

16 The above documents are being submitted to the PUC so as to provide additional
17 information concerning the volatility and dangerous characteristics of the Bakken Shale Oil in North
18 Dakota. In fact, pipeline shipping the Bakken Shale Oil has been prohibited in the State Of New
19 Jersey on the basis that it is "a very volatile fuel" and due to the "significant safety concerns/risks
20 posed to the citizens/communities of the State of New Jersey." The Town Of Red Hook, New York
21 in its Resolution No. 2 Dated January 28, 2015 Opposing Building Of The Pilgrim Pipeline has
22 reached the same conclusion.

23 Janice Elaine Petterson
24 Janice Elaine Petterson
25
26

27
28 Subscribed and sworn before me this 14th day of August, 2015.
29

30 Janice Petterson
31 Notary Public – South Dakota
32 My Commission Expires: 3-10-16
33
34
35
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THE WALL STREET JOURNAL

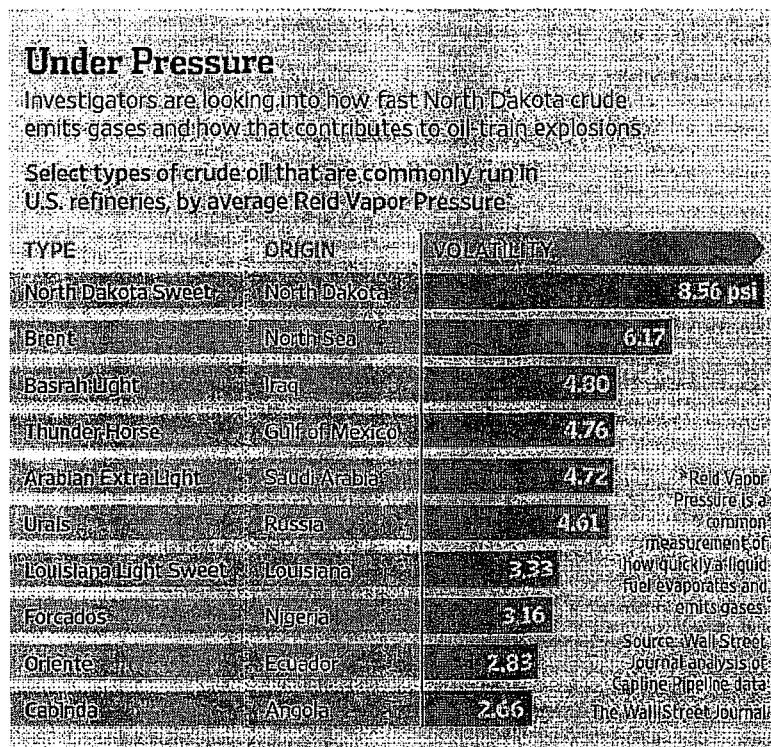
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<http://www.wsj.com/articles/SB10001424052702304834704579401353579548592>

BUSINESS

Bakken Shale Oil Carries High Combustion Risk

Analysis of Crude From North Dakota Raises Further Questions About Rail Transportation



By RUSSELL GOLD

Feb. 23, 2014 7:10 p.m. ET

Crude oil from North Dakota's Bakken Shale formation contains several times the combustible gases as oil from elsewhere, a Wall Street Journal analysis found, raising new questions about the safety of shipping such crude by rail across the U.S.

Federal investigators are trying to determine whether such vapors are responsible for recent extraordinary explosions of oil-filled railcars, including one that killed several dozen people in Canada last summer.

The rapid growth of North Dakota crude-oil production—most of it carried by rail—has been at the heart of the U.S. energy boom. The volatility of the crude, however, raises concerns that more dangerous cargo is moving through the U.S. than previously believed.

Neither regulators nor the industry fully has come to terms with what needs to be done to improve safety. There have been some steps, for example, slowing trains and promising to redirect around high-risk areas. But debate still rages over whether railcars need to be strengthened, something the energy industry has resisted.

