

Review of Alternatives

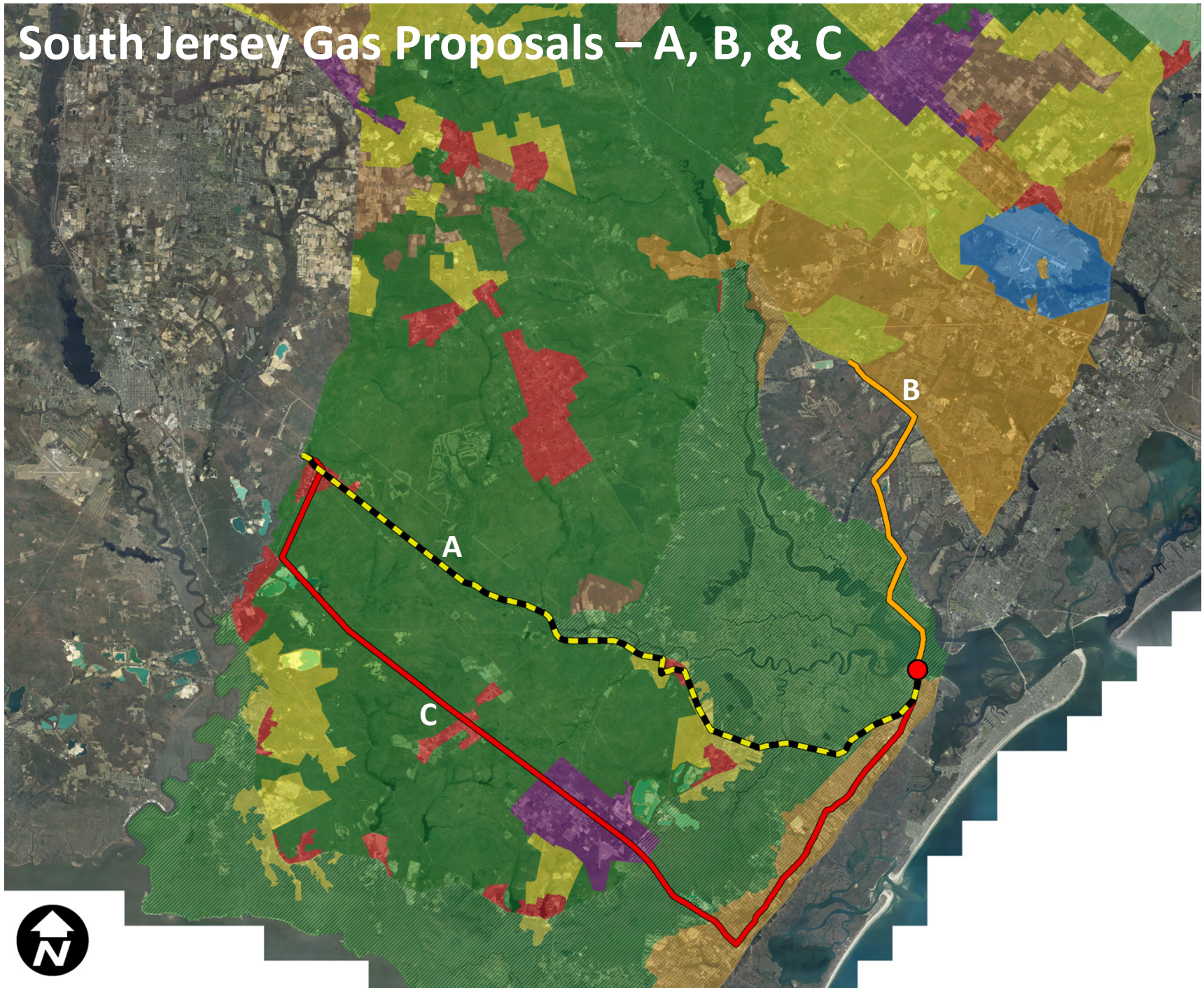
Goals of the Proposal

- Serve BL England
- Provide redundancy to Cape May gas users
- Minimize or eliminate environmental impacts

Three SJG Alternatives

- Alternative A
 - Rt. 49
- Alternative B
 - Under GEHR Bay route
- Alternative C
 - Abandoned Rail right-of-way

