc. or a person or entity acting for WGT that is similarly a nationally recognized expert in the field of liquids pipeline safety ("Liquids Pipeline Safety Expert") information relating to Mariner East 2 of a similar nature that was provided regarding Mariner East 1 for review by the Liquids Pipeline Safety Expert, WGT and its expert will meet and confer with SPLP with respect to any concerns the Liquids Pipeline Safety Expert may have related to safety and SPLP will be provided an opportunity to respond thereto, before WGT would file any formal protest or other action raising any safety issue related to Mariner East 2.
- f. WGT will treat as public information any notifications provided to the Township Manager by SPLP concerning (1) the circumstances causing the visibility of a flame from the VCU, or (2) Mariner East Project pipeline condition changes requiring remediation under 49 CFR Section 195.452(h)(4)(i), (ii), (iii) or (iv), and will make such

PROPOSED SETTLEMENT AGREEMENT - NOT FINAL UNTIL SIGNED BY ALL PARTIES

information available to members of the public in accordance with standard WGT procedures for access to public information.

- CCWGT covenants and agrees as follows:
- a. The members of CCWGT are identified in Appendix 6 attached

hereto.

- b. CCWGT consents to the withdrawal by SPLP of the SPLP Petition now pending before the Commission and will not initiate any action or proceeding claiming that the existing or reconfigured pump station at Boot Road violates WGT's zoning or land development ordinances.
- refined petroleum products pipeline service to the public, including transportation of propane or ethane, CCWGT will not contest, dispute or protest SPLP's service for lack of public utility status in any federal, state, local or regulatory proceeding or file any lawsuit, litigation or action or join any lawsuit, litigation or action with respect thereto.
- d. Within five (5) business days after the Effective Date, CCWGT agrees to mark as satisfied and withdraw the CCWGT Complaint.
- e. As long as SPLP (i) constructs and operates facilities in WGT as described in Section II above; (ii) abides by the covenants and agreements in Section III.A.1 above; and (iii) operates in a manner consistent with the safety, design and engineering facts and information heretofore provided to WGT's consultant, CCWGT agrees that it will not file or join in any complaint against the safety of SPLP's service or facilities with the Commission of any other federal, state or local government agency or endorse or promote any protest or action filed

PROPOSED SETTLEMENT AGREEMENT -- NOT FINAL UNTIL SIGNED BY ALL PARTIES

by any other individual or group against SPLP with respect to the safety of Mariner Bast 1 or the valve station described in paragraph II.A.2. of this Agreement,

V. General Provisions

- A. In addition to the individual promises, covenants and agreements set forth above, the Parties individually and jointly acknowledge and agree as follows:
- 1. This Agreement is an agreement between a public utility and a municipal corporation that must be filed with the Commission at least 30 days prior to its effective date in order to be legally valid and binding, as set forth in 66 Pa. C.S. § 507. The Parties agree, therefore, that this Agreement shall be filed by SPLP with the Commission within five calendar days after it is duly executed by all parties. The Parties further agree to fully support this Agreement in any proceeding instituted by the Commission concerning this Agreement, and to refrain from taking any position before the Commission that is contrary to, or inconsistent with, the terms and conditions of the Agreement.
 - 2. The Parties acknowledge and agree that the Effective Date of this Agreement shall be the date which is 35 calendar days after the last date on which the Agreement is executed by all Parties, as shown below.
 - 3. The Parties acknowledge and agree that any action to enforce the deed restriction on the use of the SPLP Additional Acreage shall be brought before the Chester County Court of Common Pleas.
 - 4. The Parties acknowledge and agree that any action to enforce any provision of this Agreement (other than the deed restriction on the use of the SPLP Additional Acreage) shall be brought before the Pennsylvania Public Utility Commission or any such successor agency or commission.

PROPOSED SETTLEMENT AGREEMENT -- NOT FINAL UNTIL SIGNED BY ALL PARTIES

5. This Agreement shall be binding on the Parties, their successors and

assigns.

6. This Agreement may be executed in one or more counterparts, each of which is an original and all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed or caused this Agreement to be executed as of the dates shown below.

SUNOCO PIPELINE, L.P.	
By:	Date: 4-14-15
Attest fathles She Belley	∸
Counsel:	
west goshen township, chester	COUNTY, PENNSYLVANIA Date:
By: Name: Title: Chairman, Hoard of Supervisors	
Attest	
Special Counsel:	
CONCERNED CITIZENS OF WEST GO	SHEN TOWNSHIP
	Date:
By: Name: Dully authorized representative of CCW	/GT
Attest: Scott J. Rubin, Esq.	**

PROPOSED SETTLEMENT AGREEMENT -- NOT FINAL UNTIL SIGNED BY ALL PARTIES

- This Agreement shall be binding on the Parties, their successors and assigns.
- 6. This Agreement may be executed in one or more counterparts, each of which is an original and all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed or caused this Agreement to be executed as of the dates shown below.

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	Counsel f	or CCWGT				

CONFIDENTIAL SETTLEMENT DOCUMENT NOT FOR PUBLIC DISTRIBUTION UNTIL SIGNED BY ALL PARTIES.

6. This Agreement may be executed in one or more counterparts, each of which is an original and all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed or caused this Agreement to be executed as of the dates shown below.

SUNOCO PIPELINE, L.P.	
	Date:
By; Attest:	
	<u>All</u> e
Counsel:	
WEST GOSHEN TOWNSHIP, CHESTER C	ounty, pennsylvania
	Date:
By: Chairman, Board of Supervisors	
Attests	
Special Counsel:	
CONCERNED CITIZENS OF WEST GOSH	EN TOWNSHIP
21292	Date: 94/14/2005
By: Dub authorized representative of CCWGT Raymond Allen Attest:	
Scott J. Rubin, Esq. Counsel for CCWGT	
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Appendices:

Appendix 1: Map showing SPLP Use Area Map showing location of VCU Appendix 2:

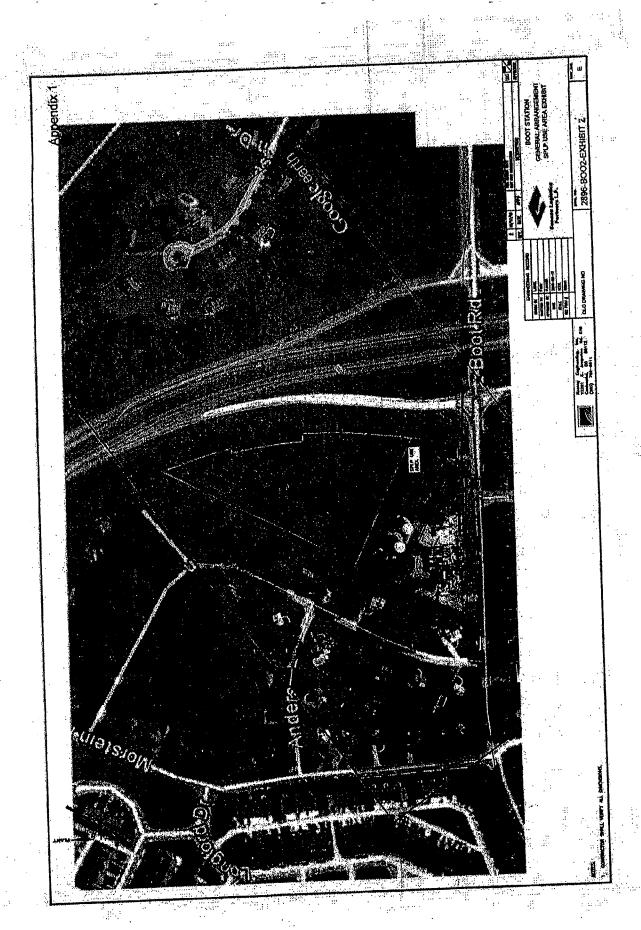
Appendix 3: VCU noise diagram

Form of Deed Restriction Appendix 4:

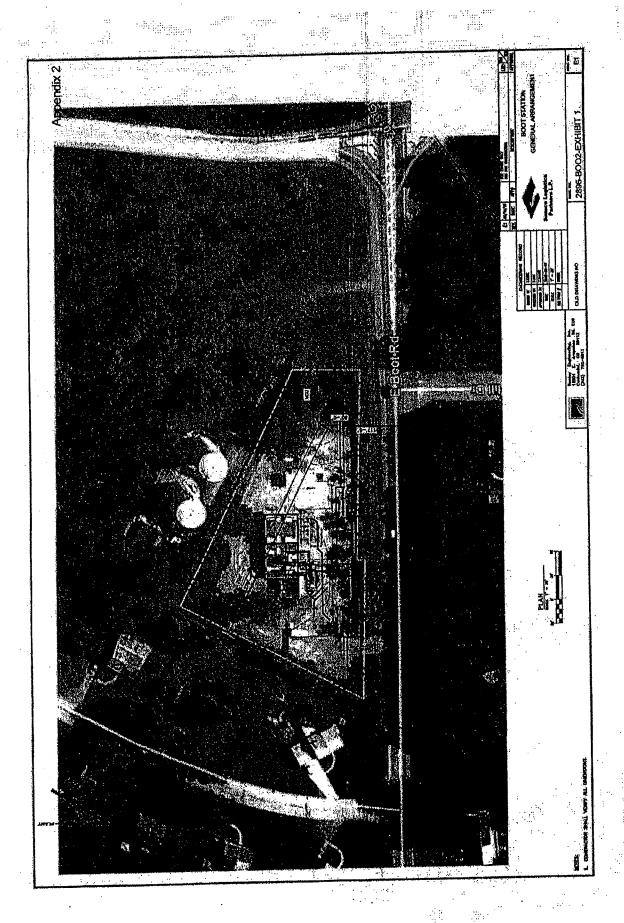
Appendix 5: Kuprewicz Report

List of members of CCWGT and signatures/initials of members (at least 51%) approving the Settlement Agreement Appendix 6:

APPENDIX 1 Map Showing SPLP Use Area



APPENDIX 2 Map Showing Location of VCU



APPENDIX 3 VCU Noise Diagram

APPENDIX 4 Form of Deed Restriction

DECLARATION OF RESTRICTIONS

THIS DECLARATION OF RESTRICTIONS is made as of this __day of ______,
2015, by SUNOCO PIPELINE, L.P., a Texas limited partnership ("Declarant")

BACKGROUND

- A. Declarant is the owner of certain real property more particularly described on Exhibit A attached hereto (the "Subject Property").
- B. Declarant desires to restrict the use of a portion of the Subject Property as more fully described on Exhibit B attached hereto ("Restricted Parcel 1").
- C. Declarant desires to restrict the use of the balance of the Subject Property (i.e., excluding Restricted Parcel 1) as more fully described on Exhibit C attached hereto ("Restricted Parcel 2").

NOW THEREFORE for good and valuable consideration and intending to be legally bound, Declarant hereby declares as follows:

- 1. Declarant covenants and agrees that it shall not construct or install any pump stations, vapor combustion units or above-ground permanent public utility facilities on Restricted Parcel 1.
- Notwithstanding the foregoing, Declarant shall be permitted to use all or portions of Restricted Parcel 1 for staging construction, laydown or other operational activity on a temporary basis, and Declarant will restore the surface to its former condition following the completion of such activity.
- 3. Declarant covenants and agrees that the only public utility purposes that shall be permitted on Restricted Parcel 2 are the following purposes: (1) construction, maintenance, repair and/or replacement of a valve station for the Mariner East Project; and (2) staging construction, laydown or other operational activity on a temporary basis provided that Declarant restores the undeveloped surface of Restricted Parcel 2 to its former condition following the completion of such activity.
- 4. The restrictions set forth herein shall be binding on the Declarant, its successors and assigns, and shall run with the land.
- 5. This Declaration shall be governed by the laws of the Commonwealth of Pennsylvania

IN WITNESS WHEREOF, Declarant has signed this Declaration the day and year written above.

Williem and vor	SUNC a Tex	OCO PIPELINE, L.P., tas limited partnership.
	ву:_	Its General Parmer By: Name: Title:
STATE OF	ss	
On this, the day of take acknowledgements and proofs in who acknowledge the sole is being authorized to so, executed the foregald limited partnership.	the Co (hims general going in	2015, before me, a Notary Public authorized to unty and State aforesaid personally appeared elf) (herself) to be the opartner of Sunoco Pipeline, L.P., and that (s)he strument on behalf of and as the act and deed of
IN WITNESS WHEREOF, I here	unto se	t my hand and notarial scal.
My Commission Expires:		Notary Public
		[Notarial Scal]

EXHIBIT A

Legal Description of the Subject Property

EXHIBIT B

Legal Description of Restricted Parcel 1

EXHIBIT C

Legal Description of Restricted Parcel 2

Accufacts Inc.

"Clear Knowledge in the Over Information Age"

4643 192 M Dr. NE Redmond, WA 98074 Ph (425) 836-4041 Fax (425) 836-1982 kuprewicz@comcast.net

Date: March 6, 2015

To: Mr. Casey LaLonde Township Manager West Goshen Township 1025 Paoli Pike West Chester, PA 19380-4699

Re: Accufacts Report on Mariner East Project Affecting West Goshen Township

1. Introduction

Accufacts Inc. ("Accufacts") was asked to assist West Goshen Township ("Township") in evaluating a Sunoco Pipeline L.P. ("Sunoco") pipeline project identified as Mariner East, a project to repurpose an existing 8-inch pipeline and to modify an existing pump station within the Township to reverse flow and carry highly volatile liquids, or HVLs, eastward. Accufacts provides specialized technical and safety expertise in pipeline and pump station siting, design, operation/maintenance, and regulatory requirements, especially as it relates to HVLs, a category of liquids given special definition and regulation in the federal pipeline safety regulations. Accufacts assisted the Township's legal team in collecting relevant technical information from Sunoco regarding the design and operation of the proposed Mariner East phase 1 ("Mariner East") pipeline project, and provided advice as to the safety and adequacy of Sunoco's approach, recommending several enhancements. Attachment 1 sets forth the list of confidential documents provided by Sunoco and reviewed by Accufacts.

The discussion and conclusions in this report are based on a careful review and analysis of the information provided by Sunoco to the representatives of the Township and to Accufacts. Accufacts understands that the Township is considering entering an agreement with Sunoco that codifies in writing the important safety systems and operating methods that factor into the conclusions reached in this report. Accufacts and the Township legal team were required to sign Nondisclosure Agreements ("NDA") with Sunoco that prevent Accufacts from disclosing certain sensitive information unless it is already in the public domain. While this

⁴⁹CFR§195.2 Definitions. Accufacts Inc.

limitation does not restrict Accuracts' ability to present its independent critical observations, the reader should be aware of the obligation to honor the NDA as Accuracts will not disclose certain sensitive details supporting our observations.

