

January 24, 2017

**VIA EMAIL** 

Peter J. Fontaine

Direct Phone 215-665-2723 Direct Fax 866-850-7491 pfontaine@cozen.com

Nancy Wittenberg Executive Director Pinelands Commission P.O. Box 359 New Lisbon, NJ 08064

Re: South Jersey Gas Company Application No. 2012-0056-001 Proposed Natural Gas Pipeline

Dear Ms. Wittenberg:

On behalf of South Jersey Gas Company ("SJG"), we write to respond to recent comments on the above-referenced application claiming that the Pinelands Comprehensive Management Plan ("CMP") prohibits the construction of a natural gas pipeline through the Pinelands Area (the "Project") intended to serve needs outside the Forest Area and outside the state-protected Pinelands Area. As set forth more fully below, the proposed project fully conforms to the CMP standards governing development in the Forest Area, *N.J.A.C.* 7:50-5.23(b)12, and should be approved. A more extensive discussion of project conformity is set forth in the CMP Compliance Statement that SJG submitted to the Pinelands Commission in May 2015 with its revised application.

Analysis of the issue at hand must begin with the universal principle that any planning agency, including the Pinelands Commission, must review a land development application within the framework of and in accordance with the standards of its subdivision and zoning ordinances. An application that satisfies the standards should be approved. *Pizzo Mantin Grp. v. Twp. of Randolph*, 261 N.J. Super. 659, 661, 619 A.2d 676, 677 (App. Div. 1993), aff'd as modified, 137 N.J. 216, 645 A.2d 89 (1994).

A planning board's authority in reviewing a site plan application is limited to determining whether the plan conforms with the zoning and site plan ordinances. *W.L. Goodfellows & Co. of Turnersville, Inc. v. Washington Township Planning Bd.*, 345 N.J. Super. 109, 116, 783 A.2d 750 (App. Div. 2001); *Shim v. Washington Township Planning Bd.*, 298 N.J. Super. 395, 411, 689 A.2d 804 (App. Div. 1997). "[Site plan review] 'was never intended to include the legislative or quasi-judicial power to prohibit a permitted use." *PRB Enters., Inc. v. South Brunswick Planning Bd.*, 105 N.J. 1, 7, 518 A.2d 1099 (1987) (quoting *Lionel's Appliance Ctr., Inc. v. Citta*, 156 N.J. Super. 257, 264, 383 A.2d 773 (Law Div. 1978)). Thus, the Commission's task is faithfully to apply the CMP's provisions, namely *N.J.A.C.* 7:50-5.23(b)12, to the Project.

Assessing the conformity of the proposed pipeline with *N.J.A.C.* 7:50-5.23(b)12, which governs uses within the designated Pinelands Area, requires an analysis of the language of the existing

provision, *N.J.A.C.* 7:50-5.23(b)12, in light of the expressed intent of the original framers of the CMP.

The original CMP was enacted after considerable deliberations following the passage of the Pinelands Protection Act and included an extensive discussion of the continuing need for natural gas pipelines in the Pinelands. The original CMP also explained how it would treat pipelines in the various management districts established under the CMP.

The original CMP contained an extensive discussion of "Energy", which states, in pertinent part:

The New Jersey Department of Energy is responsible for preparing and updating a state energy master plan which will consider the production, distribution, consumption, and conservation of energy in the state. State agencies are to give proper consideration in their administrative actions to the siting policies enunciated in the master plan. The Department of Energy is also authorized to participate with other state departments on any regulatory decisions affecting energy facilities. Furthermore, the Board of Public Utilities, which is in but not of the Department of Energy, is empowered to supersede local zoning decisions when a denial by a local board will affect state-permitted plans to provide services or conveniences for the welfare of the public. A specific statement of Department of Energy siting policy with regard to the Pinelands is contained in the DEP's Coastal Management Program. These policies were jointly drafted pursuant to a 1978 memorandum of understanding, and are contained in the Coastal Management Program (August, 1980) and the New Jersey Energy Master Plan. Pipeline corridors for landing oil are prohibited in the 760-square-mile "critical area" and are discouraged in other undeveloped parts of the Pinelands. Natural gas pipelines are discouraged in the critical area unless the developer can show that the activity will meet the nondegradation water quality standards and cause no long-term adverse environmental impacts. While the document is silent about facilities other than pipelines, the Energy Use Policies require findings that: 1) the existing sources of supply will not be adequate to meet future levels of demand, including careful consideration of the potential effects of conservation; 2) no better technological alternative exists to meet future levels of demand; and 3) no better locational alternative to the proposed site exists. The Department of Energy has provided the Commission with the opportunity to comment on proposed energy facilities in the Pinelands. Action should be taken to coordinate Commission and Department of Energy policy with respect to future energy facility siting decisions. Another role for the department is suggested in Chapter Seven. This entails providing general technical assistance to Pinelands communities and developers in promoting energy conservation, and identifying applicable, economically viable energy technologies.