"Given the recent derailments and subsequent reaction of the Bakken crude in those incidents, not enough is known about this crude," said Sarah Feinberg, chief of staff at the U.S. Transportation Department. "That is why it is imperative that the petroleum industry and other stakeholders work with DOT to share data so we can quickly and accurately assess the risks."

Potential fixes could create their own problems: Clamping down on rail transport could thwart the growth of oil output and slowing oil trains could affect the rail industry's ability to move freight around the country.

The Journal analyzed data that had been collected by the Capline Pipeline in Louisiana, which tested crude from 86 locations world-wide for what is known as vapor pressure. Light, sweet oil from the Bakken Shale had a far higher vapor pressure—making it much more likely to throw off combustible gases—than crude from dozens of other locations.

Neither federal law nor industry guidelines require that crude be tested for vapor pressure. Marathon Petroleum Corp. , which operates Capline, declined to elaborate on its operations except to say that crude quality is tested to make sure customers receive what they pay for.

According to the data, oil from North Dakota and the Eagle Ford Shale in Texas had vapor-pressure readings of over 8 pounds per square inch, although Bakken readings reached as high as 9.7 PSI. U.S. refiner Tesoro Corp. , a major transporter of Bakken crude to the West Coast, said it regularly has received oil from North Dakota with even more volatile pressure readings—up to 12 PSI.

By comparison, Louisiana Light Sweet from the Gulf of Mexico, had vapor pressure of 3.33 PSI, according to the Capline data.

Federal regulators, who have sought information about vapor pressure and other measures of the flammability and stability of Bakken crude, have said the energy industry hasn't provided the data despite pledges to do so.

The industry's chief lobbying group said it was committed to working with the government but that historically it hadn't collected the information. The energy industry has resisted the idea that Bakken Shale oil's high gas level is contributing to oil train explosions, but the American Petroleum Institute is revisiting the question, said President Jack Gerard. "Are we testing everything we should be testing?"

David Miller, head of the institute's standards program, said a panel of experts would develop guidelines for testing crude to ensure it is loaded into railcars with appropriate safety features. New tests could include measures of viscosity, corrosion and vapor pressure, he said.

The rapid growth in transporting oil by rail was rocked by several accidents last year. Last summer a train loaded with 72 cars of crude exploded, leveling downtown Lac-Mégantic, Quebec, and killing 47 people. Later in the year, derailed trains exploded in Alabama and North Dakota, sending giant fireballs into the sky. Derailments, typically caused by track problems or equipment failure, triggered the accidents. While crude oil is considered hazardous, it isn't usually explosive.

Most oil moving by rail comes from the Bakken Shale, where crude production has soared to nearly a million barrels daily at the end of last year from about 300,000 barrels a day in 2010.

The rapid growth in Bakken production has far outpaced the installation of pipelines, which traditionally had been relied on to move oil from wells to refineries. Most shale oil from Texas moves through pipelines, but about 70% of Bakken crude travels by train.

Bakken crude actually is a mixture of oil, ethane, propane and other gaseous liquids, which are commingled far more than in conventional crude. Unlike conventional oil, which sometimes looks like black syrup, Bakken crude tends to be very light.

"You can put it in your gas tank and run it," said Jason Nick, a product manager at testing-instruments company Ametek Inc. "It smells like gasoline."

Equipment to remove gases from crude before shipping it can be hard to find in the Bakken. Some Bakken wells are flowing so quickly that companies might not be able to separate the gas from the oil, said Lynn Helms, director of North Dakota's Department of Mineral Resources. "At a really high flow rate, it is just much more difficult to get complete gas separation," he said.

There also is a financial benefit to leaving gaseous liquids in the oil, because it gives companies more petroleum to sell, according to Harry Giles, the retired head of quality for the U.S. Energy Department's Strategic Petroleum Reserve and a former head of the Crude Oil Quality Association.