Accuracts' analysis and this report are limited to the segments of the Mariner East project that could affect the Township. Certain additional equipment physically outside of the Township was also reviewed, such as the overall control program, mainline valves, metering, and pump stations that could impact the Township in case of a release of HVL.

The Mariner East Pipeline crosses slightly over a mile of the Township as an 8-inch pipeline, primarily consisting of pipe manufactured in 1968, and newer pipe replacement segments, with the Boot Road Pump Station located within the Township that will be modified to allow the flow of HVLs consisting of ethane, propane or a mixture. These fluids are pressurized to remain liquid at operating conditions within the pipeline, but upon release would generate heavier than air hydrocarbon vapor clouds that can impact large areas. It is important that such a pipeline operation pay special attention to its design, operation, and maintenance practices to assure the pipeline's integrity to keep the fluid within the pipeline.

Federal pipeline safety regulations provide limited levels of safety assurance. Prudent pipeline operators moving HVLs should exceed these basic requirements to assure proper control of their system. These liquid pipeline safety regulations are codified in the Code of Federal Regulation ("CFR") at 49CFR§191, 49CFR§194, and 49CFR§195. The Federal Pipeline safety regulations place the responsibility of safe pipeline operation squarely upon the pipeline operator. Many process safety management approaches have been codified into pipeline safety regulations under the label "integrity management," following a series of tragic pipeline ruptures. These high profile rupture failures have called into question the dedication of certain operators to comply with the intent of the safety regulations, especially in the area of integrity management.

I have observed over more than 40 years of incident investigations that some pipeline operators embrace the process safety management intent (or safety culture) to assure that they have their pipelines under centrol, while others do not. Accufacts has developed a series of process safety management questions concerning pipeline siting, design, operation, maintenance and performance standards that allow Accufacts to evaluate whether a pipeline operator is incorporating prudent management approaches to stay ahead of pipeline failures, especially ruptures. Ruptures are large volume releases associated with big openings typically from pipe fracture. It is not that difficult for an experienced pipeline person to readily ascertain if a pipeline operator embraces the process safety management approach to pipeline safety. The following general observations follow a process safety management

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approach that I have successfully utilized over 40 years evaluating many complex operations, including pipelines.

2. Verification of Integrity of the Pipeline for High Pressure HVL Service

Pipe steel, even pipe steel manufactured over 80 years ago, does not age or wear out. Pipe steel has essentially an infinite life if properly assessed, maintained, and operated within its design parameters. Certain manufacturing processes and/or transportation, and construction techniques associated with older vintage pipe steel, as well as new pipe, can introduce some types of anomalies or imperfections that can grow to failure with time, such as cracks in pipelines. These imperfections are often associated with vintage electric resistance welded pipe, either low frequency (LF-ERW) or early high frequency (HF-ERW) pipe, that can exhibit axial crack rupture failure with time for various reasons. Also, after a pipeline is installed, certain imperfections can be introduced such as corrosion or third party damage that may merit that a particular segment of the pipeline be remediated or replaced. Additional pipe segments may also require replacement and relocation because of roadwork or other activities that have nothing to do with the condition of the pipeline. There are such pipe segments crossing the Township that replace the originally installed 8-inch pipe.

Federal pipeline safety regulatory advancements promulgated in the early 2000s, adopted as a result of some tragic transmission pipeline ruptures, improved on pipeline integrity assessments. In addition, to the published regulations, the federal office responsible for pipeline safety, the Pipeline and Hazardous Materials and Safety Administration, or PHMSA, has issued Advisory Bulletins that can be implemented more quickly than the long process associated with regulation development.

One Advisory Bulletin especially significant in this matter is PHMSA's recently released bulletin addressing "repurposing," a change in service or reversal of flow in older pipelines. This Bulletin provides guidance on the use of important hydrotesting assessment procedures utilizing a strength and spike test.

Pederal regulations do not currently specify the hydrostatic strength test as a percent of specified minimum yield strength, "%SMYS," or require the use of an additional hydrotesting protocol known as a "spike" test which is very important in evaluating many pipe steels. The above referenced Bulletin indicates: "Operators should consider performing ILI and {emphasis added} hydrostatic pressure with a spike test prior to implementing any

Accufacts Inc.

^{2 49}CFR § 195 452 Pipeline integrity management in high consequence areas.

PHMSA Advisory Bulletin, ADB-2014-04, "Pipeline Safety: Guidance for Pipeline Flow Reversals, Product Changes and Conversion to Service - Docket No. PHMSA-2014-0040," September 18, 2014.

of these changes, especially if historical records have indications of previous in-service or hydrostatic pressure test failures, selective seam corresion, stress corresion cracking, other cracking threats or other system concerns. A spike test 30 minutes in duration at 100 percent to 110 percent specified minimum yield strength or (emphasis added) between 1.39 to 1.5 times ... the maximum operating pressure for hazardous liquids is suggested as it is the best method for evaluating cracking threats at this time."

ILI stands for inline inspection, which involves the insertion, typically in an operating pipeline, of a "pig," a self-contained multi-ton device containing; a) measurement instruments, b) computers, c) storage devices to retain the information gathered, and d) batteries to support the remote device's gathering and retaining certain information about the pipeline's condition. Such ILI tools, also known as "smart pigs," are designed to measure various types of imperfections in the pipe, such as possible damage, corrosion, and with more recent developing technology, some types of crack threats. After a plg run is completed, the volume of ILI tool information must be further analyzed and evaluated off site by special analysts from the vendor supplying the ILI tool who utilize special proprietary software to determine which measured imperfections might be problematic (go to failure) before the next ILI tool run. This last step can take some time, involving months depending on the type of smart pig utilized and the amount/complexity of information gathered. Not all ILI tool runs are successful, especially if an ILI tool has not been proven field reliable for the type of threat, so a measure of precaution is warranted in ILI selection and subsequent analysis.

The best assessment method for ascertaining the suitability or integrity of the pipeline for its new service, especially if cracking threats may be present, are proper hydrotests performed in excess of the current minimum federal pipeline safety hydrotesting regulations that are meant for new pipe testing. Hydrotesting is superior due to its ability to assess/proof various forms of pipe crack threats particularly those cracks associated with certain types of vintage pipe that can grow over time to rupture failure, as ILI and associated engineering analyses has not yet proven sufficiently reliable to adequately assess. A prudent hydrotest (in excess of current federal pipeline safety regulations), is the proof test for cracking anomaly risks, given that ILI tools and related engineering assessments for discovering cracking potential are still in development.

Accufacts has reviewed the various types of ILI smart pig tools used to re-qualify the pipeline on the Mariner East project, and has carefully reviewed in detail the November 2014 hydrotest results provided by Sunoco on the segments that could affect the Township. Sunoco performed both strength and splke hydrotests. Accuracts can report that Sunoco tracked the percent minimum and maximum specified minimum yield strength, or %SMYS, during both the strength and the spike test phases of the hydrotesting. Hydrotesting pressures substantially exceeded the minimum 125 percent (1.25 times the maximum operating

Accufacts Inc.

pressure, or MOP) required in current federal regulations. These tests meet the test ranges identified in the above referenced Advisory Bulletin (at least 1.39 times MOP). It should be noted that the maximum operating pressure on the 8-inch pipeline will be quite high, so noted that the maximum operating pressure on the 8-inch pipeline will be quite high, so hydrotesting pressures as a ratio of MOP were also quite high, indicating very good integrity of older sections of pipe in the Township, despite its age, as well as replacement sections.

In addition to the hydrotesting performance factors, Accufacts also reviewed information related to pipe replacements in the Township as well as Sunoco's ILI approach in requalifying the pipeline in the Township for the new operation. A review of Google Earth and qualifying the pipeline in the Township did not reveal any threat factors such as land movement alignment maps across the Township did not reveal any threat factors such as land movement that could result in abnormal loading pipeline failure. Accufacts has found no significant anomalies that could affect the pipeline in the Township segment to cause growth to rupture failure in the reasonable future, and concludes that Sunoco's ILI assessment management approaches are prudent.

The primary objective of an integrity management program is for the pipeline operator to undertake efforts to avoid pipeline failure in high consequence areas, such as the Township, from various types of threats that may be present on such sensitively located pipeline segments. It is Accufacts' opinion for the section of 8-inch pipeline that crosses the Township, that Sunoco far exceeds a number of requirements of the federal pipeline safety regulations, that it embraces the intent of integrity management, or IM, regulations that are meant to prevent pipe mainline rupture failure, and that their IM approach is currently prudent.

3. Operation of the Mariner East Pipeline affecting the Township

Components of the pipeline other than the mainline pipe in the Township play an important role in the operation of the HVL pipeline as it could affect the Township. These include: 1) the Boot Road Pump Station located within the Township, 2) upstream and downstream pump stations and mainline pipe beyond the Township, 3) certain mainline valves and their pump stations and mainline pipe beyond the Township, 3) certain mainline valves and their actuation, and 4) to a lesser extent, the elevation profile of the pipeline.

There are certain minimum pump station requirements in federal regulation that set important obligations that the pipeline operator; a) have the station under their control (i.e., fenced boundaries), b) require the installation of cortain emergency and fire protection equipment, and c) install separate power supplies that will allow the emergency shutdown of the station

⁴⁹CFR§195.304 Test pressures. Accufacts Inc.

by the pipeline operator. With these additional requirements in place, while a failure/release in a pump station can be fairly spectacular, the release tomage from a station failure is much more limited than that from a mainline pipeline rupture failure. At Accufacts' request, Sunoco provided Boot Road Pump Station piping and instrument diagrams ("P&ID") that Sunoco provided existing and new additions to the station, indicating piping size and flow identify the general existing and new additions to the station, indicating piping size and flow arrangements within the station, as well as key instrumentation and various safety approaches for the station. The Mariner East pump stations, including the Boot Road Pump Station, are designed to be shut down in an emergency, or ESD, either locally, remotely from the control room, or automatically via the computer system, isolating line segments if needed.

Based on a detailed review of the P&ID, Accuracts observes prudent pump station design that properly incorporates safety protection reflective of an HVL product operation, and also includes additional well thought out protections for the mainline in the event the pipeline is shut down. Some of this safety design requires the installation of a flare at the Boot Road Pump Station. This flare will have three types of operation:

- a continuous pilot light within the flare to assure reliable ignition of combustibles that
 may be directed to the flare at any time;
- an intermittent burn of smaller thermal or maintenance venting of pipeline/pump station equipment periodically released to the flare; and,
- an intermittent burning of larger volumes of combustibles to quickly de-inventory segments of the pump station and sections of connecting mainline during an emergency.

Accuracts concurs with Sunoco's safety approach regarding integrating a flare into the pump station. Accuracts is well aware of public concerns regarding the installation of a flare at the Boot Road Pump Station, but Accuracts concurs that the flare is needed for various prudent safety reasons that cannot be publicly disclosed in detail.

The pump station flare should not often be operated at a high volume. Some of the public may be acquainted with flare operations associated with larger refinery flares that can generate considerably more heat and noise than the proposed flare at Boot Road. Although future pump station modifications from other pipeline projects (Mariner East 2) might increase flaring potential, the Boot Road Pump Station flare should not be operated as frequently as a refinery flare. Should such an integration occur from another project, it should still be a fairly infrequent safety operation. Basically, the Boot Road Pump Station

⁴⁹CFR§195.262 Pumping equipment. Accuracts Inc.

flare is needed to reduce volumes of combustibles that could be released into the environment in close proximity to the public in the Township. Accuracts thus concludes Sunoco's flare approach is fair and appropriate.

3b) Pipeline Mainline Valve Remote Actuation

Accuracts has reviewed the pipeline elevation profile provided by Sunoco that also identified various additional pump stations and mainline valve locations along the pipeline outside of the Township. The installation/placement of remotely operated valves along a pipeline, especially in an HVL pipeline, is not an exact science. In case of pipeline rupture, material in HVL pipelines (unlike most liquid pipelines) can flow uphill. This has made the development of regulations concerning the placement of such important valves subject to some interpretation, with a wide field of opinions. There is no absolute "one size fits all" solution to the placement of mainline valves on liquid pipelines, especially because valving with remote actuation can introduce additional operational complexities for a pipeline if an appropriate safety review has not been performed (such as surge analysis and thermal expansion potential) and incorporated into the installation.

Accuracts has recommended that two mainline valves that were installed as manually operated isolation valves beyond the Township be actuated to permit remote and automatic mainline valve closure, isolating segments of the pipeline in an emergency. Sunoco's acceptance to remotely actuate two suggested exiting manual mainline valves that span the Township, but are not within the Township boundaries, is a reasonable and necessary precaution and provides an additional level of protection to Township residents in the case of an emergency.

3c) Automatic and Remote Pipeline System Shutdown

Given its criticality to the overall operation of a high pressure HVL pipeline system in a highly populated area, Accufacts spent considerable time and effort reviewing and discussing with Sunoco's technical experts the system to automatically shut down the pipeline in the event of a possible tupture release. Sunoco information indicates that upon certain trigger events, usually indicative of a possible pipeline rupture, the Mariner East pipeline and pump stations will be automatically shut down, and the stations and segments of the mainline automatically isolated by strategically placed mainline valves closing. Sunoco further informs me that this important system-wide safety approach also covers major transients such as those that can occur during startup and shutdown, and major product changes. The control room operator can also manually initiate the automatic shutdown of the pipeline system.

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3d) "Leak Detection" Systems

There are basically two types of pipeline releases, leaks and ruptures. Leaks are smaller rate releases from such conditions as minor cracks, pitting corrosion holes, punctures etc., where the minor size of the opening limits the rate of release. Leaks can nevertheless be dangerous depending on where they occur. The other type of releases are ruptures, high rate releases associated with large openings in the pipe caused by pipe fracture from certain anomalies or imperfections in the pipe. Ruptures by their nature are always dangerous,

Because of the complexity of hydrocarbons and pipeline operation, it is very difficult to design and install a leak detection system that can remotely identify all forms of pipeline releases. Accufacts advises that pipeline operators first focus on remotely identifying pipeline ruptures, and then attempt to improve on technology to possibly identify the much harder to recognize leaks. It is a significant challenge to reliably identify rupture releases, and technology has not yet been developed to dependably identify pipeline leaks. Too often Accuracts has observed pipeline operators trying to operate leak detection systems to capture all forms of releases only to be faced with excessive nuisance false release alarms. Leak detection approaches that generate such excessive false alarms; leak or rupture, set up control room operators to miss or ignore real release events when they occur. Accufacts has repeatedly observed in its investigations excessive false leak alarms causing control room operators to miss even pipeline rupture events. 6 One of the objectives of the control room management regulation promulgated in 2009/2010 was to assist the operators in removing such excessive false alarms."

