

City of Estell Manor

Office of the City Clerk
Estell Manor, NJ 08319

Please accept the attached as a true and certified copy of a Resolution which was passed by the Governing Body of the City of Estell Manor at a Regular Meeting held on Wednesday March 12, 2014.

CERTIFICATION

I, Fern A. Brown, Acting Municipal Clerk of the City of Estell Manor, County of Atlantic, State of New Jersey, do hereby certify that I have compared the annexed copy of RESOLUTION NO. 37-2014 of the City of Estell Manor adopted on March 12, 2014 and it is a true copy of the Resolution.

IN WITNESS WHEREOF, I have heretofore set my hand and affixed the corporate seal of the City of Estell Manor this 20th. Day of March 2014.



Fern A. Brown,
Acting Municipal Clerk

**CITY OF ESTELL MANOR
RESOLUTION #37-2014**

**A Resolution Opposing the Decision Rendered by the New Jersey Pinelands
Commission Rejecting a Proposal to Allow Construction of a Natural Gas
Pipeline and Defeating a Memorandum of Agreement which Had Been Supported
by the Staff of the Pinelands Commission, the Staff of the New Jersey Board of
Public Utilities and the Staff of the New Jersey
Department of Environmental Protection**

Sponsored by: Mayor and City Council

WHEREAS, the New Jersey Pinelands Commission voted down a resolution to allow construction of a 22 mile long natural gas pipeline needed to bring natural gas to the B.L. England Electric Generating Station in order to continue to reliably serve the demand for electricity and gas in southern New Jersey, particularly to those customers in Cape May and Atlantic Counties, thus defeating a proposed "Memorandum of Agreement" which had been supported by the Staff of the New Jersey Board of Public Utilities; and

WHEREAS, in order to comply with current emission standards, within the next several years local generating capacity situated within southern New Jersey will be significantly reduced as a result of the closing of the Oyster Creek Nuclear Generating Station, a number of "peaking" generating units (the purpose of which is to provide added generating capacity during peak load periods) and, without the ability to construct the proposed gas pipeline, the closing of the B.L. England Generating Station; and

WHEREAS, the combined impact will mean a loss of in excess of 1055 mw of locally produced base load energy plus the loss of peak load energy production; and

WHEREAS, in rendering its decision the Pinelands Commissioners not only rejected the support for the Memorandum of Agreement received from the Staff of the New Jersey Board of Public Utilities which oversees all gas and electric utilities within the State of New Jersey and is responsible to ensure that those utilities satisfy their statutory obligation to provide safe, economic and reliable energy to their customers, but the Pinelands Commission also rejected the credible testimony received from representatives of the New Jersey Department of Environmental Protection and, even more disturbingly, rejected the reports prepared by the Pinelands Commission's own expert staff which recommended approval of the Memorandum of Agreement; and

WHEREAS, the southern counties of New Jersey are at the very end of the transmission grid and rely exclusively on a combination of local generation and transmission of imported energy from other generating facilities through west to east and north to south transmission lines; and

WHEREAS, with the closure of B.L. England, Oyster Creek and various peaking generating units there is a very real concern that existing transmission lines will be inadequate to carry the load from available generation sources to serve the southern New Jersey area; and

WHEREAS, the lead time for the siting, approval and construction of added transmission facilities historically spans a number of years; and

WHEREAS, added transmission lines may be required to be constructed not only from west to east but also from north to south, including the probable need to construct such transmission lines within and through areas which are under the jurisdiction of the New Jersey Pinelands Commission; and

WHEREAS, transmission lines which carry energy at 230 Kv and above are not capable of being constructed within public rights of way and generally require the acquisition of private rights of way, often through the exercise of eminent domain; and

WHEREAS, the approximately 15 miles of the proposed natural gas pipeline would have been constructed almost entirely within already impacted public rights of way, would have provided not only the natural gas necessary to allow the B.L. England Generating Station to continue to operate not as a fossil fueled coal or oil plant but as a more efficient, reliable, affordable and environmentally clean facility, and would have had significantly less effect upon the Pinelands areas than the construction of an overhead transmission line or lines, and alternate gas pipelines which may have to be sited within the Pinelands Area; and

WHEREAS, the proposed pipeline could have been constructed in a timely manner without subjecting the energy users of southern New Jersey, particularly in Atlantic and Cape May Counties, to brown - outs, black - outs, and curtailment of usage while new transmission lines are being planned, sited, approved and constructed, if they will be permitted at all; and

WHEREAS, the proposed natural gas pipeline would not only have provided gas to power the replacement B.L. England generating station but would also have provided a redundant line to serve the needs of all Cape May and Atlantic County South Jersey Gas customers, thus ensuring continued safe, adequate and reliable service to those customers; and

WHEREAS, the Report of the Pinelands Commission dated January 3, 2014 acknowledged that, among other things:

- ✓ The proposed pipeline "significantly enhances the reliability of SJG's (South Jersey Gas) natural gas system in the southern and eastern portions of its service territory (Cape May and

Atlantic Counties, respectively.)"

- ✓ "Given the current lack of an alternate supply line, a failure in either of these existing pipelines, especially during winter months, could subject up to 140,000 of SJG's existing customers to long-term gas outages, thereby placing the safety and welfare of these customers at risk."
- ✓ "The proposed gas pipeline is expected to greatly enhance the reliability of the eastern and southern portions of SJG's service territory by providing an alternate route for gas to be supplied to Atlantic and Cape May Counties."
- ✓ "The proposed pipeline would also improve gas supply availability and pressures to feed these areas on peak and near-peak days, thus potentially reducing the need for additional pipelines in the future, many of which would likely be located within the Pinelands Area."; and

WHEREAS, while achieving the closing of the B.L. England Generation Plant eliminating the burning of coal or oil at that facility will be perceived as an environmental victory by some, the elimination of that generating source must be balanced against the need to continue to provide safe, reliable and clean energy at reasonable cost which requires replacing what will be closed with other local gas fired facilities; and

WHEREAS, without achieving that balance, the energy users of southern New Jersey will be adversely affected not only as to the cost of energy - since New Jersey was reported in 2010 as having the 6th highest average retail price of electricity in the United states at 14.68 cents per Kw, but more significantly the reliability of that essential service will be materially compromised; and

WHEREAS, a robust and vital economy which is partially driven by energy consumption requires that an area be able to offer competitive rates to attract business, and is needed to retain the residential base, that ability needs to be preserved in southern New Jersey which is already suffering from the competition in the casino gaming industry and lagging behind other areas in recovering from the recession

NOW, THEREFORE, BE IT RESOLVED that the governing body of the City of Estell Manor, in the County of Atlantic strongly opposes the decision rendered by the New Jersey Pinelands Commission as being arbitrary, capricious, and against the weight of credible evidence, failing to properly balance the impacts, if any, upon the protected / preservation areas against the overall public good; and

BE IT FURTHER RESOLVED that the City Clerk shall send a copy of this Resolution to:

Governor Chris Christie
Lieutenant Governor Kim Guadagno
Congressman Frank LoBiondo