South Jersey Gas Proposals – A, B, & C



Summary of SJG Alternatives

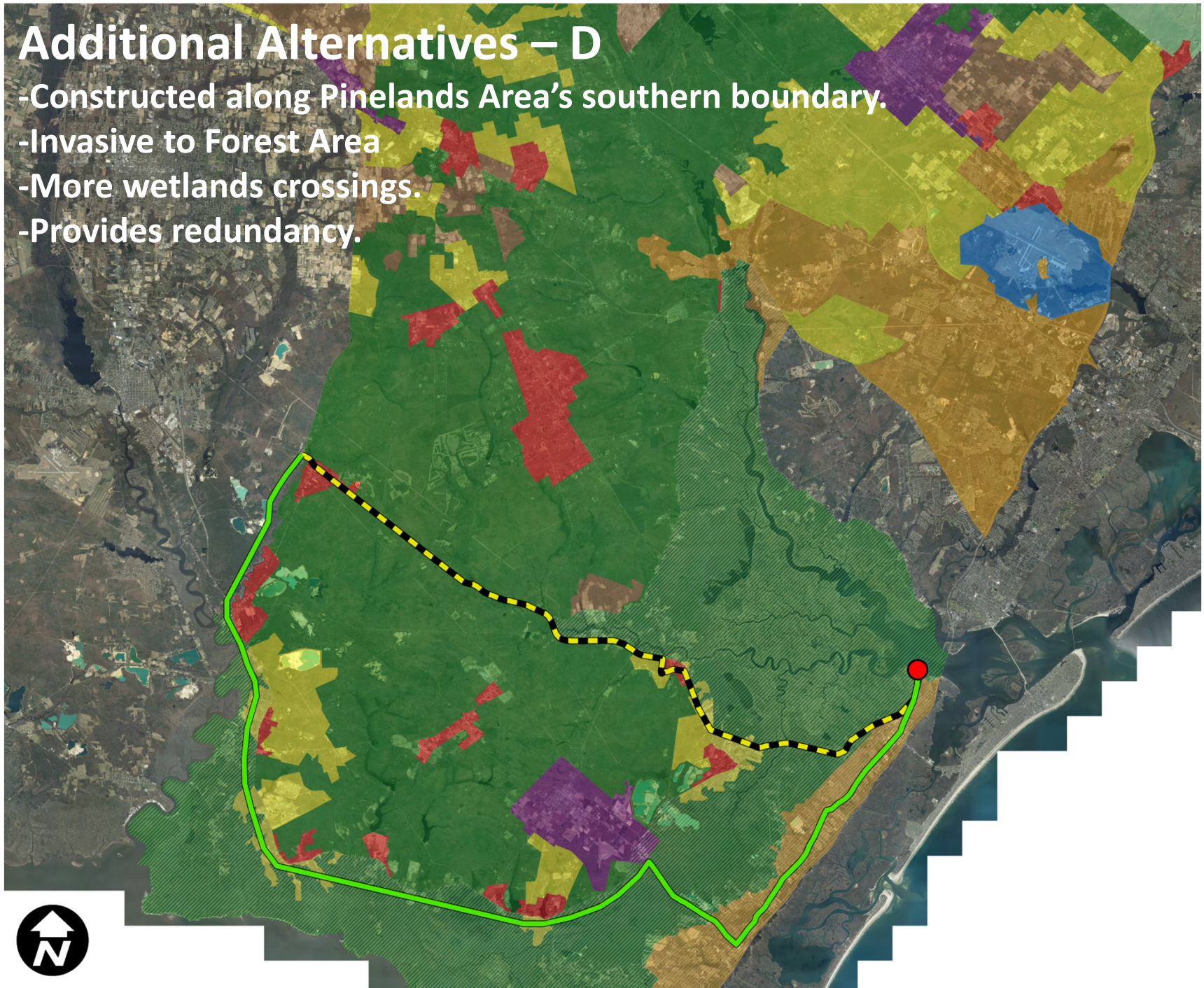
- **Alternative A** (the selected alternative)
 - Invasive to Forest Area
 - Provides Redundancy
- **Alternative B**
 - Invasive to Forest Area
 - Involves lengthy under-bay segment
 - Wetland Impacts
 - Relocation of residents
 - Does not Provides Redundancy
- **Alternative C**
 - Invasive to Forest Area
 - Involves significant clearing and T & E impacts
 - Provides Redundancy

Other Alternatives Examined (no new clear-cuts considered)