Regarding "leak detection", the Mariner East project will first incorporate an advanced computer/automatic system that scans and monitors the pipeline and pump stations for certain parameters that are indicative of a possible pipeline rupture, and automatically initiates a full pipeline system shutdown and Isolation, including pump station isolation and remote mainline valve closure, following a special required sequence. Sunoco information provided indicates a rational and progressive approach in trying to achieve pipeline rupture release detection with automated shutdown response without excessive false alarms. It is Accufacts' experience that Sunoco's particular approach may cause more false shutdowns than simple leak detection, but Sunoco has applied the use of this design that includes transient detection on their Mariner West operation, and false shutdowns have been very infrequent on that system since its startup slightly more than a year ago.

^{*} National Transportation Safety Board, NTSB, "Enbridge Incorporated Hazardous Liquid Pipeline Rupture and Release Marshall, MI July 25, 2010," NTSB/PAR-12/01, adopted July 10

⁷⁴⁹CFR§195.446 Control room management. Accufacts Inc.

To complement the automatic shutdown system focused on possible larger pipeline releases, the pipeline will also incorporate a different separate non-automatic "leak detection" software package that is intended to assist the control room operator in possible pipeline leak as well as rupture identification. To enhance the effectiveness of this software leak detection system the pipeline is to be normally operated liquid full, or non-slack line. This separate approach requires the control room operator to interpret presented information of a possible release in a special format, decide if a possible release indication is real, and manually initiate a system wide shutdown if warranted. This second leak detection monitoring system relies on control room operator intervention, but is intended to supplement the automatic shutdown intended for larger releases.

Accuracts supports Sunoco's approach for both automatic shutdown and isolation for large releases, and the second "leak detection" approach that requires the control room operator to evaluate certain presented information and determine if a possible pipeline release is occurring, and manually initiate a pipeline shutdown.

3e) The Critical Role of the Control Room Operator.

While pipeline automation plays an important role in controlling and menitoring certain aspects of a pipeline operation, and can play a timely safety role in automatically shutting down and isolating a pipeline system, the control room operator nonetheless still serves an important function in pipeline operation. The control room operator is responsible for managing various operating parameters, as well as monitoring and responding to various computer signals, including responding to alarms, in their hierarchy of importance. A well designed computer system that initiates certain actions such as automatic shutdown and mainline valve closure can react faster than a human monitoring various aspects of a pipeline system. Such complexity should not override the ability of the control room operator to initiate a shutdown if he feels it is warranted. Accufacts considers Sunoco's computer monitoring and shutdown approach to be "progressive" in its efforts to assure a safe and prompt response in the event of a HVL rupture release, should it ever be needed.

Even in a system designed for automatic shutdown, the control room operator has an important role to assure that the safety equipment has performed as intended, especially in the case of a system-wide automatic shutdown. Accuracts did not see in Sunoco's original emergency procedure that, upon such an automatic shutdown, the control room operator is instructed to check the overall pipeline system to assure that the pump stations have shut down and that automatically operated valves along the mainline have properly closed to assure segment isolation. In too many pipeline rupture investigations, Accuracts has found deficient operating procedures that do not require the control room operator to assure remotely operated/actuated mainline valves have been quickly and properly closed. Sunoco has agreed to add a modification to their control room emergency procedures to assure that

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the operator checks that the emergency shutdown system has performed as intended, and that mainline valves have properly closed.

3f) The Importance of Emergency Response Plans

Pipeline operators are required under federal pipeline regulation to have emergency response plans to deal with the emergencies associated with pipeline releases. Such procedures focus on protecting people first and then on property, establish who is in control and how control is handed off during various stages of a release, what type of command structure is utilized for such emergencies such as the Incident Command Structure (or ICS) that has proven to be highly effective in pipeline releases, and how communication is maintained with first responders who are usually the first to arrive at a release site. It is important that all key pipeline personnel be trained in their various roles and responsibilities in the event of a pipeline release emergency, especially pipelines moving HVL, that can have serious consequences.

During an emergency involving a release, the control room plays a critical role as the emergency contact actually controlling and monitoring the pipeline to assure that appropriate equipment has been properly shutdown. The control room also serves to maintain liaison with local emergency responders until hand-off to company onsite field incident command personnel can occur. The control room thus is a critically important initial contact with local emergency responders to assure everyone is properly communicating/coordinating during the important initial stages of a possible pipeline release where there can be much confusion.

Under federal pipeline safety regulations, the pipeline operator is required to notify and coordinate with emergency first responders during pipeline emergencies. The control room should have a list of local emergency contacts, including "other public officials." Local first responders and these officials should also have company emergency contacts and, for obvious reasons as identified above, the important pipeline control room emergency contact number(s). Because of various changes that may occur in organizations, local official contact numbers can be frustratingly difficult to keep current, but the control room contact number should usually never change. Federal pipeline safety regulations place the responsibility to keep emergency contacts with Township officials squarely on the pipeline operator for very good reasons. It is Accufacts' understanding that these important contacts for the Township have been recently updated and that Sunoco has a process for periodically updating the list.

⁴⁹CFR§195,402 Procedural manual for operations, maintenance, and emergencies.

^{9 49}CFR§195.402(e)(7).

4. Keeping Township Informed of Future Major Changes in the Pipeline's Integrity within the Township

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As discussed above, a prudent safety management approach should initially assess the integrity of the pipe, periodically reassess the pipe for possible new threats, and install appropriate equipment to allow the monitoring and shutdown of the pipeline during a suspected possible emergency. At Accufacts' recommendation, Sunoco has agreed to keep the Township informed of a future possible integrity threat on the pipe within the Township identified under 49CFR§452(h)(4) (i), (ii), (iii), (iii), & (iv), Special requirement for scheduling remediation, once it has been discovered by the operator. Based on Accufacts' extensive experience this reporting requirement should assist the Township to know that the pipeline operator continues to utilize a prudent integrity management approach to avoid threats of possible pipeline rupture failure on the segments in the Township. It again should be stressed that no pipeline is anomaly free, even new pipelines, so anomalies should be expected. The key is to catch those anomalies that can quickly lead to failure, especially rupture. The federal regulatory requirements as to identified threats for which the Township will receive notice should be sufficient, and reporting any changes should not be difficult or burdensome on either the pipeline operator or the Township.

5. Accufacts' Conclusions

As discussed above, the important hydrotesting protocols utilized in November 2014 by Sunoco on the Mariner East pipeline exceed federal regulatory protocols in the application of strength hydrotesting at adequate pressures and in % SMYS. In addition, Sunoco performed an important spike hydrotest which is not currently required by pipeline safety regulations. Accuracts finds that Sunoco exceeds federal hydrotest regulatory requirements and complies with the latest PHMSA Advisory Bulletin concerning pipeline reversals as discussed earlier (ADB-2014-04). These special hydrotest approaches play an important role in assuring the integrity of the pipeline at the time of the hydrotest, even for very old pipe.

It is also Accufacts' opinion that Sunoco, on the Mariner East pipeline segment that could affect the Township, is exceeding federal pipeline safety regulations in utilizing additional integrity management approaches, prudent pump station design, mainline valve placement and actuation, pipeline monitoring, as well as control room procedures, automatic release detection safety systems, and emergency notification protocols that reflect the level of respect that transporting HVL should require in a prudent pipeline operation. While these efforts cannot guarantee against a release, they reflect a safety attitude that applies up to date

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⁴⁹ CFR \$452(h)(2) Discovery of condition places an upper time limit of 180 days from an integrity assessment (e.g., ILI) for the threats that might be introduced in the future operation of Mariner East that can affect the Township.
Accuracts Inc.
Page 11 of 12

steps to avoid a release and respect for the consequences a material release could produce, especially rupture. Accuracts concludes that the Mariner Bast phase 1 project, with the enhancements discussed above, meets or exceeds the prudent technical approaches commensurate with the safe transportation of HVL.

Richard B. Kuprewicz

President,

Accuracts Inc.

- <u>:::</u>:

APPENDIX 6

List of Members of Concerned Citizens of West Goshen Township

Members of Concerned Citizens of West Goshen Township (All addresses are in West Chester, PA 19380)

Raymond and Holly Allen

Mike and Carol Burkardt Co

Derick Deangelo 1256 Victoria Lane

1244 Killem Lane

Keith Dickerson (1) 410

Amanda and John Buffington 1008 E. Boot Road

Rosana I. Chiple
1130 Laurel Drive

Marcella and Mark Denisewicz

Linda Erfle 1237 Killern Lane

> Christine & Ted Frain 1252 Victoria Lane

> Leonard J Iacono 1324 Mary Jane Lane

Kevin and Krista Link ソノオルナ 1315 Mary Jane Lane

Fric and Lizann Marchetti

W 1308 Mary Jane Lane

James & Mary Méyers 1309 Mary Jane Lane

Erin Morelli 1322 Mary Jane Lane

John & Mary Nescio 1307 Mary Jane Lane

Sharon Owen ARF A

Jeff Perham 1221 Trafalgar Lane

Phyllis Ruggiero 1311 Mary Jane Lane

Diane Watson Treon 1320 Mary Jane Lane

Georgine Guzzi 1303 Anderson Ave

Leonard Kelly 1313 Mary Jane Lane

Mark and Mary Jane Lorenz 1317 Mary Jane Lane

Drew & Kimberly McCorkell

1303 Mary Jane Lane

Steve and Lynn Moose 1235 Hamlet Hill Dr.