1980 CMP Chapter 8 Intergovernmental Coordination, p. 279 (emphasis added).

With this statement as a guide, the 1980 CMP established tiered standards to govern the Commission's review of natural gas pipelines based upon the particular management district. The CMP implemented the highest level of protection within the Preservation Area, as follows:

Use of land in the Preservation Area District shall be limited to the following:

Public service infrastructure which is necessary to serve only the needs of the Preservation Area District uses.

1980 CMP, Section 5-302. Minimum Standards Governing the Distribution and Intensity of Development and Land Use in the Preservation Area District (1980).

The CMP elaborated on the meaning of Section 5-302: The land uses determined to be appropriate within the Preservation Area District meet these legislative mandates as well as the Commission's natural resource policies, its cultural resource policy regarding opportunities for traditional lifestyles, its agricultural policy dealing with unique agricultural soils and associated water quality and quantity for berry production, and its recreation policies relating to resource protection and intensity of recreation uses. The appropriate land uses include berry agriculture, horticulture of native plants, other compatible agricultural activities, forestry, low intensity and selective intensive recreational uses, limited resource extraction, and public service infrastructure to serve the needs of the **district**.

1980 CMP, pp. 201-202 (emphasis added).

In contrast, regarding public service infrastructure in the Forest Area, the original CMP provided a less rigorous standard:

- A. The following uses shall be permitted in a Forest Area: . . .
- 8. Public service infrastructure which is <u>necessary to serve the</u> needs of the **Pinelands**.

1980 CMP Section 5-303. Minimum Standards Governing the Distribution and Intensity of Development and Land Use in Forest Areas (1980) (emphasis added). Furthermore, the original CMP defined the "Pinelands" as "the Pinelands National Reserve and the Pinelands Area."

The CMP further elaborated on the meaning of Section 5-303:

Land uses must be allocated with discretion within the Forest Areas to protect the valuable resources they contain. Forestry, agriculture, horticulture, agricultural employee housing, low intensity and selective intensive recreational uses, **and public service infrastructure to serve the region's needs are permitted uses.** In addition, a municipality may, at its option, permit certain institutional uses, Pinelands resource-related industrial or manufacturing uses, limited airport facilities and compatible light industrial uses, campgrounds, agricultural commercial establishments, roadside retail sales and service establishments, and resource extraction.

Nancy Wittenberg January 24, 2017 Page 4

Id., p 202 (emphasis added).

Finally, with regard to public service infrastructure in the Agricultural Production Area, the original CMP provided an even less rigorous standard

> A. The following uses shall be permitted in an Agricultural **Production Area:**

10. Public service infrastructure

Id., Section 5-304. Minimum Standards Governing the Distribution and Intensity of Development and Land Use In Agricultural Production Areas.

Thus, the original CMP clearly stated that a natural gas pipeline necessary to serve the Pinelands "region" was a conforming use in the Forest Area.

In 1987, the Commission changed the original provision to eliminate the "necessity" requirement. As discussed above, the original version permitted "[p]ublic service infrastructure which is necessary to serve the needs of the Pinelands." See CMP, Section 5-303.A.8 (1980). The Commission significantly amended this provision to lessen what was perceived to be overly restrictive language by replacing "[p]ublic service infrastructure which is necessary to serve the needs of the Pinelands..." with "[p]ublic service infrastructure intended to primarily serve the needs of the Pinelands." See Proposed Amendments to the Pinelands Comprehensive Management Plan, 18 N.J.R. 2260 (Nov. 17, 1986) and Final Rule 19 N.J.R. 2013-2014 (Nov. 2, 1987) (emphasis added). Accordingly, the current provision, as it exists today, states in pertinent part that:

> a municipality may, at its option, permit the following uses in a Forest Area:

(12) Public service infrastructure intended to primarily serve only<sup>1</sup>

the needs of the Pinelands. Centralized wastewater treatment and

<sup>1</sup> As a threshold matter, the presence of the word "only" in the provision governing public service infrastructure in the Forest Area is a drafting mistake – a "scrivener's error" – and has no bearing on the provision's meaning. The term "only" was inadvertently inserted into the official version of the New Jersey Administrative Code in 1994 because of a printer error during a proposed revision to this provision. See 26 N.J.R. 183 (January 3, 1994). It appears that the printer mistakenly borrowed the word "only" from the nearly identical provision governing public service infrastructure in the Preservation Area. One can easily confirm the error by reviewing the prior versions of N.J.A.C. 7:50-5.23(b)12, which has been amended several times over the years.

Following the 1987 amendment, the Commission proposed no changes to the wording of N.J.A.C. 7:50-5.23(b)12 until 1994. The Commission's proposed rule, published in the New Jersey Register January 3, 1994, offered a very minor change to the language of the provision by replacing the term "[Sewer]" with the term "Centralized waste water." See 26 N.J.R. 183 (bold text in original). However, also present in what was represented to be the existing language of the provision was the word "only," even though the official version of N.J.A.C. 7:50-5.23(b)12 did not contain the word "only," as the provision had not been changed since the 1987 amendments. It appears that the term "only" was inadvertently transposed from the provision's governing public service infrastructure in the Preservation Area and in the Special Agricultural Production Area, which is permitted if "necessary to serve only the needs of [those Areas]." See NJ.A.C. 7:50-5.22(b)4 and 7:50-5.25(b)3.

Confirming that insertion of "only" was an error is that the word was not set-off in bold text, as is required for a proposed wording change. Nor was there any explanation either in the proposed rule or in the final rule stating that the Commission intended to narrow N.J.A.C. 7:50-5.23(b)12 by adding the term "only," as would be required if the Commission intended to alter the substantive meaning of the provision.

ŭ

collection facilities shall be permitted to service the Forest Area only in accordance with N.J.A.C. 7:50-6.84(a)2. Communications cables not primarily intended to serve the needs of the Forest Area may be permitted provided that they are installed within existing developed rights of way and are installed underground or are attached to road bridges, where available, for the purpose of crossing water bodies or wetlands.

N.J.A.C. 7:50-5.23(b)12.

Importantly for comparison purposes, the companion provision governing public service infrastructure in the Preservation Area contains a more rigorous standard requiring that such infrastructure is "necessary" to serve only the Preservation Area:

a municipality may, at its option, permit the following uses in the Preservation Area District:

\*\*\*

(4) Public service infrastructure which is necessary to serve only the needs of the Preservation Area District uses. Centralized waste water treatment and collection facilities shall be permitted to service the Preservation Area District only in accordance with N.J.A.C. 7:50-6.84(a)2. Communications cables not primarily intended to serve the needs of the Preservation Area District may be permitted provided that they are installed within existing developed rights of way and are installed underground or are attached to road bridges, where available, for the purpose of crossing water bodies or wetlands.

N.J.A.C. 7:50-5.22(b)4.

While the CMP does not define the meaning of the phrase "intended to primarily serve the needs of the Pinelands," it does define the "Pinelands" to include both the state-designated Pinelands Area and the federally-designated Pinelands National Reserve. *N.J.A.C.* 7:50-2.11 (Definitions). Thus, public service infrastructure that primarily serves a use within the Pinelands, including the National Reserve, conforms with *N.J.A.C.* 7:50-5.23(b)12.

According to its ordinary meaning, the word "primarily" is an adverb used "to indicate the main purpose of something, reason for something, etc. . . for the most part." Merriam-Webster, Inc. (2014) (emphasis added). The word "intended" is an adjective meaning "in your mind as a purpose or goal. . . expected to be such in the future." *Ibid.* The word "to serve" is a verb

Had the Commission intended to change the meaning of the provision, it chose ambiguous language directly conflicting with the antecedent modifier "primarily." If the regulation requires a project to be intended to serve "only: the needs of the Pinelands, then why insert the word "primarily," thus signaling a clear intent to allow a project also to serve other needs unrelated to the Pinelands. Finally, the version of the regulation furnished by the Commission to the public via the Commission's webpage, "updated: 09/02/2014," does not contain the word "only." Accordingly, based upon both the drafting history of *N.J.A.C.* 7:50-5.23(b)12 and a logical reading of the text, the word "only" is a mistake and has no bearing on the meaning of the provision. To require public service infrastructure to serve only the needs of the Pinelands ignores the plain meaning of the text and its regulatory history. Public service infrastructure is a permitted use in the Forest Area even if it meets additional needs unrelated to the Pinelands provided the objective information shows that the project primarily serves a Pinelands use.