- **Alternative D (South)**
 - Route 47
- **Alternative E (North)**
 - Route 50
- **Alternative F (North, West)**
 - Route 50 with new feeder from west
- **Alternative G (North)**
 - GSP Bridge (or new bridge)

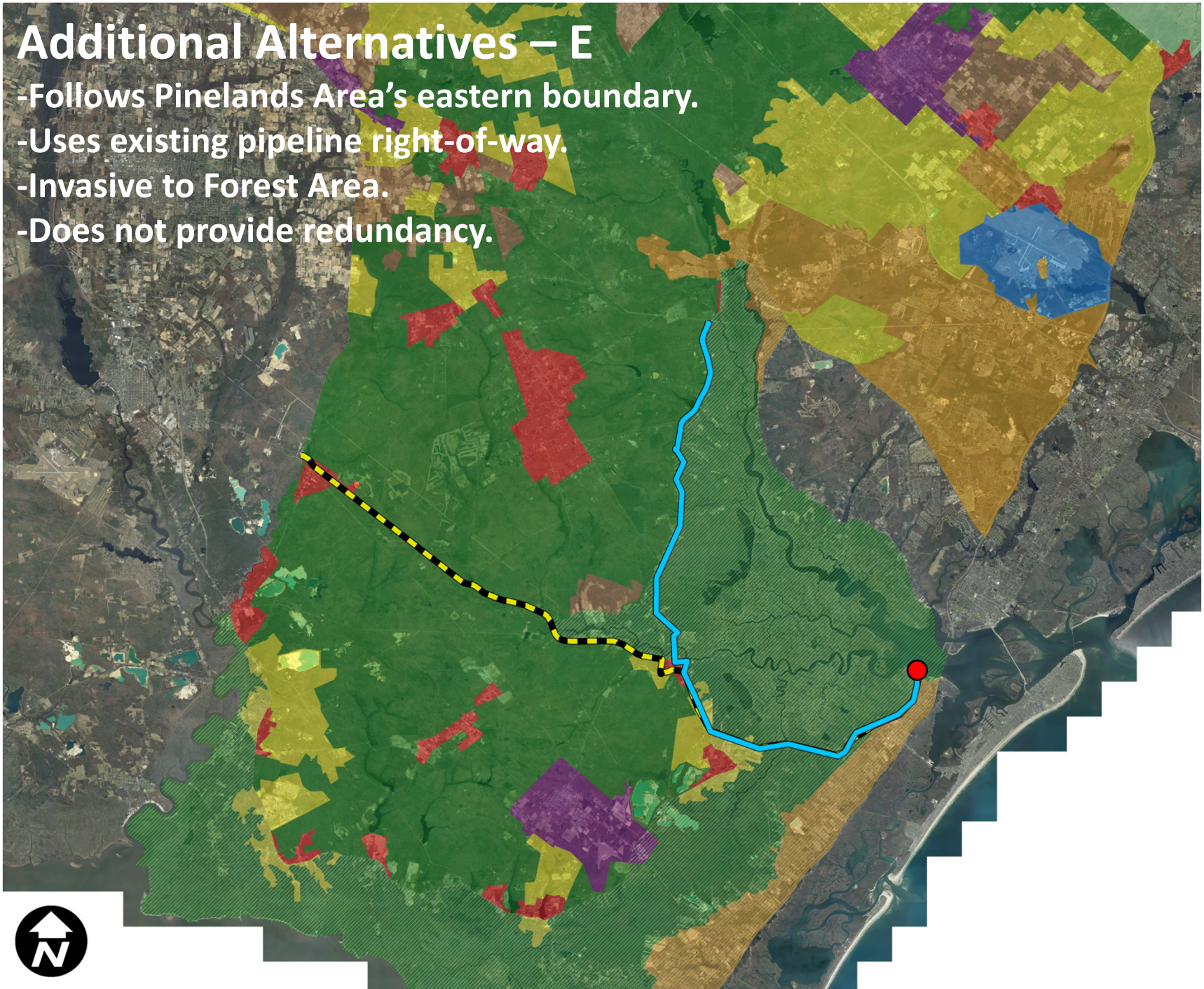
Additional Alternatives – D

- Constructed along Pinelands Area's southern boundary.
- Invasive to Forest Area
- More wetlands crossings.
- Provides redundancy.