Anthony Natale III 1254 Victoria Lane

Cindy & Tim Nichols 1223 Hamlet Hill Drive

Tom Payletich 1132 Laurel Drive

Joseph & Deborah Radzewicz JR DR 1248 Victoria Lane

Masooda B. Siddiqui 1325 Mary Jane Lane

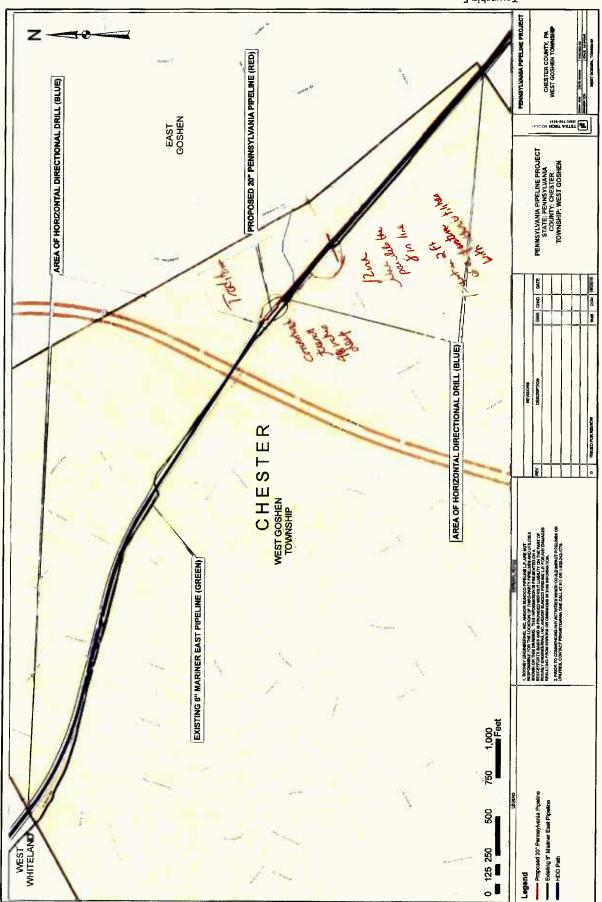
Edna Mae Veit

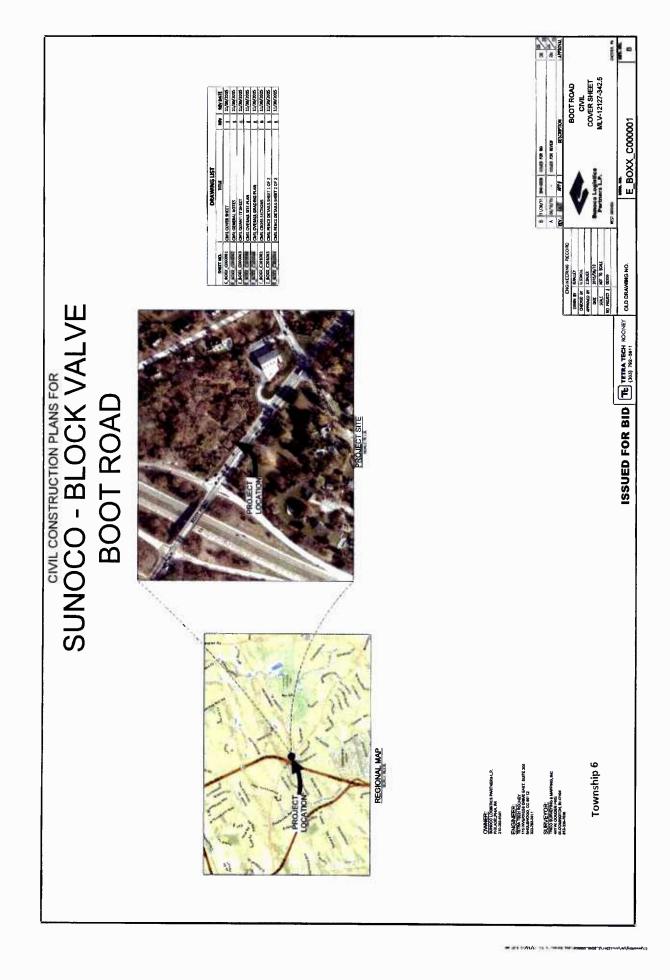
Edna Mae Veit 1314 Mary Jane Lane E

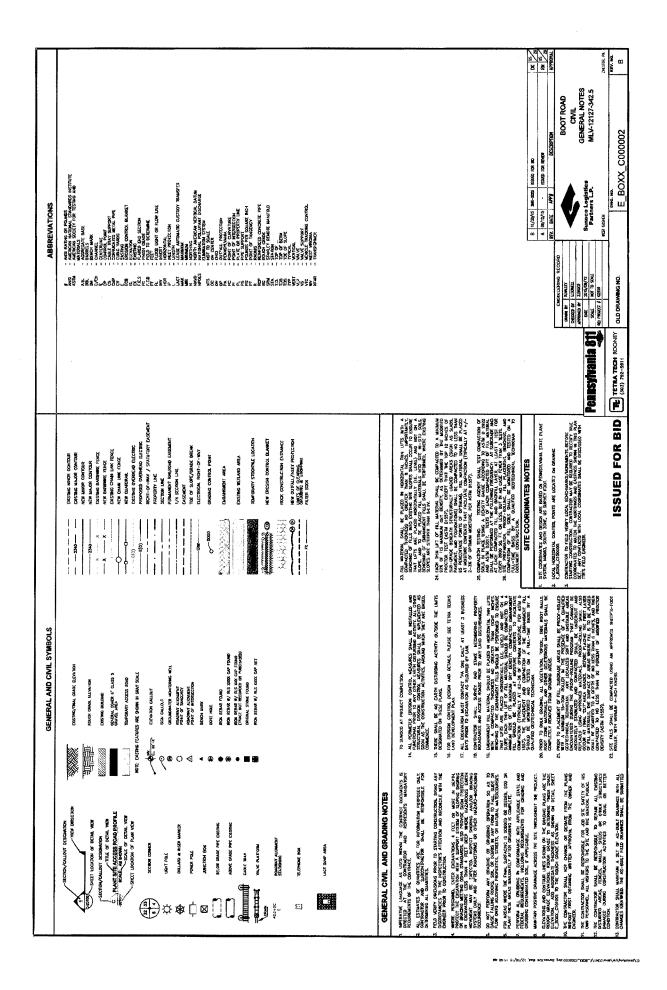
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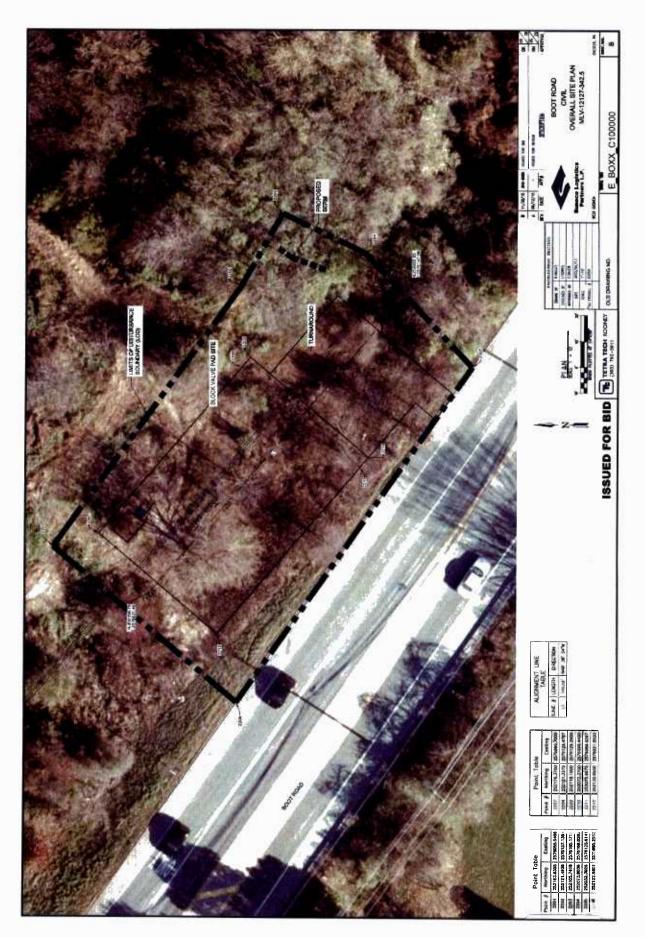
EXHIBIT 5

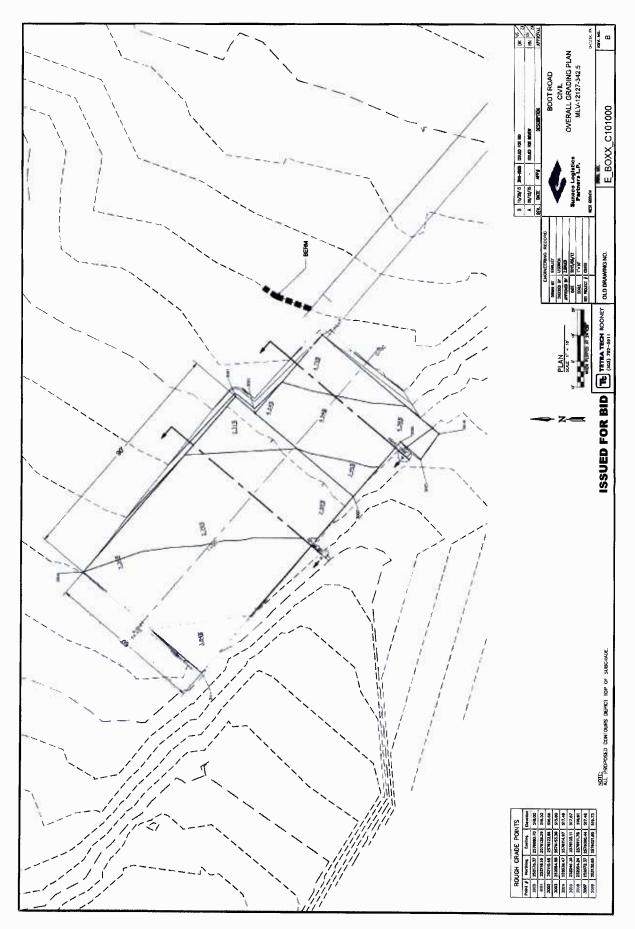


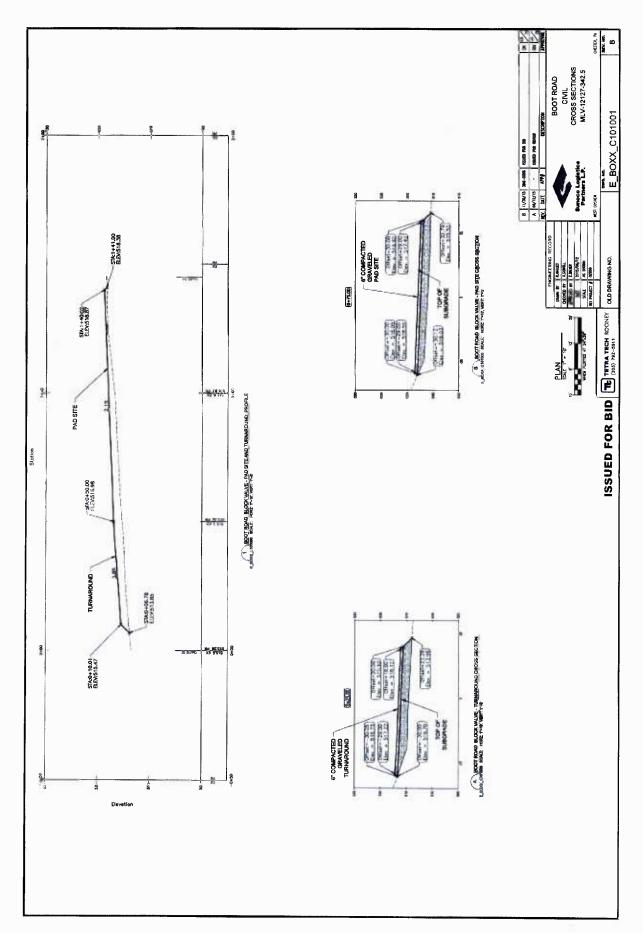


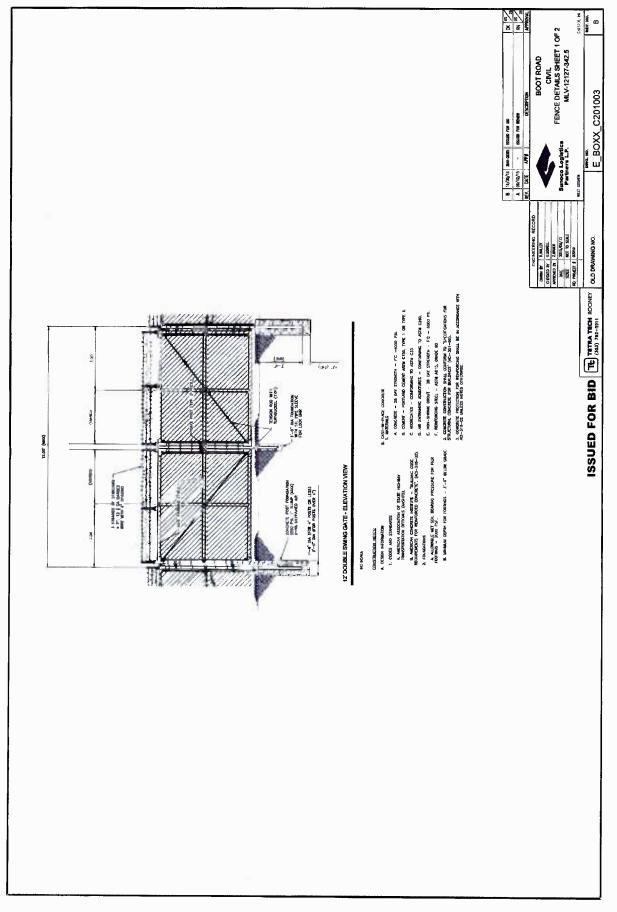


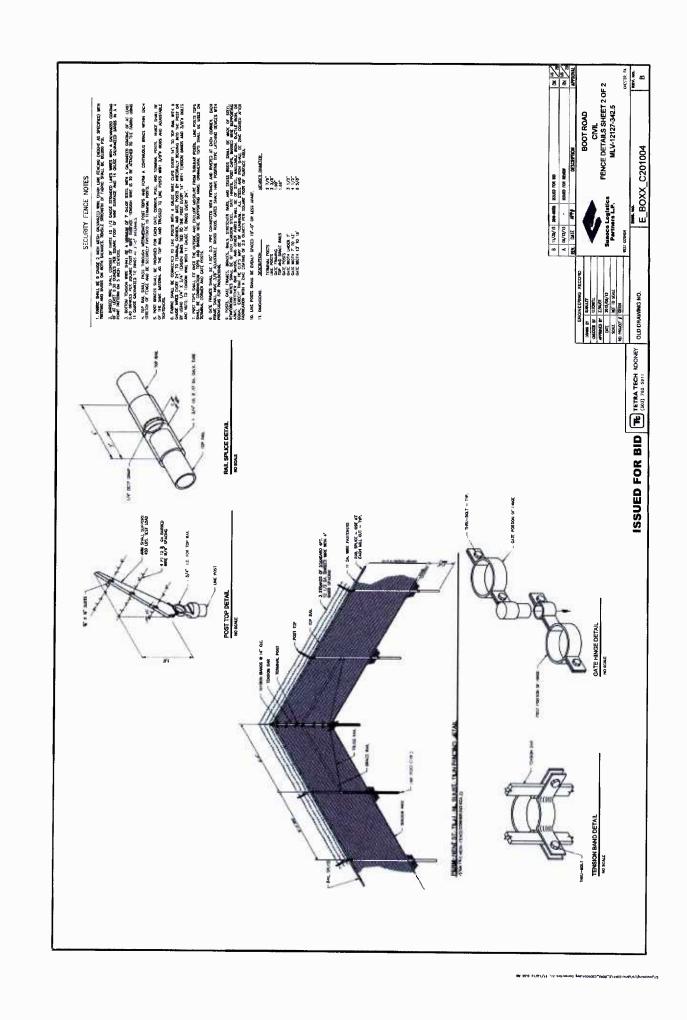
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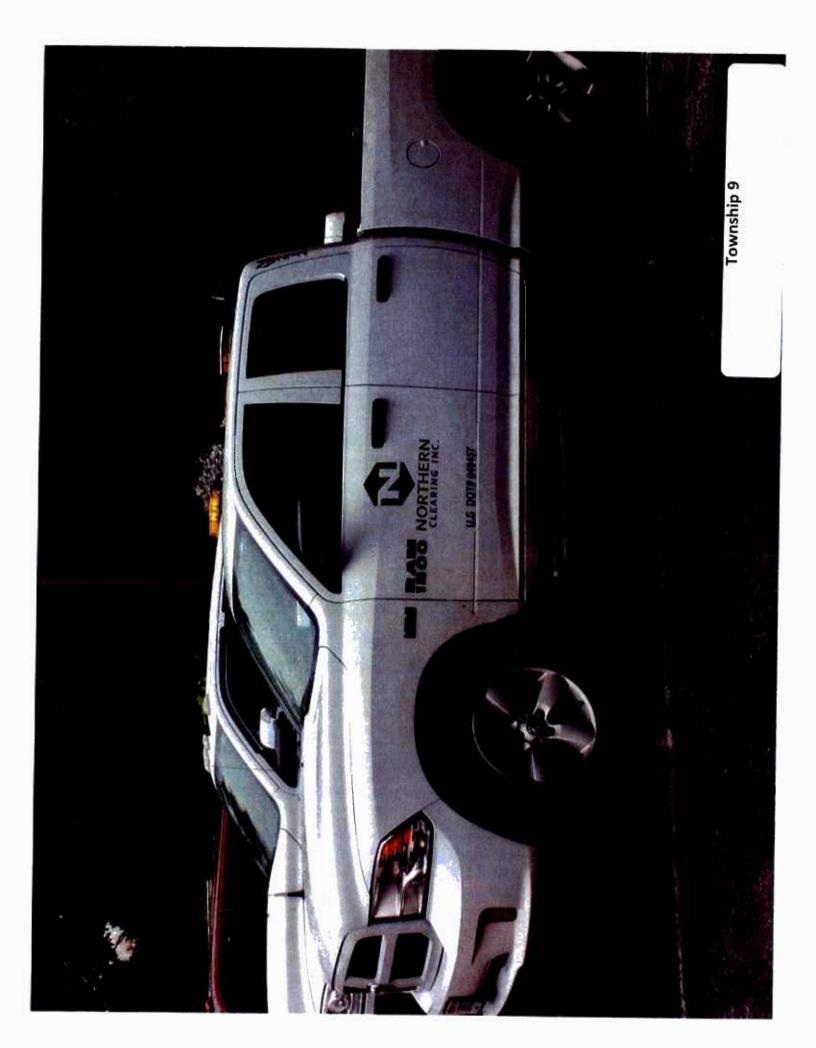