The federal government doesn't spell out who should test crude or how often. Federal regulations simply say that oil must be placed in appropriate railcars.

There are three "packaging groups" for oil, based on the temperatures at which it boils and ignites. But these tests don't look at how many volatile gases are in the oil, and that is the industry's challenge, according to Don Ross, senior investigator with the Transportation Safety Board of Canada. "There is no accepted industry method for testing for gassy crude," he said.

Without clear guidance, some oil producers simply test their crude once and generate a "material safety data sheet" that includes some broad parameters and characteristics.

After last summer's deadly Canadian incident, investigators said several data sheets that were supposed to describe oil quality were either incomplete or incorrect.

Much of the oil industry remains resistant to upgrading the 50,000 railcars that are used to carry crude oil, saying it would be too time consuming and expensive. The problem, they argue, isn't the cargo but a lack of railroad safety.

Some observers of the energy industry are starting to call for oil companies to ensure the crude being poured into railcars isn't too volatile.

"We need some standards," said Bill Lywood, an oil-industry consultant in Edmonton, Alberta, who measures crude characteristics for producers in Western Canada. "The industry should not be filling railcars with unstabilized crude."

—Laura Stevens and Tom McGinty contributed to this article.

Write to Russell Gold at russell.gold@wsj.com

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<http://www.wsj.com/articles/north-dakota-fracking-behind-the-oil-train-explosions-1404761720>

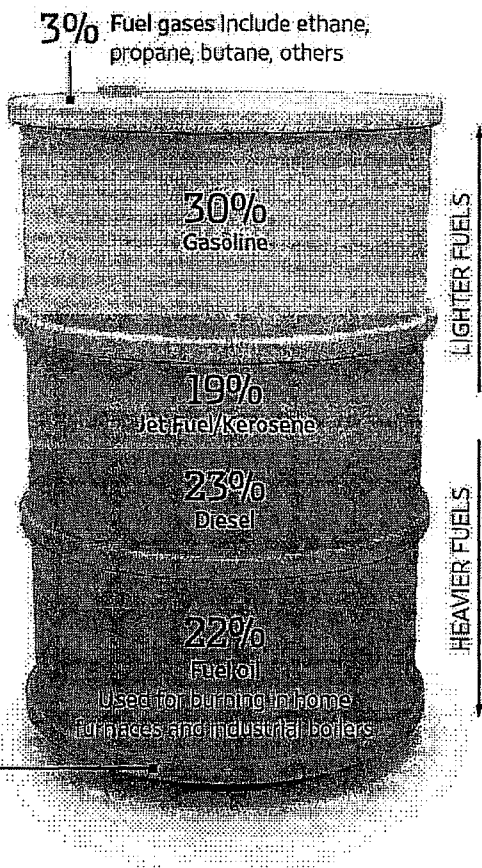
BUSINESS

North Dakota Fracking: Behind the Oil-Train Explosions

Volatile Gases Aren't Removed From Bakken Shale Crude; 'The Regulations Are Silent'

A Volatile Mix

Of the typical products that come from Bakken Shale crude oil, fuel gases are the most explosive. Breakdown of products from Bakken crude:



3% Petroleum coke
A solid generally burned in power plants

Sources: Bentek (numeric breakdown); Colorado School of Mines (descriptions); The Wall Street Journal