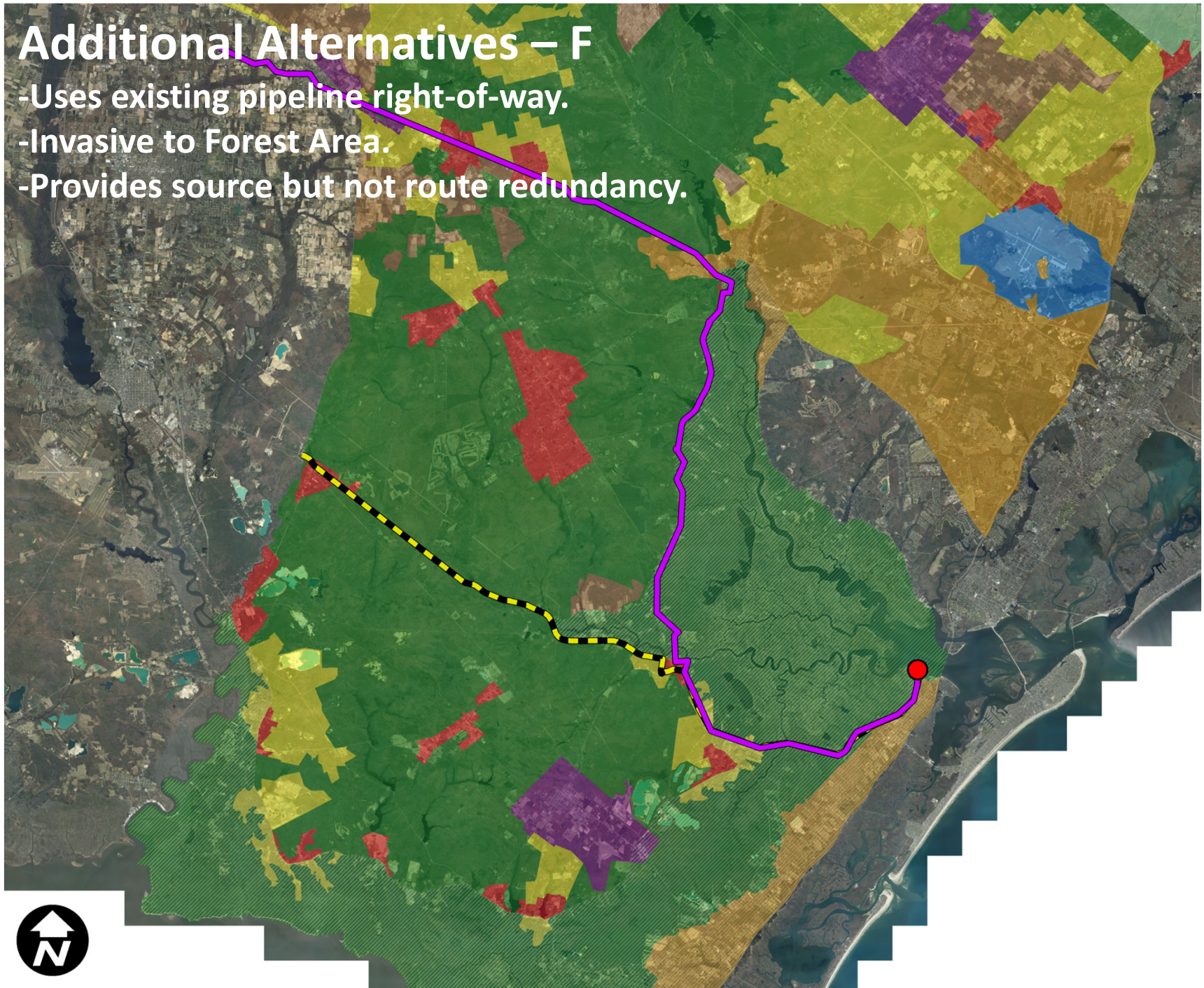
Additional Alternatives – E

- Follows Pinelands Area's eastern boundary.
- Uses existing pipeline right-of-way.
- Invasive to Forest Area.
- Does not provide redundancy.