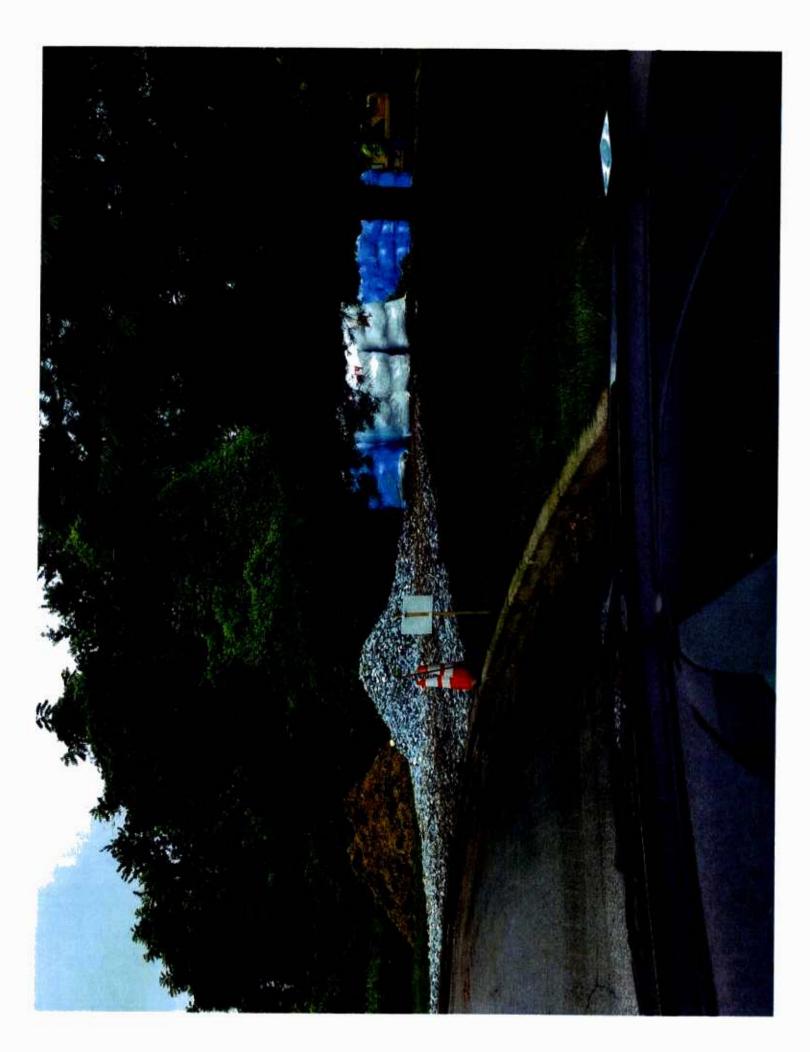












Township 11

Erosion and Sediment Control Plan

Pennsylvania Pipeline Project – Southeast Region: Spread 6

February 2017

Prepared for:

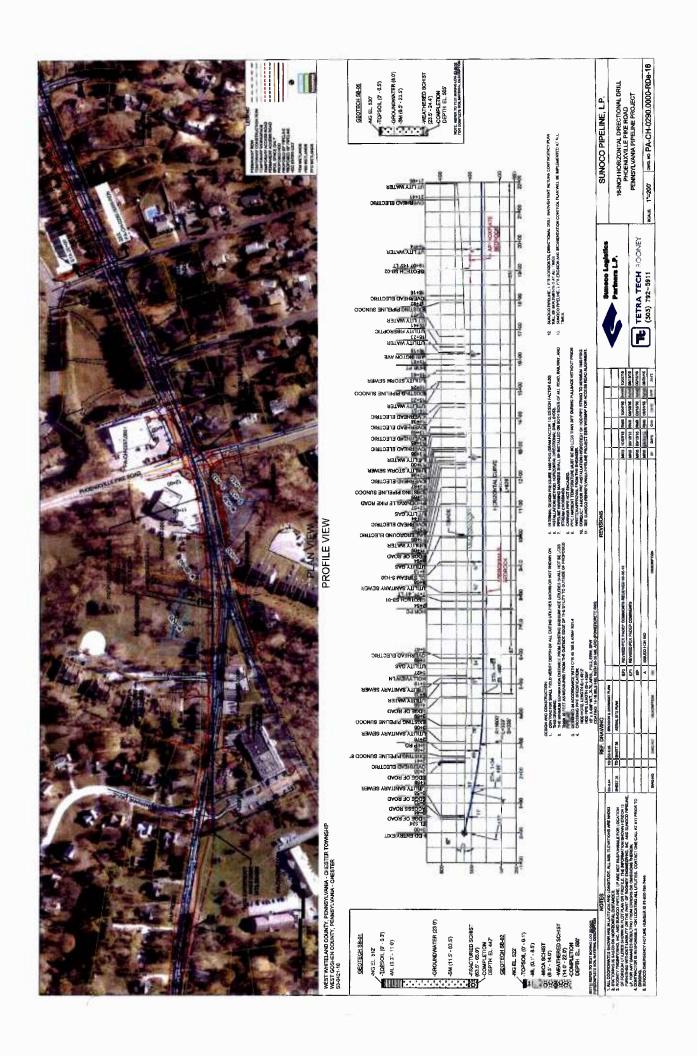
Sunoco Pipeline, L.P. 535 Fritztown Road Sinking Spring, PA 19608

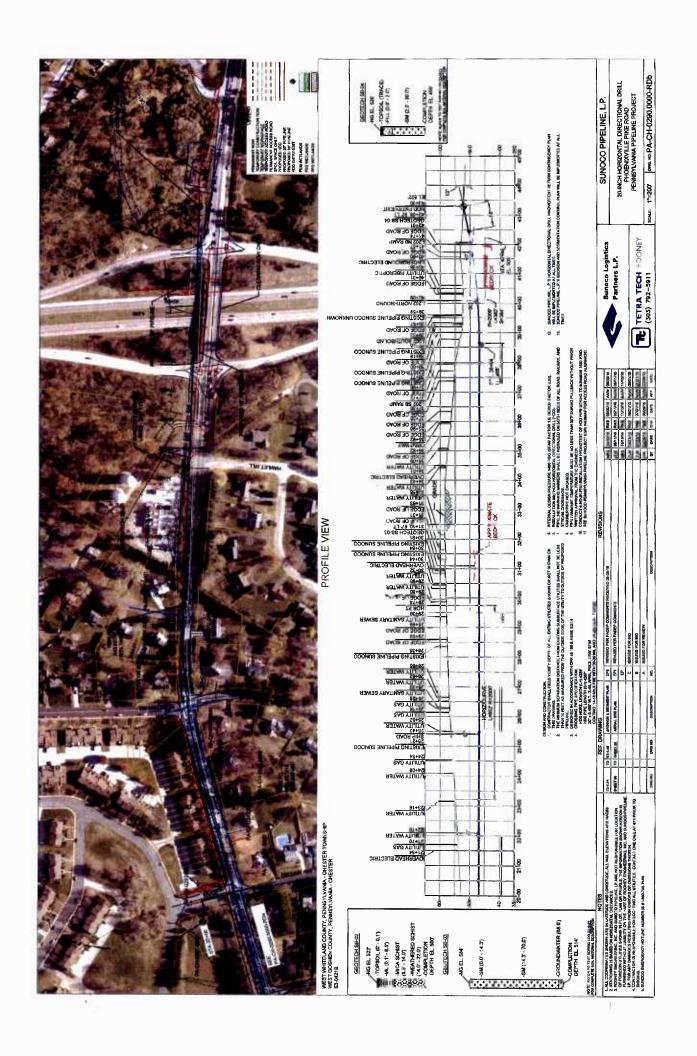


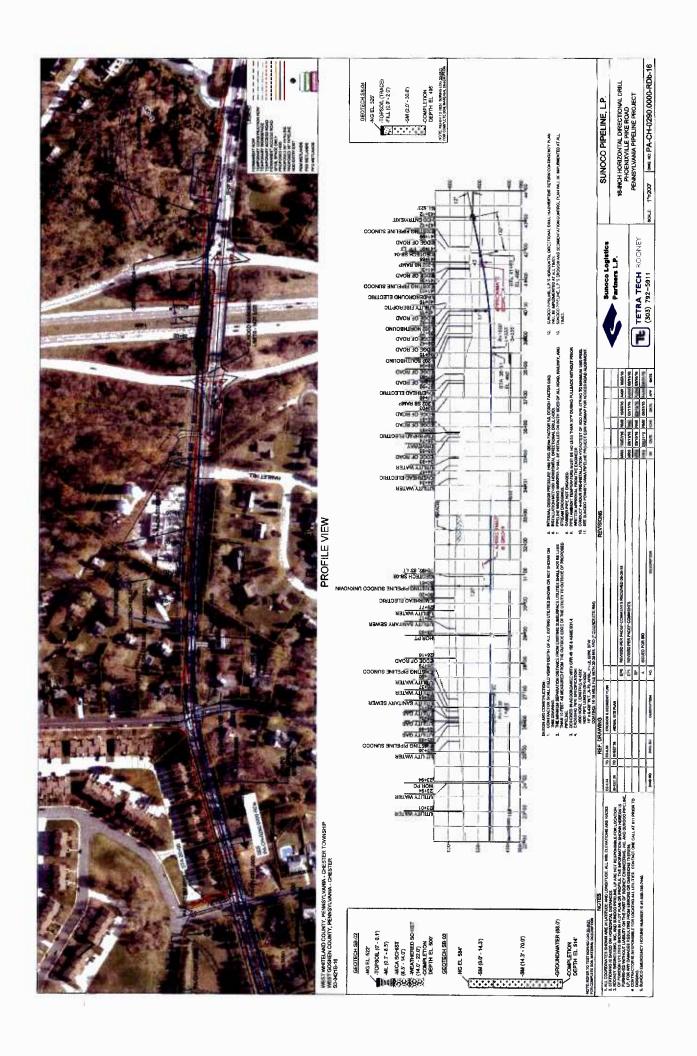
Prepared by:

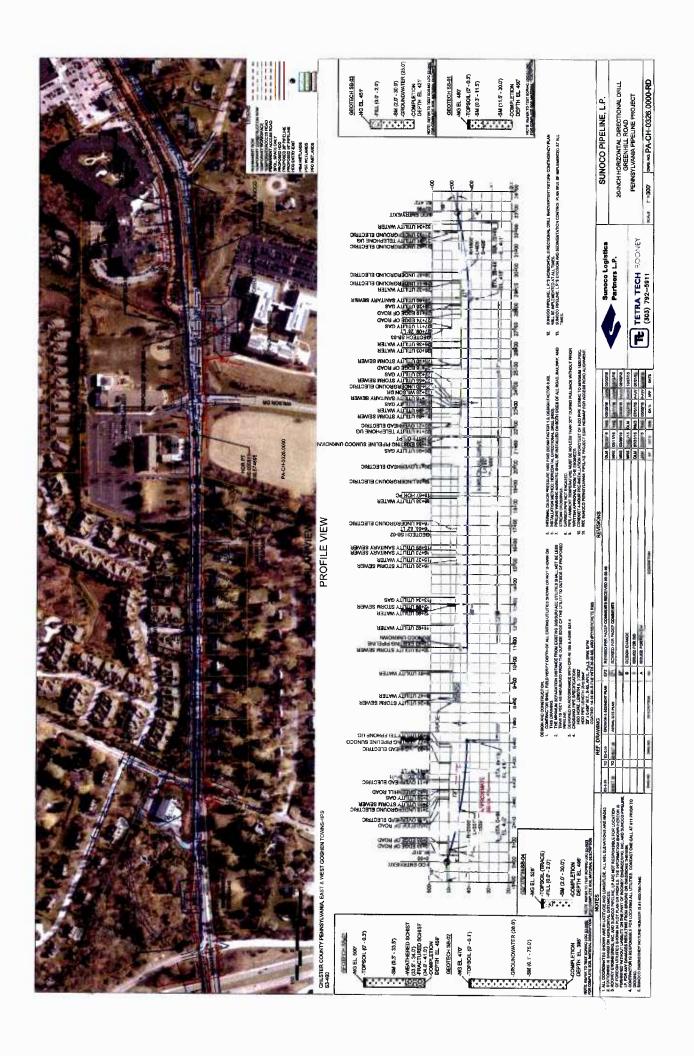
Tetra Tech, Inc. 661 Andersen Drive Pittsburgh, PA 15220

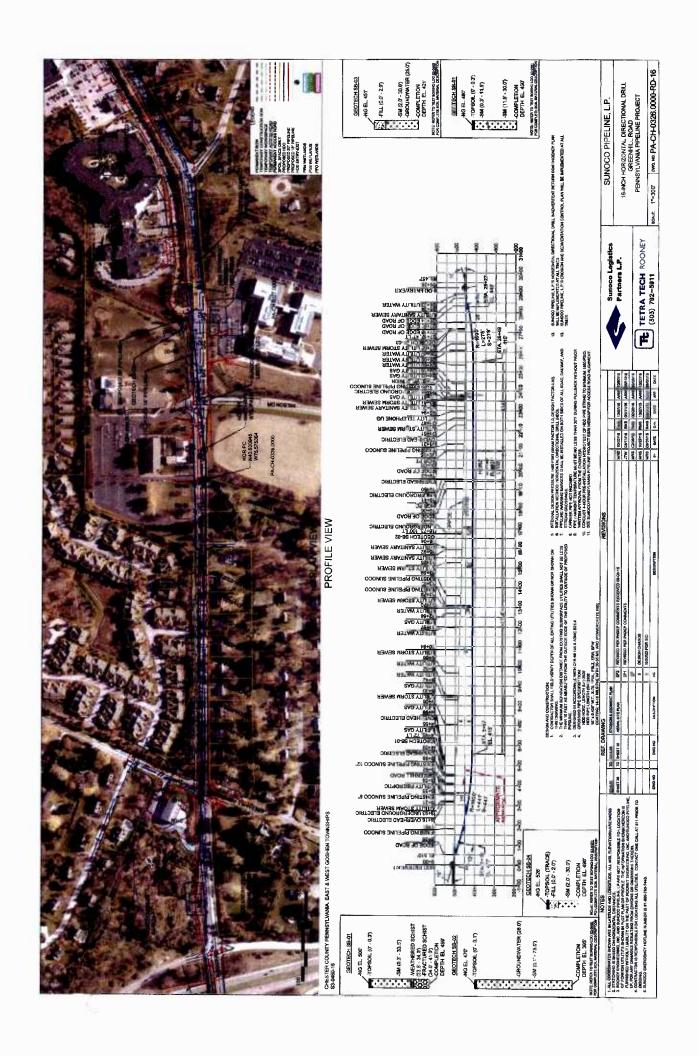












David Brooman

unlawful.