By RUSSELL GOLD and CHESTER DAWSON

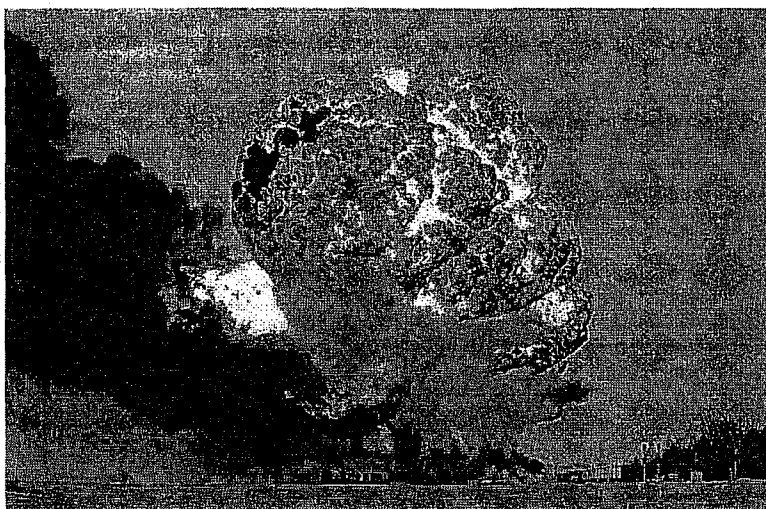
Updated July 7, 2014 4:01 p.m. ET

When energy companies started extracting oil from shale formations in South Texas a few years ago, they invested hundreds of millions of dollars to make the volatile crude safer to handle.

In North Dakota's Bakken Shale oil field, nobody installed the necessary equipment. The result is that the second-fastest growing source of crude in the U.S. is producing oil that pipelines often would reject as too dangerous to transport.

Now the decision not to build the equipment is coming back to haunt the oil industry as the federal government seeks to prevent fiery accidents of trains laden with North Dakota oil. Investigators probing crude-by-rail accidents, including one a year ago that killed 47 people in Quebec, are trying to determine why shale oil has proved so combustible—a question that has taken on growing urgency as rail shipments rise.

Only one stabilizer, which can remove the most volatile gases before transport, has been built in North Dakota and it hasn't begun operation, according to a review by The Wall Street Journal.



A fireball erupted from an exploding train car after a crash outside Casselton, N.D., in December. Oil from the state's Bakken Shale isn't stabilized to make it less volatile. ZUMA PRESS

Stabilizers use heat and pressure to force light hydrocarbon molecules—including ethane, butane and propane—to form into vapor and boil out of the liquid crude. The operation can lower the vapor pressure of crude oil, making it less volatile and therefore safer to transport by pipeline or rail tank car.

As the Journal previously reported, oil tapped from shale is generally more volatile and more similar to jet fuel than traditional crude oil, which has seldom been linked to explosive accidents. The production of this volatile oil through hydraulic fracturing has soared, accounting for most of the additional 3 million barrels a day of oil that the U.S. produces today compared with 2009.

The federal government is weighing whether to require stabilization, holding high-level meetings with oil executives.

"We are open to any recommendations with a demonstrated ability to improve safety, including the stabilizing or further processing Bakken crude," says Sarah Feinberg, the chief of staff to Transportation Secretary Anthony Foxx.

If the government mandates the use of stabilizers, companies would have to make big investments in equipment and might have to slow development of the Bakken oil field.

MORE FRACKING COVERAGE

Additonal reading on oil-train safety

- Secrecy of Oil-by-Train Shipments Causes Concern

(<http://online.wsj.com/news/articles/SB10001424052702303749904579577861760037536>)
5/22/14

- U.S. Issues Emergency Order to Crude-Oil Rail Shippers

(<http://online.wsj.com/news/articles/SB10001424052702303880604579405412862500426>)
2/26/2014

- Bakken Shale Oil Carries High Combustion Risk

(<http://online.wsj.com/news/articles/SB10001424052702303819704579320971969135440>)
2/23/2014

- Cities Grapple With Oil-Train Safety

(<http://online.wsj.com/news/articles/SB10001424052702303819704579320971969135440>)
1/14/2014

Energy executives point out that neither federal nor state regulations require crude to be stabilized before it is transported. Some say stabilization is unnecessary, noting that South Texas produces more of the highly volatile oil known as condensate.

"There is nothing wrong with the crude oil" in the Bakken, says Jeff Hume, vice chairman of Continental Resources Inc., one of the largest crude producers in North Dakota. "It does not need stabilization."