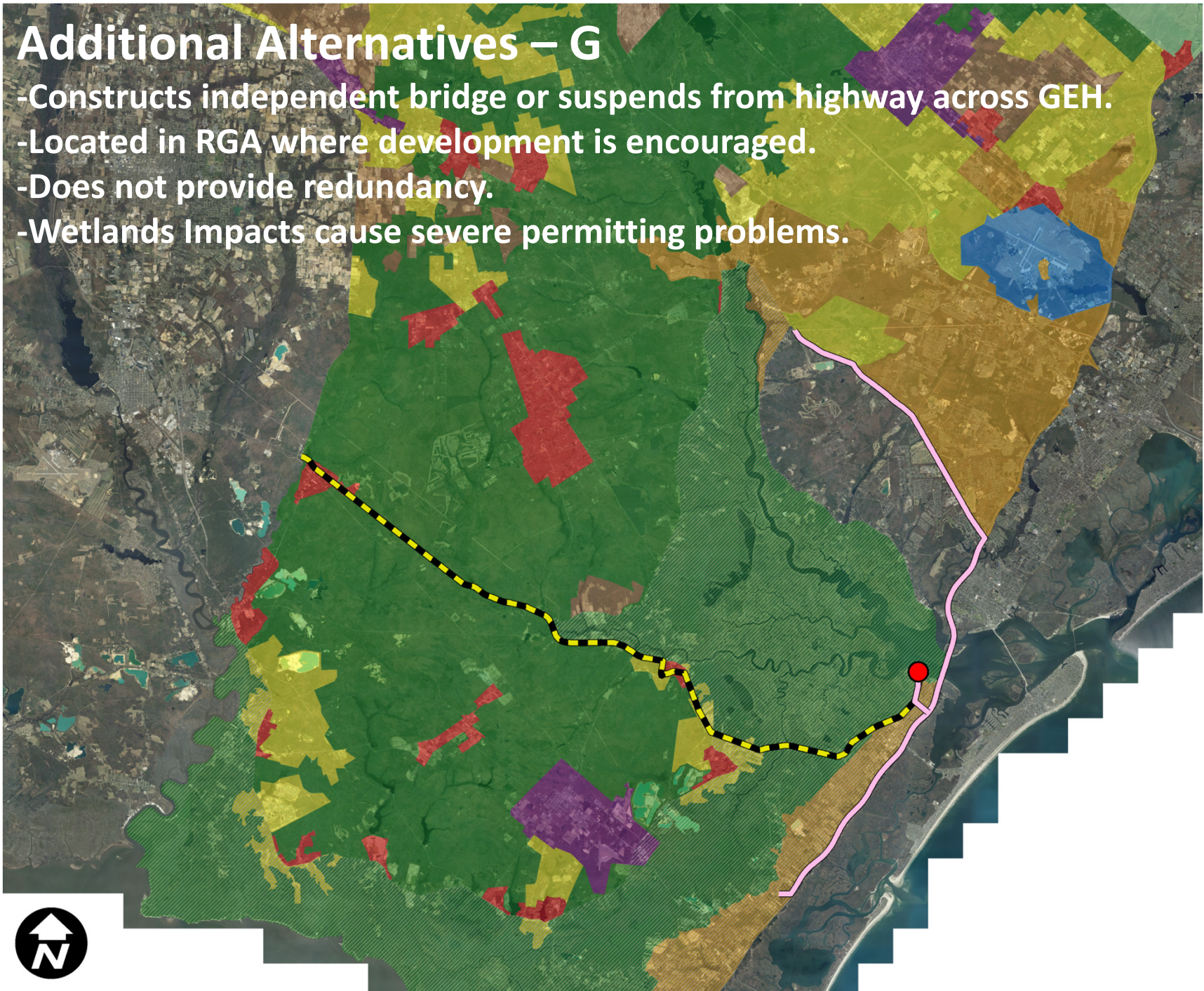
Additional Alternatives – F

- Uses existing pipeline right-of-way.
- Invasive to Forest Area.
- Provides source but not route redundancy.



Additional Alternatives – G

- Constructs independent bridge or suspends from highway across GEH.
- Located in RGA where development is encouraged.
- Does not provide redundancy.
- Wetlands Impacts cause severe permitting problems.



Summary

Alternative	Direction (from)	Description	Pipeline Distance (miles)	Source Redundancy from Outside Pines?	Route Redundancy from Outside Pines?	Environmental or other issue?
A - SJG	West	Rt. 49, (preferred)	22	Yes	Yes	Use in FA
B - SJG	North	EHT RGA	11	No	Yes	<ol style="list-style-type: none"> 1. Huge HDD crossing GEHB (7000') with wetlands 2. Evacuate 24 homes
C - SJG	West	RR Rt. Of way	29	Yes	Yes	<ol style="list-style-type: none"> 1. Re-growth clearance 2. Numerous T & E
D - Staff	South	Rt. 47 (boundary of Pines)	35	Yes	Yes	<ol style="list-style-type: none"> 1. Still partly Uses PA FA 2. Lengthy 3. More wetland crossings
E – Staff (also public)	North	Rt. 50 Existing feeder	20	No	No	<ol style="list-style-type: none"> 1. Crossing GEHB 2. Still partly Uses PA FA
F - Staff	North	Rt. 50 + New feeder from West	37	Yes	No	<ol style="list-style-type: none"> 1. Still partly Uses PA FA 2. Lengthy replacement of FA
G- Staff	North	GSP Bridges	11	No	Yes	Bridge to be replaced