Lewis, Christopher < lewis@blankrome.com> From: Wednesday, February 04, 2015 12:13 PM Sent: To: Kenneth Myers; David Brooman; scott.i.rubin@gmail.com; 'Kristin Camp' Cc: Krancer, Michael Subject: SPLP/West Goshen Township Attachments: SXL- Boot Pump Station Configuration- Mariner East- 2.3.15.ppt; SPLP WGT Statement.DOCX High Importance: All, Attached are SPLP's revisions to the term sheet, together with an aerial that shows the location of the VCU. As I explained to Ken Myers earlier, the intent is to preserve agreement on all 10 points previously discussed, while addressing the concern that SPLP not give other townships an incentive or inducement to seek changes to SPLP's operations. We appreciate that you might have questions, so we'd like to hold a telephone conference at 1:30 p.m. today. I'll circulate a separate Outlook appointment with the dial-in information. Thanks. Chris Christopher A. Lewis | Blank Rome LLP One Logan Square 130 North 18th Street | Philadelphia, PA 19103-6998 Phone: 215.569.5793 | Fax: 215.832.5793 | Email: Lewis@BlankRome.com ******************************** ****** This message and any attachments may contain confidential or privileged information and are only for the use of the intended recipient of this message. If you are not the intended recipient, please notify the sender by return email, and delete or destroy this and all copies of this message and all attachments. Any unauthorized disclosure, use, distribution, or reproduction of this message or any attachments is prohibited and may be

SETTLEMENT DOCUMENT PRIVILEGED AND CONFIDENTIAL

TERM SHEET

Sunoco Pipeline L.P., and West Goshen Township, Concerned Citizens of West Goshen Township (referred to below as SPLP and WGT, CCWGT respectively), the Parties, will execute and agree to a contract for themselves, their successors and assigns, which will contain the following terms and conditions:

As a preface to, and notwithstanding, any settlement among the parties hereto, in response to questions by WGT, SPLP is providing WGT with the following information on the final design and location of the pump station proposed by SPLP at Boot Road:

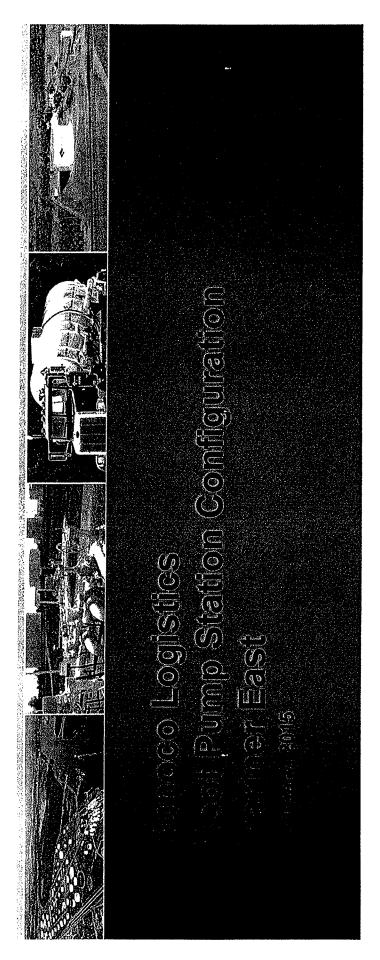
- The pump station, the VCU (discussed below) and all accessory and appurtenant
 facilities associated with the Mariner East project will be maintained within the
 present active site, Parcel No. 52-1-8-U, on which the existing Boot Road Pump
 Station currently operates, and a valve station that will be constructed and maintained
 on SPLP's adjacent 4.5 acre property as depicted on the map attached hereto (the
 "SPLP Use Area").
- 2. Consistent with its engineering plans for all Mariner East 1 pump stations and as originally proposed to the Township with respect to Boot Road, there will be an enclosed vapor combustion unit (VCU) at the Boot Road Pump Station. This VCU is designed and will be constructed and operated to contain any pilot light or flame completely within its structure such that no flame is visible outside the pump station site except in rare instances.
- 3. As is the case for all of its products pipelines, the Mariner East present and proposed pipelines (hereinafter "Mariner East") are included within SPLP's current rupture monitoring system which has several alarms designed for different pipeline conditions and events. Included in SPLP's rupture monitoring system is the Inter Site Automatic Close Logic system (ISACL), a first line of defense automated alarm system designed to automatically shut-down the pipeline and close remote operated valves on the mainline in the event of a rupture or low pressure on the pipeline. Each individual Mariner East Pipeline station shall be equipped with an automated shutdown and upset condition response logic that is triggered for all or any segment

- of Mariner East. If triggered, the pipeline or a segment of the pipeline shall be automatically shut-down and the remote operated valves impacting the mainline pipeline closed, with no operator discretion. The ISACL system can be triggered by other locations on the pipeline or can be initiated locally and it will trigger events at other pipeline locations.
- 4. SPLP currently maintains remote operated inlet and outlet valves at its Boot Road Pump Station in WGT that are controlled by a centralized control room, and these valves will be used in connection with Mariner East pipeline. In addition, SPLP maintains a number of remote operated valves and manual valves, including manual valves at pipeline markers 228 and 236.6 in connection with its Mariner East pipeline. As part of its final design, SPLP is installing remote operated valves that are controlled by its centralized control room at pipeline markers 228 and 236.6. These remote operated valves will be installed within 90 days after receipt of all necessary permits, rights of way, approvals, and extensions of utility service.
- I. <u>SPLP Agreement</u>. Based on the foregoing final design of the proposed Boot Road Pump Station and subject to WGT and CCWGT agreeing to the matters set forth below, SPLP agrees as follows:
 - (a) Because of its existing Pump Station Facility at Boot Road, except with respect to the SPLP Use Area, SPLP agrees that it shall not construct or install any pump stations, VCUs or above ground permanent public utility facilities on the remaining portion of the adjacent SPLP parcel of land, Parcel No. 52-0-10-10.1.
 - (b) SPLP will provide the Township Manager with immediate notice of any Mariner East pipeline condition changes requiring remediation under 49 CFR Section 195.452(h)(4)(i), (ii) and (iii) that potentially could impact the Township, and thereafter will provide a written report within thirty (30) days describing the remediation efforts undertaken by SPLP, the location of the remediation efforts, and the expected timeframe within which these remediation efforts will be completed.
- II. WGT and CCWGT Agreement. Based on the foregoing final design of the proposed Boot Road Pump Station and subject to SPLP agreeing to the matters set forth above, WGT and CCWGT agree as follows:
 - (a) WGT shall not oppose the thirty-four feet (34') height proposed for the VCU.

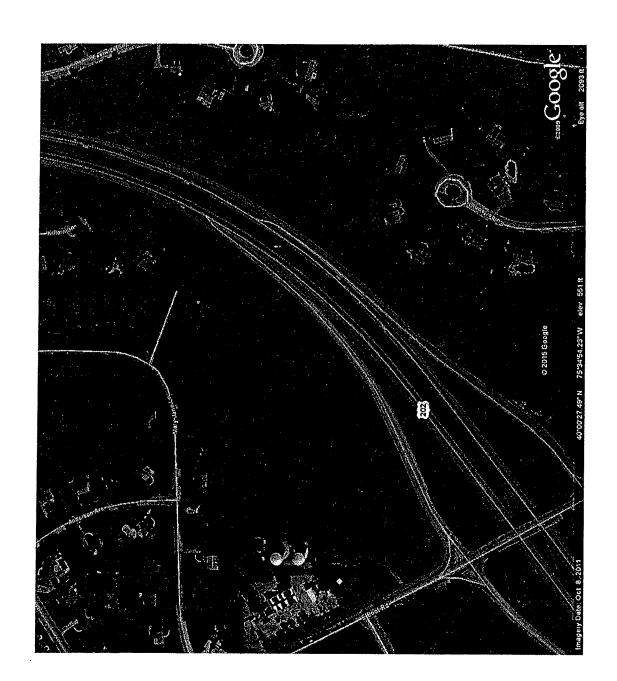
- (b) WGT consents to the withdrawal by SPLP of the Amended Petition now pending before the Pennsylvania Public Utility Commission at Docket No. P-2014-2411966, and will not initiate any action or proceeding claiming that the existing or reconfigured pump station at Boot Road violates its zoning or land development ordinances.
- (c) For so long as SPLP offers intrastate service on Mariner East, WGT and CCWGT agree not to contest, dispute or protest SPLP's Mariner East service for lack of public utility status in any federal, state, local or regulatory proceeding or file any lawsuit, litigation or action or join any lawsuit, litigation or action with respect thereto.
- (d) WGT agrees, based on the measures described in this document and on the safety, design and engineering facts and information heretofore provided to its consultant, that it will not file or join in any complaint against the safety of the Mariner East project with the Pennsylvania Public Utility Commission or endorse or promote any protest or action filed by the CCGWGT or any other individual or group against SPLP with respect to the safety of the existing Mariner East project. In addition, CCWGT agrees to mark as satisfied and withdraw its current complaint before the PUC Docket No. C-2014-2451943.

The agreements set forth in I. and II. above are conditioned on the completion of a satisfactory written report as to Mariner East by the independent safety expert retained by WGT, based on the design and engineering facts and information heretofore provided to him by SPLP, and approved by SPLP for distribution to the public. WGT agrees to exercise its best efforts to secure a prompt written report by the expert.

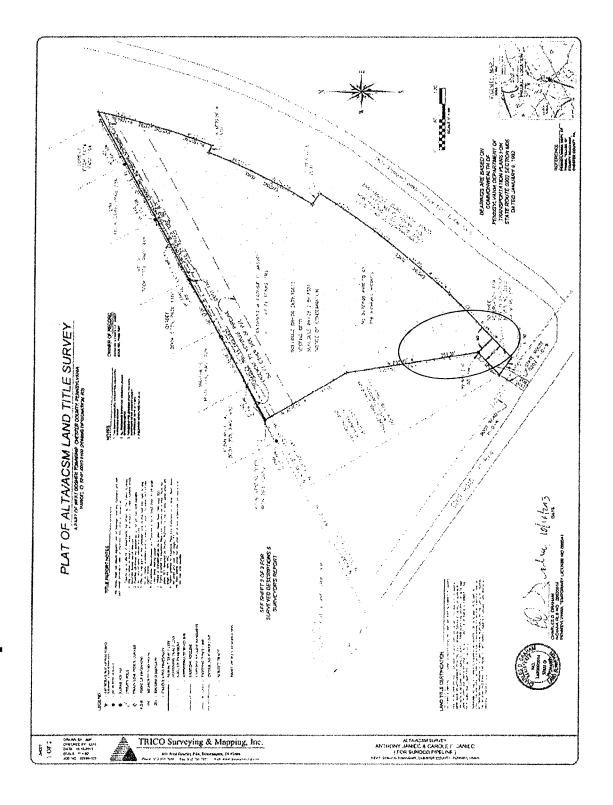




Boot Pump Station



Boot Pump Station



David Brooman

From:	Lewis, Christopher <lewis@blankrome.com></lewis@blankrome.com>
Sent:	Wednesday, February 11, 2015 2:00 PM
То:	Kenneth Myers; David Brooman; scott.j.rubin@gmail.com
Cc:	Krancer, Michael
Subject:	Revised Term Sheet
Attachments:	Revised Term Sheet.DOCX
Ken, David, and Scott,	
	n the conversations Ken had with Krancer yesterday, I am forwarding to you, s only, SPLP's revisions to the term sheet.
Chris	
Christopher A. Lewis Black One Logan Square 130 No Phone: 215,569,5793 Fax	ank Rome LLP rth 18th Street Philadelphia, PA 19103-6998 :: 215.832.5793 Email: <u>Lewis@BlankRome.com</u>
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	tachments may contain confidential or privileged information and are only for the use

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SETTLEMENT DOCUMENT PRIVILEGED AND CONFIDENTIAL

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Sunoco Pipeline L.P., and West Goshen Township, Concerned Citizens of West Goshen Township (referred to below as SPLP and WGT, CCWGT respectively), the Parties, will execute and agree to a contract for themselves, their successors and assigns, which will contain the following terms and conditions:

As a preface to, and notwithstanding, any settlement among the parties hereto, in response to questions by WGT, SPLP is providing WGT with the following information on the final design and location of the pump station proposed by SPLP at Boot Road:

- 1. The pump station, the VCU (discussed below) and all accessory and appurtenant above ground facilities associated with the Mariner East project will be maintained within the present active site, Parcel No. 52-1-8-U, on which the existing Boot Road Pump Station currently operates (the "SPLP Existing Site"), except that a valve station will be constructed and maintained on SPLP's adjacent 4.42 acre property, (the former Janiec Tract), (the "SPLP Additional Acreage"), with the proposed location of such valve on the SPLP Additional Acreage as depicted on the map attached hereto (the "SPLP Use Area"). The location depicted on the attached map for the valve station on the SPLP Additional Acreage is understood to be the best approximate location for the valve station at this time and is subject to full detailed engineering which will determine its exact locations on the SPLP Use Area. Subject to any engineering constraints, SPLP intends to construct the valve station in the general area depicted on the map attached hereto. SPLP has no current plan or intention to construct any additional above-ground permanent utility facilities in WGT except as otherwise expressly set forth in this Agreement.
- 2. Consistent with its engineering plans for all Mariner East 1 pump stations and as originally proposed to the Township with respect to Boot Road, there will be an enclosed vapor combustion unit (VCU) at the Boot Road Pump Station. The location of the VCU on the SPLP Existing Site will be as noted on the map provided to WGT and CCWGT. The VCU is designed and will be constructed and operated to contain

- any pilot light or flame completely within its structure such that no flame is visible outside the pump station site except in rare instances. In any rare instance in which a flame is visible, in addition to first responders and emergency responders to which SPLP to whom SPLP currently provides notification, SPLP shall notify the township manager of the circumstances causing the visibility of a flame.
- 3. As is the case for all of its products pipelines, the Mariner East present and proposed pipelines (hereinafter "Mariner East") are included within SPLP's current rupture monitoring system which has several alarms designed for different pipeline conditions and events. Included in SPLP's rupture monitoring system is the Inter Site Automatic Close Logic system (ISACL), a first line of defense automated alarm system designed to automatically shut-down the pipeline and close remote operated valves on the mainline in the event of a rupture or low pressure on the pipeline. Each individual Mariner East Pipeline station shall be equipped with an automated shutdown and upset condition response logic that is triggered for all or any segment of Mariner East. If triggered, the pipeline or a segment of the pipeline shall be automatically shut-down and the remote operated valves impacting the mainline pipeline closed, with no operator discretion. The ISACL system can be triggered by other locations on the pipeline or can be initiated locally and it will trigger events at other pipeline locations.
- 4. SPLP currently maintains remote operated inlet and outlet valves at its Boot Road Pump Station in WGT that are controlled by a centralized control room, and these valves will be used in connection with Mariner East pipeline. In addition, SPLP maintains a number of remote operated valves and manual valves, including manual valves at pipeline markers 228 and 236.6 in connection with its Mariner East pipeline. As part of its final design, SPLP is installing remote operated valves that are controlled by its centralized control room at pipeline markers 228 and 236.6. SPLP will use commercially reasonable efforts to apply for any permits, rights of way, approvals and extensions of utility service within sixty (60) days after the date of this Agreement. These remote operated valves will be installed within 90 days after receipt of all necessary permits, rights of way, approvals, and extensions of utility service.

