

Board OKs PSNC's Alamance-Orange gas pipeline

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HILLSBOROUGH — Members of Orange County's Board of Adjustment say they sympathize with worried residents, but their hands are tied in approving a contentious application for a 9.1-mile natural gas pipeline.

PSNC wants to install the new, 16-inch pipe parallel to an older 10-inch line. The project is part of a 16-mile transmission pipeline from the Haw River in Alamance County to a regulator station on Old N.C. 86, just south of Eubanks Road. There, it will tie into a line delivering more natural gas to Duke University.

The plan will affect more than 75 properties, most of which provided easements in 1952 for the original pipeline. Roughly a dozen residents pleaded with the board to protect the environment, property values, public safety and their quality of life.

Chairman Larry Wright reminded the crowd at Wednesday's meeting several times that the "quasi-judicial" board can only consider the county's development rules, physical evidence and sworn testimony from experts. PSNC attorney Matt Rhoad raised repeated objections when residents' testimony strayed from the facts.

The board approved PSNC's special-use permit with nine conditions. Since the gas distribution company failed to include an above-ground valve and tie-in station on Nicks Road in its application, officials will have to apply later to modify the permit.

Jerry Raines, whose family farms land on Nicks Road, told the board not to trust PSNC officials to do what they say.

The company offered him \$232 instead of fair compensation to expand the easement on his land, Raines said. In May, he was surprised to find surveyors marking his land, without giving him notice, he said. The last straw was when he found Rhoad handing his elderly parents an easement deal to sign. The last paragraph of the deal states that it could be unenforceable, Raines said.

"What he says, he doesn't have to stand by, the company doesn't have to stand by," Raines said. "He could sit there and promise me the moon, but unless he has already written it in his paperwork, he can sit there and negotiate all day long, twist somebody's arms or lead them on, to get them to sign this."

The company is paying landowners \$1 per "rod," or every 16 feet, to expand easements for which the company paid the appraised value in the 1950s. The extra \$200 was added to sweeten the pot, Rhoad said. New easements will be fairly compensated, he said.

PSNC officials are still negotiating, but they also filed eminent domain lawsuits against some property owners to avoid potential delays. The state and federal constitutions usually require agencies to pay the market-appraised value for land seized using the eminent domain law.

The pipeline will serve mostly commercial and industrial customers, while meeting a growing demand in the Triangle, PSNC spokeswoman Angie Townsend said. Residents along the line won't be able to tap it, she said.

Once the permits are in hand, the work could be done in a few months, PSNC officials said.

Mebane Oaks Road resident Joseph Zaragoza said he's not opposed to the new pipeline, but he wants to be sure it will be installed and operated safely. He also doesn't want it to affect his new driveway, landscaping or the full use of his property, he said.

Others worried this might be the first of many new pipelines. District Court Judge Jay Bryan, who lives along the route, reminded the board that one of the county's standards for approval is a planned use that will "maintain or enhance the value of contiguous property."

"Ten years from now, the way I interpret it, (PSNC) can come in and put in another line," Bryan said. "Basically, their easement encumbers our whole property, and if that doesn't affect the value, I don't know what does."

The county's rules say that standard doesn't apply if the use serves a public need.

Safety is always the top priority, said Rob Priester, an engineer with PSNC parent company SCANA Energy. The new pipe is planned for the existing easement to limit the effects on property owners and property values, he said.

"It requires less space for working, less space for maintenance," Priester said. "It's not really changing the land use."

Natural gas facts

The gas distribution company PSNC gets most of its gas via the Transco pipeline network, which crosses 12 states from south Texas to New York City. Transco is expected to reverse the flow of natural gas through the pipeline by December 2015, to move gas being produced in Pennsylvania's Marcellus shale formation.

PSNC's service area covers 28 counties, with about two-thirds of its 505,000 customers in the Triangle.

The North Carolina Utilities Commission regulates and inspects gas pipelines under rules set by the U.S. Department of Transportation and federal Pipeline and Hazardous Materials Safety Administration. PHMSA reports that North Carolina has roughly 4,000 miles of gas transmission pipelines, and Gastonia-based PSNC operates 589 of those miles.

North Carolina reported five gas transmission pipeline incidents from 2004 to 2013. This year, damage from a 2003 excavation project caused an explosion near Asheville and lightning caused another one in Mill Spring, according to PHMSA. No injuries or fatalities were reported since 2004, but the property damage was estimated at \$2.5 million.