meaning "to furnish or supply with something needed or desired." *Ibid.* The word "need" is a noun meaning "a condition requiring supply or relief." *Ibid.* 

Applying the plain meaning of the words used in *N.J.A.C.* 7:50-5.23(b)12, public service infrastructure is a conforming use in the Forest Area if its main purpose is to supply something needed by the Pinelands, even though it has an additional purpose unrelated to a Pinelands need. This meaning is clear based not just upon a plain reading of the text but also upon the drafting history of the provision. As previously discussed, the Commission amended the provision in 1987 to eliminate the more restrictive requirement that public service infrastructure be "necessary to serve the needs of the Pinelands." See CMP 5-303.A.8 (1980); *N.J.R.* 2013-2014 (Nov. 2, 1987). The Commission made this change by replacing "necessary to serve" with "intended to primarily serve," thus making it clear that the siting of public service infrastructure in the Forest Area does not have to be "necessary" to serve the Pinelands. Rather, such infrastructure merely has to be "intended to primarily serve the needs of the Pinelands," thus signaling a clear intent to allow such infrastructure also to serve another need(s).

This change made particular sense in the case of new natural gas pipeline infrastructure in the Pinelands, which typically is interconnected to the existing distribution system for reliability purposes. Because such an improvement is interconnected to the entire system, the benefits of the improvement are distributed across the entire network, including to areas outside the Pinelands. Thus, a resiliency improvement to the pipeline system in the Pinelands, as here, will have the effect of improving the resiliency of the entire interconnected network, including portions serving residents and businesses inside and outside the Pinelands.

Based upon this change, it is clear that public service infrastructure in the Forest Area does not have to be "necessary" to serve the needs of the Pinelands; nor does it have to serve "only" the Pinelands. Rather, such infrastructure merely has to be "intended to primarily serve" the needs of the Pinelands. Public service infrastructure that provides an additional benefit outside the Pinelands conforms to the CMP if its main purpose is to provide service to the Pinelands.

It is uncontroverted that providing utility services to an existing use within the Pinelands is a "need." See 2004 Pinelands Commission-BPU MOA, Exhibit 4 (acknowledging "a critical need for additional electric transmission capacity in the eastern part of the Atlantic Region, especially in the southern New Jersey region"). The people living within the Pinelands and countless others working in the Pinelands require basic public utility services to sustain their daily lives, including reliable electric and natural gas services. The Pinelands Protection Act and the CMP both make clear that the various "needs" or conditions requiring supply or relief within the Pinelands include the basic economic needs of the people living and working there. See N.J.S.A. §13:18A-8d(3) (CMP must recognize existing economic activities within the area); N.J.S.A. §13:18A-5b (Commission membership must include residents representing economic activities); 13:18A-56 (legislative declaration that economic development may be compatible with the environmentally sensitive and rural character of the region); and N.J.A.C. §7:50-1.3. Indeed, the Commission periodically monitors the health of the economy of the Pinelands to fulfill the goals of the Act and CMP. See, N.J. Pinelands Commission, 2010 Annual Report of the Pinelands Long-Term Economic Monitoring Program.

A determination of whether the Project conforms with *N.J.A.C.* 7:50-5.23(b)12 must be based upon objective information bearing upon whether the main purpose of the Project is to supply utility service to an existing use in the Pinelands. While the provision refers to "intent," we presume the Commission means this in the objective sense and not in a subjective sense. The

•

purpose of a natural gas pipeline is to deliver natural gas to customers. When those customers are located both inside and outside the Pinelands, determining who are the main customers to be served can be determined objectively based upon the (1) time of use (i.e. how often will the customer be served by the pipeline), (2) capacity of use (i.e. how much gas will the customer receive by the pipeline), or (3) level of service (i.e. what is the nature of the service being provided to the customer by the pipeline). A proportional allocation of the time, capacity, or level of service the pipeline provides to customers inside the Pinelands and outside the Pinelands provides a rational and objective basis for deciding whether the Project "is intended to primarily serve the needs of the Pinelands." This approach also comports with how the Commission measures expansions of non-conforming public utility infrastructure under the CMP.