- I. <u>SPLP Agreement</u>. Based on the foregoing final design of the proposed Boot Road Pump Station and subject to WGT and CCWGT agreeing to the matters set forth below, SPLP agrees as follows:
 - (a) Because of its existing Pump Station Facility at Boot Road, except with respect to the SPLP Use Area, SPLP agrees that it shall not construct or install any pump stations, VCUs or above ground permanent public utility facilities on the SPLP Additional Acreage.
 - (b) SPLP will provide the Township Manager with immediate notice of any Mariner East pipeline condition changes requiring remediation under 49 CFR Section 195.452(h)(4)(i), (ii), (iii) and (iv) that potentially could impact the Township, and thereafter will provide a written report within thirty (30) days describing the remediation efforts undertaken by SPLP, the location of the remediation efforts, and the expected timeframe within which these remediation efforts will be completed.
 - (c) SPLP agrees to consult with WGT officials concerning land development plans such as landscaping and fencing with respect to the existing tract and the SPLP Additional Acreage.
- II. WGT and CCWGT Agreement. Based on the foregoing final design of the proposed Boot Road Pump Station and subject to SPLP agreeing to the matters set forth above, WGT and CCWGT agree as follows:
 - (a) WGT shall not oppose the thirty-four feet (34') height proposed for the VCU.
 - (b) WGT consents to the withdrawal by SPLP of the Amended Petition now pending before the Pennsylvania Public Utility Commission at Docket No. P-2014-2411966, and will not initiate any action or proceeding claiming that the existing or reconfigured pump station at Boot Road violates its zoning or land development ordinances.
 - (c) For so long as SPLP offers intrastate service on Mariner East, WGT and CCWGT agree not to contest, dispute or protest SPLP's Mariner East service for lack of public utility status in any federal, state, local or regulatory proceeding or file any lawsuit, litigation or action or join any lawsuit, litigation or action with respect thereto.
 - (d) WGT agrees, based on the measures described in this document and on the safety, design and engineering facts and information heretofore provided to its consultant, that it will not file or join in any complaint against the safety of the Mariner East project with the Pennsylvania Public Utility Commission or endorse or promote any protest or action filed by the CCGWGT or any other individual or group against SPLP with respect to the safety of the existing Mariner East project. In addition, CCWGT agrees to mark as satisfied and withdraw its current complaint before the PUC Docket No. C-2014-2451943.

The agreements set forth in I. and II. above are conditioned on the completion of a satisfactory written report as to Mariner East by the independent safety expert retained by WGT, based on the design and engineering facts and information heretofore provided to him by SPLP, and approved by SPLP for distribution to the public. WGT agrees to exercise its best efforts to secure a prompt written report by the expert.

EXHIBIT 18

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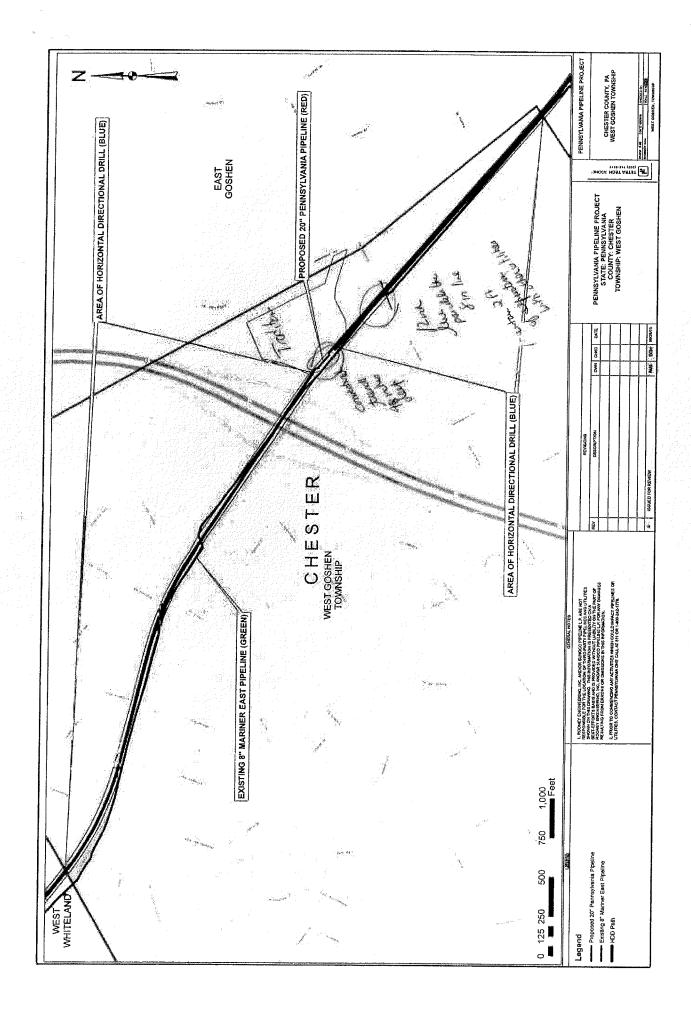
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APPENDIX E

COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION

In The Matter Of:

Sunoco Pipeline, L.P. 535 Fritztown Road

Sinking Springs, PA 19608

Violations of The Clean Streams Law

and DEP Chapters 102 of Title 25 of

the Pennsylvania Code, the Dam Safety

and Encroachments Act and DEP Chapter

105 of Title 25 of the Pennsylvania Code,

the Administrative Code, and the 2012 Oil

and Gas Act

Pennsylvania Pipeline Project—Mariner East II

E&S Permit No. ESCG0100015001

WO&E Permit No. E15-862

West Whiteland Township, Uwchlan

Township, Chester County

CONSENT ORDER AND AGREEMENT

This Consent Order and Agreement is entered into this 247 day of July 2017, by and between the Commonwealth of Pennsylvania, Department of Environmental Protection ("Department") and Sunoco Pipeline, L.P. ("Sunoco").

The Department has found and determined the following:

A. The Department is the agency with the duty and authority to administer and enforce The Clean Streams Law, Act of June 22, 1937, P.L. 1987, as amended, 35 P.S. §§ 691.1-691.1001 ("Clean Streams Law"); the Dam Safety and Encroachment Act, the Act of November 26, 1978, P.L. 1375, as amended, 32 P.S. §§ 693.1 et seq. ("Dam Safety and Encroachment Act"); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, as amended, 71 P.S. § 510-17 ("Administrative Code"); the Oil and Gas Act of 2012, the Act of February 14, 2012, P.L. 87, as amended, 58 Pa. C.S. §§ 3201 – 3274 ("2012 Oil and Gas Act"); and the rules and regulations ("rules and regulations") promulgated thereunder.

- B. Sunoco Pipeline, L.P. ("Sunoco") is a foreign limited partnership doing business in Pennsylvania and maintains a mailing address of 535 Fritztown Road, Sinking Springs, PA 19608. Sunoco Logistics Partners Operations GP LLC is the general partner of Sunoco Pipeline L.P. Joseph Colella is the Executive Vice President for Sunoco Logistics Partners Operations GP LLC. Mr. Colella has been granted authority by Sunoco Logistics Partners Operations GP LLC to sign documents for Sunoco Pipeline L.P. on behalf of the General Partner.
- C. Sunoco owns and operates numerous pipelines in Pennsylvania used to transport petroleum and natural gas products. Sunoco has undertaken an effort to expand certain existing transportation systems for natural gas liquids in Pennsylvania, collectively referred to as the Pennsylvania Pipeline Project—Mariner East II ("PPP-ME2"). As part of PPP-ME2, Sunoco is conducting pipeline installation activities in Chester County, Pennsylvania.
- D. To construct PPP-ME2 through Chester County, Sunoco obtained the following permits from the Department:
 - 1. an Erosion and Sediment Control Permit, Permit Number ESCG0100015001, under 25 Pa. Code Chapter 102 and;
 - 2. a Water Obstructions and Encroachment Permit, Permit Number E15-862, under 25 Pa. Code Chapter 105.
- E. The work area for PPP-ME2 in Chester County, Pennsylvania includes, but is not limited to, approximately 23 miles of pipeline construction. Sunoco has been working to install a portion of the pipeline in West Whiteland Township and Uwchlan Township (collectively, "the Townships") utilizing a horizontal directional drill ("HDD"). The HDD is identified by Sunoco as HDD 360, also known as the Shoen Road Drill Area ("Shoen Road Drill Area" or "Drill Area").
- F. On June 14, 2017, Sunoco commenced HDD activities on the Shoen Road Drill Area. The Drill Area extends for approximately 2841 feet. Sunoco suspended HDD activities at the Drill Area on July 4, 2017. From July 5, 2017 to July 7, 2017, Sunoco installed grouting in the pilot hole of the Drill Area. On July 8, 2017, Sunoco resumed HDD drilling activities at the Drill Area. On July 13, 2017, Sunoco again halted activities at the Drill Area and has not resumed HDD activities in the Drill Area since that time. To date, Sunoco has completed approximately 1574 feet of the Drill.

- G. From July 6, 2017 through July 10, 2017, the Department received 14 water supply complaints through its Oil and Gas Reporting Electronic ("OGRE") system, reported to the Department by Sunoco pursuant to 25 Pa. Code § 78a.68a(j)(Horizontal Directional Drilling for Oil and Gas pipelines), for 14 homeowners in the vicinity of the Shoen Road Drill Area, specifically on Township Line Road and Valley View Drive in West Whiteland Township. The homeowners had complained of adverse impacts to their private water supplies including, *inter alia*, cloudy water, turbid water, discolored water, loss of water pressure, and diminution of water from July 2, 2017 through July 9, 2017. The 14 OGRE Reports are attached as "Exhibit A".
- H. The homeowners identified in Exhibit A have water wells that draw water from groundwater. Groundwater is a "Water of the Commonwealth" within the meaning of Section 1 of the Clean Streams Law, 35 P.S. § 691.1.
- I. In response to the water supply complaints, Sunoco collected water samples at 35 homes in the Valley View Drive and Township Line Road area on various days between July 5, 2017 through July 17, 2017, for various parameters. The 35 wells that were sampled by Sunoco included the wells of the 14 homeowners identified through OGRE that are identified in Exhibit A. The results of the water samples are attached as "Exhibit B".
 - J. Special Condition B (Water Supply) of Permit E15-862 provides as follows:
 - B. In the event the permittee's work causes adverse impacts to a public or private water supply source, the permittee shall also immediately notify the Department and implement a contingency plan, to the satisfaction of the public and private water supply owners that addresses all adverse impacts imposed on the public and private water supply as a result of the pollution event, including the restoration or replacement of the impacted water supply.
- K. Section 1917-A of the Administrative Code (Abatement of Nuisances), 71 P.S. § 510-17, provides, in relevant part, that:

The Department of Environmental Resources shall have the power and its duty shall be:

- (1) To protect the people of this Commonwealth from unsanitary conditions and other nuisances, including any condition which is declared to be a nuisance by any law administered by the department;
- (2) To cause examination to be made of nuisances, or questions affecting the security of life and health, in any locality, and, for that purpose, without fee or

hinderance, to enter, examine and survey all grounds, vehicles, apartments, buildings, and places, within the Commonwealth, and all persons, authorized by the department to enter, examine and survey such grounds, vehicles, apartments, buildings and places, shall have the powers and authority conferred by law upon constables;

- (3) To order such nuisances including those detrimental to the public health to be abated and removed;
- L. Section 610 of the Clean Streams Law, 35 P.S. § 691.610 (Enforcement Orders), provides that:

The department may issue such orders as are necessary to aid in the enforcement of the provisions of this act. Such orders shall include, but shall not be limited to, orders modifying, suspending or revoking permits and orders requiring persons or municipalities to cease operations of an establishment which, in the course of its operation, has a discharge which is in violation of any provision of this act. Such an order may be issued if the department finds that a condition existing in or on the operation involved is causing or is creating a danger of pollution of the waters of the Commonwealth, or if it finds that the permittee, or any person or municipality is in violation of any relevant provision of this act, or of any relevant rule, regulation or order of the board or relevant order of the department: Provided, however, That an order affecting an operation not directly related to the condition or violation in question, may be issued only if the department finds that the other enforcement procedures, penalties and remedies available under this act would probably not be adequate to effect prompt or effective correction of the condition or violation. The department may, in its order, require compliance with such conditions as are necessary to prevent or abate pollution or effect the purposes of this act. An order issued under this section shall take effect upon notice, unless the order specifies otherwise. An appeal to the Environmental Hearing Board of the department's order shall not act as a supersedeas: Provided, however, That, upon application and for cause shown, the Environmental Hearing Board may issue such a supersedeas. The right of the department to issue an order under this section is in addition to any penalty which may be imposed pursuant to this act. The failure to comply with any such order is hereby declared to be a nuisance.

- M. Section 20(a) of the Dam Safety and Enforcement Act (Enforcement Orders), 32 P.S. § 693.20(a), specifies that:
 - (a) The department may issue such orders as are necessary to aid in the enforcement of the provisions of this act. Such orders shall include, but shall not be limited to, orders modifying, suspending or revoking permits and orders requiring persons to cease any activity which is in violation of the provisions of this act. Such an order may be issued if the

department finds that a person is in violation of any provision of this act, or of any rule or regulation issued hereunder. The department may, in its order, require compliance with such terms and conditions as are necessary to effect the purposes of this act.

N. The term "Pollution" is defined in Section 1 of the Clean Streams Law (Definitions), 35 P.S. § 691.1, as:

"Pollution" shall be construed to mean contamination of any waters of the Commonwealth such as will create or is likely to create a nuisance or to render such waters harmful, detrimental or injurious to public health, safety or welfare, or to domestic, municipal, commercial, industrial, agricultural, recreational, or other legitimate beneficial uses, or to livestock, wild animals, birds, fish or other aquatic life, including but not limited to such contamination by alteration of the physical, chemical or biological properties of such waters, or change in temperature, taste, color or odor thereof, or the discharge of any liquid, gaseous, radioactive, solid or other substances into such waters. The department shall determine when a discharge constitutes pollution, as herein defined, and shall establish standards whereby and wherefrom it can be ascertained and determined whether any such discharge does or does not constitute pollution as herein defined.

- O. The Department has determined that Sunoco's activities adversely impacted the well water of the 14 homeowners identified in Exhibit A by its drilling activities at the Shoen Road Drill Area, including causing cloudy water, turbid water, and discolored water. Sunoco's activities at the Shoen Road Drill Area caused pollution and potential pollution to Waters of the Commonwealth.
- P. The Department has determined that the adverse impacts to the water supplies of the homeowners identified in Exhibit A, including cloudy water, turbid water, and discolored water, diminution of domestic water supply, and loss of water pressure in domestic water supply, constitute a "nuisance" under Section 1917-A of the Administrative Code (Abatement of Nuisances), 71 P.S. § 510-17.
- Q. The Department has determined that Sunoco failed to immediately notify the Department of adverse impacts to private water supplies in the Shoen Road Drill Area as required by Special Condition B of Permit E15- 862. Sunoco intends to, through this Consent Order and Agreement, to the extent it has not already done so, implement a contingency plan, to the satisfaction of the private water supply

owners, that addresses all adverse impacts imposed on the private water supply as a result of the pollution event, as required by Special Condition B of Permit E15-862.