Determining “Equivalent Level of Protection”

I. What is “equivalent level of protection”?

- As if “not there”, or
- Similar to other permitted uses in FA
 - Low Density Housing
 - Farming
 - Forestry
 - Communication cables

II. Past Approaches

What other approaches have been used in the past?

Number	Type Approach	Approach	Where Used previously	Basis	Comments/Applicability to South Jersey Gas
1	Disturbance	2 PDC rights/acre disturbed	Connectiv, Rt. 530 widening PDA	Waiver for a house where disturbance is roughly +/- ½ acre	NO - little disturbance.
2	Pollutant Loading - Host Community Fee	a. \$2.04/ton of waste (1 st amendment) b. \$/ton capacity plus ½ host community fee (2 nd amendment)	CMCMUA landfill	CMCMUA landfill	NO - difficult to apply a rule for solids to a gas
3	T & E Habitat	a. 1:1 temporary impact b. 3:1 permanent impact	GSP, Robert Miller Airport	NJ DEP	No - little disturbance
4	Removal of deed restriction (PDCs)	a. 3 ac. of impact for every ac. diverted b. 2 PDC rights/ac. impacted	Rt.530 PDA	Rt. 530 public development approval	NO – no removals of deed restrictions
5.	Intersection secondary Impacts	Cap development at existing zoning within 1.5 miles	GSP intersections	GSP MOA	POSSIBLE. But linear pipeline more pervasive than intersections.

III. New Approach (Expansion of #5 above)

Number	Type Approach	Approach	Where Used previously	Basis	Comments/Applicability to South Jersey Gas
6	New Linear Development in areas not specifically permitted	Purchase, deed restrict <u>and</u> transfer to NJ DEP private vacant on each side to preclude future hook-ups.	GSP	Secondary impacts	<ol style="list-style-type: none"> 1. Limits future hook-ups 2. Limits possibility of adjacent pipelines 3. Decrease general precedent as more land will be deed restricted precluding such incursions

IV. Area Needing “Equivalent Level of Protection”

- Private vacant land in Forest Area (FA)
 - 2000 to 3000 acres of land
- Targeting
 1. Attempt to purchase these adjacent lands for 3 years
 2. After 3 years, target FA lands in the Southern forest (South of AC Expressway)
 - a) E.g., Tuckahoe River watershed
 - b) E.g., Manumuskin watershed

Private FA Lands Along and Near Rt. 49



V. What Funding Will be Necessary to Offset?

- There is no firm estimates as to what the land would be worth to willing sellers
 - Land sales in the area are very limited
 - The economy is just coming out of a recession
- There is no guarantee whether some or all landowners would be willing to sell
- A specific dollar amount, estimated to be sufficient to protect 2000-3000 acres, has been required of SJG

Basis of Negotiated Amount

\$7.25 million

- **Amount of land:** All private vacant land along pipeline in FA = +/- 2000 - 3000 acres
- **Range of Estimated Costs:**
 - **Building Lots:**
 - Could result in around 100 -150 homes at current zoning of +/- 20 acres per house.
 - Building lots sell for approximately \$100,000/lot.
 - Estimate: **\$10,000,000 for 2000 acres.**
 - **PCF FA Purchases:**
 - The weighted average price of FA land purchased in PCF (\$4766/ac.)
 - Estimate: **\$9,500,000 for 2000 acres.**
 - **PDC Prices:**
 - A ten year average of PDC prices (including recession years) is around \$3600/ac.
 - Estimate: **\$7,200,000 for 2000 acres..**
 - **Recent Inquiry:**
 - Offer to sell 900 ac. in Estell for \$3000/acre
 - Estimate: **\$6,000,000 for 2000 acres.**
- **Negotiated MOA Amount :** **\$7.25 million would probably result in between 2000-3000 acres being permanently protected**