Applying these objective metrics to the proposed pipeline, it is clear that the primary user of the pipeline is BLE, a Pinelands business. The intent of the Project is reflected by the amount of time the pipeline will be used to supply a Pinelands use, as reflected in the 2013 "Firm Electric Service (FES)" Agreement between SJG and RCCM. See CMP Compliance Statement, Exhibit 7. The agreement obligates SJG to use the pipeline to supply BLE on at least 350 days per year. "Due to system constraints, the Seller may instruct Buyer to limit all or a portion of Buyer's Winter Daily Contract Demand during a given day for a maximum of fifteen (15) days during and Service Year..." Ibid., Para. 18. This level-of-service, which nearly is continuous, reflects the reality that the gas flowing through the pipeline will be used by BLE to generate electricity, which is subject to PJM Capacity Performance standards that require BLE to have the capability to provide energy when needed during both summer and winter peak-load conditions and extreme weather events. While the FES Agreement allows SJG a limited right to interrupt service to BLE up to 15 days per year in the Winter Season, SJG's modeling shows that the pipeline will not be needed to provide service to any other customer even during the 15 coldest days of the year for at least the next 10 years. Thus, the only time the pipeline would be used to serve a customer outside the Pinelands is in the event of a force majeure event, such as an accident, natural disaster, or sabotage of the existing Vineland-Mays Landing or Route 50 single-feed segments.

Finally, it is important to note that the FES Agreement obligates SJG to supply BLE for at least the next 20 years. "The sale and purchase of gas hereunder shall continue until the twentieth anniversary of said commencement date, and subject to Seller's possession of an adequate supply of gas, shall continue thereafter from year to year unless and until terminated upon written notice given by either party ..." *Ibid*, Article 1 Term of Agreement. Thus, the fundamental use of the pipeline to provide gas service to BLE will not change from year-to-year.

The intent of the Project also is reflected by the amount of the pipeline's capacity dedicated to a Pinelands use. The FES Agreement obligates SJG to deliver 125,000 thousand cubic feet ("MCF") per day of natural gas to BLE. "Seller hereby agrees to sell and deliver to Buyer and Buyer agrees to pay for in accordance with provisions of the tariff: (1) a Winter Daily Contract Demand of 125,000 MCF per day; (2) a Summer Daily Contract Demand of 125,000 MCF per day." *Ibid.*, Article IV Service Volumes. The amount of 125,000 MCF represents the entire capacity of the pipeline, which means that none of the pipeline's capacity is reserved for any other customers (except during the 15 days of interruptible service or during an emergency). In fact, the volume of gas reserved for BLE and to be transported through the pipeline to serve BLE represents the annual gas load of more than 210,000 residential customers, which is more than all of SJG's customers in Cape May and Atlantic Counties combined. See Exhibit 8, BPU Order, Docket No. GO13010052, Stipulation, Para. 18. Thus, it is beyond question that the volume and capacity of gas to be delivered by the pipeline to a customer in the Pinelands far

\_\_\_\_\_

exceeds the volume and capacity that would be delivered to customers outside the Pinelands.

The intent of the Project also is reflected in the different level of services it will provide to different uses. While the "redundancy service" provided by the pipeline is vitally important to the overall reliability of the gas distribution system in Cape May County, this service is qualitatively and quantitatively different from the "dedicated service" to BLE. The pipeline's redundancy service will be called upon rarely, if at all. Redundancy service will be used only during an emergency, such as an outage to the existing supply infrastructure to Cape May County. Its value to SJG and its customers is significant but difficult to quantify. The economic impacts of a catastrophic failure of the Cape May trunk line would be significant and the pipeline will greatly reduce this risk. However, actual use of the pipeline to deliver natural gas to Cape May County will be a rare, if ever, occurrence. The terms of the FES Agreement makes this absolutely clear. Thus, while the damage resulting from a catastrophic failure of the Cape May trunk line would be large, and therefore a redundant feeder is essential to prevent this damage, the probability of a catastrophic failure of the Cape May feeder line is small. For example, while the risk of an automobile accident is small, a prudent driver buys a car equipped with airbags, just in case their protection is needed during an accident. Similarly, while the pipeline's "redundancy service" is vitally important to the overall reliability of SJG's gas distribution system in Cape May County, and the redundancy will serve more customers outside the Pinelands than inside the Pinelands, the pipeline's "dedicated service" to BLE is qualitatively and quantitatively different from the type of service provided to all other customers.