- R. The violations described in Paragraphs O and P constitute unlawful conduct under Section 611 of the Clean Streams Law, 35 P.S. § 691.611 and Section 18 of the Dam Safety and Encroachments Act, 32 P.S. § 693.18; a statutory nuisance under Section 601 of the Clean Streams Law, 35 P.S. § 691.601; and subject Sunoco to civil penalty liability under Section 605 of the Clean Streams Law, § 691.605 and Section 21 of the Dam Safety and Encroachments Act, 32 P.S. § 693.21.
- S. The violations described in Paragraph Q constitute unlawful conduct under Section 18 of the Dam Safety and Encroachments Act, 32 P.S. § 693.18; and subject Sunoco to civil penalty liability under Section 21 of the Dam Safety and Encroachments Act, 32 P.S. § 693.21.
- T. The violations described in Paragraphs O, P and Q constitute unlawful conduct under Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3259; a public nuisance under Section 3252 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3252; and violations of the regulations thereunder.

After full and complete negotiation of all matters set forth in this Consent Order and Agreement and upon mutual exchange of covenants contained herein, the parties desiring to avoid litigation and intending to be legally bound, it is hereby ORDERED by the Department and AGREED to by Sunoco as follows:

1. Authority. This Consent Order and Agreement is an Order of the Department authorized and issued pursuant to Section 5 of the Clean Streams Law, 35 P.S. § 691.5; Section 20 of the Dam Safety and Encroachments Act, 32 P.S. § 693.20; and Section 1917-A of the Administrative Code, 71 P.S. § 510-17.

2. <u>Findings</u>.

a. Sunoco agrees that the findings in Paragraph A through Q are true and correct and, in any matter or proceeding involving Sunoco and the Department, Sunoco shall not challenge the accuracy or validity of these findings.

b. The parties do not authorize any other persons to use the findings in this Consent Order and Agreement in any matter or proceeding.

3. Corrective Action.

- a. Sunoco shall not resume HDD at the Shoen Road Drill Area until the Department provides written authorization to Sunoco to resume such activity.
- b. Within 5 days from the date of this Order, Sunoco shall identify all homeowners with private water supplies within 150 feet of the Shoen Road Drill Area and provide such list to the Department.
- c. Sunoco shall inform the Department, West Whiteland Township,
 Uwchlan Township, and all homeowners with private water wells within 150 feet of the Shoen
 Road Drill Area, at least 24 hours prior to resuming any HDD activities at the Drill Area.
- d. As a temporary response, Sunoco shall continue to provide alternate potable water supplies adequate in quantity and quality for the purposes served, to each of the 14 homeowners identified in Exhibit A, as well as any other homeowners that Sunoco and/or the Department become aware have experienced cloudy, discolored or turbid water, or water loss or diminution from the Shoen Road Drill Area. Such measures may include Sunoco's provision of bottled water, water buffalos, or other similar units or supplies to affected homeowners, or water filtration units, utilizing .45 micron filters or better, as soon as practicable, but no later than August 15, 2017. Such measures shall continue to be implemented by Sunoco until a long term potable water solution is implemented in accordance with Paragraph 3.e.
- e. As a long term response, within 10 days of the date of this Consent Order and Agreement, Sunoco shall submit to the Department a Water Supply Restoration Plan ("Plan") that, at a minimum, provides each of the homeowners that Sunoco and/or the Department have become aware have been impacted by Sunoco's activities in the Shoen Road Drill Area, including the 14 homeowners identified in Exhibit A that have experienced cloudy, discolored or turbid water, or water pressure loss or water diminution, with an alternative source of potable water supply. Such Plan shall include specific deadlines for completion of activities, including interim activities, and shall include bi-weekly reporting requirements. Upon approval or modification of the Plan by the Department, Sunoco shall immediately commence implementation of the Plan, as approved or modified. Upon approval of said Plan, the

Department may authorize resumption of HDD in the Shoen Road Drill Area.

- f. Sunoco shall conduct a hydrogeological investigation of the impacted aquifer(s) in the Shoen Road Drill Area to determine the cause(s) of why the private water supplies that draw from the aquifer(s) were impacted by Sunoco's HDD activities. On or before September 1, 2017, Sunoco shall submit a report to the Department detailing the results of its investigation and its recommendations for recommencement of pipeline installation. Sunoco's recommendations shall include all steps it will undertake to prevent further impacts to the groundwater, or mitigate any such impacts, to the satisfaction of the Department.
- g. Sunoco shall immediately notify the Department and the Chester County Conservation District by phone, followed up by an email as soon as practicable, to contacts identified in Sunoco's HDD Inadvertent Return, Assessment, Preparedness, Prevention and Contingency Plan for the Mariner East II Pipeline in Chester County, whenever it receives a complaint of an impacted water supply or otherwise becomes aware that it has adversely impacted a water supply by its HDD activities in the Shoen Road Drill Area. Notification regarding the events that were the subject of Sunoco's telephonic notice shall also be provided to the Department electronically within 24 hours through OGRE.
- h. At such time as the Department permits Sunoco to resume drilling activities in the Shoen Road Drill Area, Sunoco shall immediately cease drilling upon (i) the occurrence of an inadvertent return; or (ii) groundwater infiltration into the borehole which is likely to has impact a water supply well(s). Drilling shall not recommence until the Department approves recommencement, in writing, upon a demonstration by Sunoco, to the satisfaction of the Department, that all adverse impacts have been adequately addressed.
- 4. <u>Intent of Agreement</u>. Sunoco and the Department agree that this Consent Order and Agreement is intended to provide for Sunoco's immediate response to the homeowner wells identified in Paragraph G above. The parties further recognize that the Department is currently conducting an investigation into these impacts and others that might be attributable to Sunoco's activities in the Drill Area, and that the Department specifically reserves the right, and this Consent Order and Agreement is without prejudice to, any further enforcement action that the Department may take, including the assessment of civil penalties.

5. Additional Remedies.

- a. In the event Sunoco fails to comply with any provision of this Consent Order and Agreement, the Department may, in addition to the remedies prescribed herein, pursue any remedy available for a violation of an order of the Department, including an action to enforce this Consent Order and Agreement.
- b. The remedies provided by this paragraph are cumulative and the exercise of one does not preclude the exercise of any other. The failure of the Department to pursue any remedy shall not be deemed to be a waiver of that remedy.
- 6. Reservation of Rights. The Department reserves the right to require additional measures to achieve compliance with applicable law. Sunoco reserves the right to challenge any action which the Department may take to require those measures.
- 7. <u>Liability of Operator</u>. Sunoco shall be liable for any violations of the Consent Order and Agreement, including those caused by, contributed to, or allowed by its officers agents, employees, or contractors. Except as provided in Paragraph 8(c), Sunoco also shall be liable for any violation of this Consent Order and Agreement caused by, contributed to, or allowed by its successors and assigns.

8. Transfer of Shoen Road Drill Area.

- a. The duties and obligations under this Consent Order and Agreement shall not be modified, diminished, terminated or otherwise altered by the transfer of any legal or equitable interest in the Shoen Road Drill Area or any part thereof.
- b. If Sunoco intends to transfer any legal or equitable interest in the Shoen Road Drill Area which is affected by this Consent Order and Agreement, Sunoco shall serve a copy of this Consent Order and Agreement upon the prospective transferee of the legal and equitable interest at least thirty (30) days prior to the contemplated transfer and shall simultaneously inform the Regional Office of the Department of such intent.
- c. The Department in its sole discretion may agree to modify or terminate Sunoco's duties and obligations under this Consent Order and Agreement upon transfer of the Shoen Road Drill Area. Sunoco waives any right that it may have to challenge the Department's decision in this regard.

9. <u>Correspondence with Department</u>. All correspondence with the Department concerning this Consent Order and Agreement shall be addressed to:

Frank DeFrancesco
DEP, Waterways and Wetlands Program
2 East Main Street
Norristown, PA 19401
(484) 250-5161
fdefrances@pa.gov

10. <u>Correspondence with Sunoco</u>. All correspondence with Sunoco concerning this Consent Order and Agreement shall be addressed to:

Mr. Matthew Gordon
Sunoco Pipeline, L.P.
535 Fritztown Road
Sinking Springs, PA 16908
Matthew.gordon@energytransfer.com

Sunoco shall notify the Department whenever there is a change in the contact person's name, title, or address. Service of any notice or any legal process for any purpose under this Consent Order and Agreement, including its enforcement, may be made by mailing a copy by first class mail to the above address.

- 11. <u>Severability</u>. The paragraphs of this Consent Order and Agreement shall be severable and should any part hereof be declared invalid or unenforceable, the remainder shall continue in full force and effect between the parties.
- 12. <u>Entire Agreement</u>. This Consent Order and Agreement shall constitute the entire integrated agreement of the parties. No prior or contemporaneous communications or prior drafts shall be relevant or admissible for purposes of determining the meaning or extent of any provisions herein in any litigation or any other proceeding.
- 13. <u>Attorney Fees</u>. The parties shall bear their respective attorney fees, expenses and other costs in the prosecution or defense of this matter or any related matters, arising prior to execution of this Consent Order and Agreement.
- 14. <u>Modifications</u>. No changes, additions, modifications, or amendments of this Consent Order and Agreement shall be effective unless they are set out in writing and signed by the parties hereto.

- 15. <u>Titles</u>. A title used at the beginning of any paragraph of this Consent Order and Agreement may be used to aid in the construction of that paragraph, but shall not be treated as controlling
- 16. <u>Decisions Under Consent Order</u>. Any decision which the Department makes under the provisions of this Consent Order and Agreement is intended to be neither a final action under 25 Pa. Code § 1021.2, nor an adjudication under 2 Pa. C.S. § 101. Any objection which Sunoco may have to the decision will be preserved until the Department enforces this Consent Order and Agreement.
- 17. <u>Termination</u>. The obligations of Paragraph 3 shall terminate when the Department determines that Sunoco has complied with the requirements of Paragraph 3.
- 18. <u>Execution of Agreement.</u> This Consent Order and Agreement may be signed in counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Consent Order and Agreement to be executed by their duly authorized representatives. The undersigned representatives of Sunoco certify under penalty of law, as provided by 18 Pa. C.S. § 4904, that they are authorized to execute this Consent Order and Agreement on behalf of Sunoco; that Sunoco consents to the entry of this Consent Order and Agreement as a final ORDER of the Department; and that Sunoco hereby knowingly waives its right to appeal this Consent Order and Agreement and to challenge its content or validity, which rights may be available under Section 4 of the Environmental Hearing Board Act, Act of July 13, 1988, P.L. 530, 35 P.S. § 7514; the Administrative Agency Law, 2 Pa. C.S. § 103(a) and Chapters 5A and 7A; or any other provisions of law. (Signature by Sunoco's attorney certifies only that the agreement has been signed after consulting with counsel.)

FOR SUNOCO PIPELINE, L.P.:

FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL PROTECTION:

Joseph Colella

Senior Vice President

Curtis N. Stambaugh, Esq.

Attorney for Sunoco Pipeline, L.P.

Domenic Rocco, P.E.

Date Environmental Program Manager

William J. Gerlach, Jr. Assistant Counsel

Date

IN WITNESS WHEREOF, the parties hereto have caused this Consent Order and Agreement to be executed by their duly authorized representatives. The undersigned representatives of Sunoco certify under penalty of law, as provided by 18 Pa. C.S. § 4904, that they are authorized to execute this Consent Order and Agreement on behalf of Sunoco; that Sunoco consents to the entry of this Consent Order and Agreement as a final ORDER of the Department; and that Sunoco hereby knowingly waives its right to appeal this Consent Order and Agreement and to challenge its content or validity, which rights may be available under Section 4 of the Environmental Hearing Board Act, Act of July 13, 1988, P.L. 530, 35 P.S. § 7514; the Administrative Agency Law, 2 Pa. C.S. § 103(a) and Chapters 5A and 7A; or any other provisions of law. (Signature by Sunoco's attorney certifies only that the agreement has been signed after consulting with counsel.)

FOR SUNOCO PIPELINE, L.P.:		FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL PROTECTION:
Joseph Colella Senior Vice President	Date	Domenic Rocco, P.E. Date Environmental Program Manager
Curtis N. Stambaugh, Esq Attorney for Sunoco Pipel		William J. Gerlach, Jr. Date Assistant Counsel

APPENDIX F





CLEAN AIR COUNCIL, THE DELAWARE RIVERKEEPER NETWORK, AND MOUNTAIN WATERSHED ASSOCIATION, INC.

v.

EHB Docket No. 2017-009-L

COMMONWEALTH OF PENNSYLVANIA, : DEPARTMENT OF ENVIRONMENTAL : PROTECTION and SUNOCO PIPELINE, L.P., : Permittee :

ORDER

AND NOW, this 25th day of July, 2017, following two conference calls during which the parties presented extensive argument in support of their respective positions, it is hereby ordered that the Appellants' application for a temporary partial supersedeas is **granted**. The permits that are the subject of this appeal are hereby superseded effective immediately to the extent they authorize the Permittee to conduct horizontal directional drilling. However, this Order may be modified in part if the Permittee provides the Board with detailed affidavits explaining why it would cause equipment damage, a safety issue, or more environmental harm than good to stop drilling at the 55 locations where drilling is actively underway. This temporary partial supersedeas shall expire at 9:00 a.m. on August 7, 2017, unless further extended by the Board. The hearing on the Appellants' petition for a partial supersedeas shall commence in the Board's Harrisburg hearing room on the date requested by the parties; namely, **9:00 a.m.** on **August 7, 2017**.



ENVIRONMENTAL HEARING BOARD

s/ Bernard A. Labuskes, Jr.
BERNARD A. LABUSKES, JR.
Judge

DATED: July 25, 2017

c: For the Commonwealth of PA, DEP:

William J. Gerlach, Esquire Gail Guenther, Esquire Margaret O. Murphy, Esquire Curtis C. Sullivan, Esquire Nels J. Taber, Esquire (via electronic filing system)

For Appellant, Clean Air Council:

Alexander G. Bomstein, Esquire Kathryn L. Urbanowicz, Esquire Joseph O. Minott, Esquire (via electronic filing system)

For Appellant, Delaware Riverkeeper Network:

Aaron J. Stemplewicz, Esquire (via electronic filing system)

For Appellant, Mountain Watershed Association, Inc.:

Melissa Marshall, Esquire (via electronic filing system)

For Permittee:

Robert D. Fox, Esquire Neil S. Witkes, Esquire Diana A. Silva, Esquire Jonathan E. Rinde, Esquire Terry R. Bossert, Esquire (via electronic filing system)

Court Reporter:

Premier Reporting, LLC (via electronic mail)