The record shows that the benefits of the pipeline also primarily inure to the Pinelands. The product and services ultimately produced by the Project—safe, reliable, and clean electricity—will primarily be consumed by residents and businesses in the Pinelands. See CMP Compliance Statement, pp. 10-15. The Project will also prevent the need for some of the proposed transmission upgrades in the Pinelands. *Id.*, pp. 15-17. The Project also will provide significant reliability benefits to residents and businesses in the Pinelands. *Id.*, pp. 17-23. Finally, the Project will provide significant air quality benefits to the residents and environment in the Pinelands. *Id.*, pp. 23-29.

Finally, the Project will primarily benefit Pinelands' residents. Evidence on the record shows that BLE would supply about 65 percent of its output to residents and businesses within the Pinelands after the closure of the 615 MW Oyster Creek nuclear plant in 2019. See PowerGEM, "Benefit to Pinelands Area of BL England Repowering," (May 29, 2012) (CMP Compliance Statement, Exhibit 3). PowerGEM later updated its report in October 2013 to reflect that 200 MW of peaking generation units in the coastal zone between Ocean and Cape May Counties would retire in 2015, which would increase the amount of BLE's electricity consumed within the Pinelands to 86 percent after the retirement of the Oyster Creek nuclear power plant in 2019.

PJM Interconnection, LLC ("PJM") also has concluded that absent significant electric transmission system upgrades, the continued operation of BLE is vitally important to electric reliability in the Atlantic City Electric ("ACE") service territory, which covers 39 out of the 55 Pinelands municipalities having a combined population of 638,000 people. Safe and reliable electricity is an essential health and safety need in every community within the Pinelands. The impacts to the electric grid from Hurricane Sandy illustrate this fundamental need. Of all the states impacted by Hurricane Sandy, New Jersey experienced the largest number of electric outages. New Jersey's four Electric Distribution Companies ("EDCs") reported 2,900,000 peak

customer outages representing about 70 percent of all electric customers. The storm flooded 49 major substations, felled more than 100,000 trees and 9,000 poles, and damaged 3,000 distribution circuits, 100 transmission lines, and 4,000 transformers. See NJBPU, Discussion Points, FY 2013-2014 Budget; Giuliano, BPU, Division of Reliability & Security, "Understanding Energy Emergency Preparedness and Storm Response" (June 17, 2014). Within the ACE service territory, which comprises most of the Pinelands region (about 70 percent of Pinelands residents receive their electricity from ACE, including the entire population of Cape May and Atlantic Counties) the storm damaged 23 transmission circuits and caused wide spread outages due to downed poles and downed conductors, including circuits serving the barrier Islands of Long Beach Island and Ocean City. Sixteen ACE substations experienced some degree of flooding during the last two major hurricanes (Irene and Sandy), with 13 substations within the Federal Emergency Management Agency's Advisory Based Flood Elevation (ABFE) 1% flood zone. See Pepco Holdings, "Challenges Impacting Critical Electrical Infrastructure in the Floodplain and Flood Prone Areas due to Storm Events and Sea-level Rise" (Sept. 19, 2013).

For these reasons, whether the pipeline's degree of "service to the Pinelands" is measured based upon its relative time, capacity, level of service, or public welfare benefits the objective evidence readily demonstrates that the proposed pipeline will primarily serve the needs of the Pinelands and fully conforms with *N.J.A.C.* 7:50-5.23(b)12. Having established that a pipeline to serve the BLE is consistent with the CMP because both the pipeline and the plant that it serves are located entirely within the Pinelands, merely because the Project has the additional benefit of reinforcing reliability to more customers outside the Pinelands than inside the Pinelands does not render the pipeline non-conforming. The pipeline fully conforms because the Pinelands will consume very nearly 100 percent of all the natural gas transported through the pipeline and 86 percent of all the electricity generated by that natural gas. These facts are uncontroverted, dispositive, and more than a sufficient basis to conclude that the pipeline is "intended to primarily serve the needs of the Pinelands."

Sincerely,

COZEN O'CONNOR, PC

Peter J. Fontaine

PJF:kn