Robert Hall, a National Transportation Safety Board director, says the decision on

whether to stabilize is driven by commercial considerations. "The regulations are silent," he says.

About a million barrels a day are pumped from the Bakken, an oil field that has grown so fast that few pipelines exist to transport the crude. Instead, about 630,000 barrels a day travel by train to refineries on the East, West and Gulf coasts, a trend that is growing because the energy industry has found rail shipments to be more flexible than fixed pipelines.

Federal officials have expressed concern that unstabilized Bakken oil has been loaded onto trains and shipped without proper labeling or handling. Local safety officials have warned that their communities aren't prepared to handle a derailment.

The American Petroleum Institute, a Washington-based lobbying group for the oil industry, doesn't offer standards for how crude should be treated before being shipped. "We have not seen any data to suggest processing crude in the field reduces risk," a spokesman says. The North Dakota Petroleum Council expresses a similar view.

But pipelines, which carry most of the crude oil moved in the U.S., at times require stabilization of oil for safety purposes, according to a spokesman for Enbridge Inc., one of the biggest pipeline companies in North America.

Many industry experts and energy executives say privately that using stabilizing units would improve safety but are reluctant to make that point publicly for fear of antagonizing the companies that do business in North Dakota.

One exception is a company that has built the first stabilizer there, which is scheduled to open in the next few weeks.

"It is safer to stabilize that product before it goes into rail cars," says David Scobel, chief operating officer of Caliber Midstream Partners LP of Denver. "It is not accurate to say, 'If we stabilize the crude, that's the magic solution so there will be no more fires.' But it is more stable."

Starting in 2008, energy companies that had been using new techniques to tap shale for natural gas began turning those methods, including fracking and horizontal drilling, on formations rich in oil. While much of this activity took place in Texas, which has a century-old oil industry, one of the most promising discoveries was in shale under North Dakota plains better known for producing wheat and canola.

Over the past six years, the industry has drilled 7,000 wells in North Dakota, almost all of them spread across about 15,000 square miles of the Bakken. Rather than installing pipelines to collect oil from these far-flung locations, companies used trucks to collect the oil and started building rail terminals to ship it by train. Crude-by-rail shipments from North Dakota have quadrupled since 2012

The most combustible components of Bakken crude—known as light ends—constitute between 2% and 11.9% of its volume, according to an analysis by the American Fuel & Petrochemical Manufacturers, an industry trade group. Other sources have a lower figure for Bakken light ends. These vaporous liquids can be valuable, but only if pipelines or special railcars are available to transport them.

Lacking that infrastructure, stripping out volatile liquids could hurt profits by reducing the volume of crude for sale. Stabilizing the crude could cut potential revenue by perhaps 2%, an industry executive estimates.

Hess Corp. , a large Bakken-crude producer, considered building a stabilizer in 2011 for North Dakota oil. Instead, the company opted for a less expensive, more rudimentary process that heats oil to between 80 and 120 degrees Fahrenheit in so-called heater treaters to strip out light ends. A stabilizer wasn't needed, Hess Vice President Gerbert Schoonman says.

But heater treaters aren't as precise as stabilizers and can't remove as much volatile material, according to an executive at a company that produces both kinds of equipment.

The situation in the Bakken contrasts with the Eagle Ford Shale in South Texas. In 2012, there was basically no equipment to stabilize the crude. But companies have spent hundreds of millions of dollars to build centralized facilities and pipelines to move the resulting propane and butane to a Gulf Coast petrochemical complex.

The crude was stabilized enough to be shipped without incident through pipelines, trucks and rail tank cars, says Rusty Braziel, an industry consultant. "Over a two-year period of time, the vast majority of the problem went away."

—Alison Sider contributed to this article.

Write to Russell Gold at russell.gold@wsj.com and Chester Dawson at chester.dawson@wsj.com

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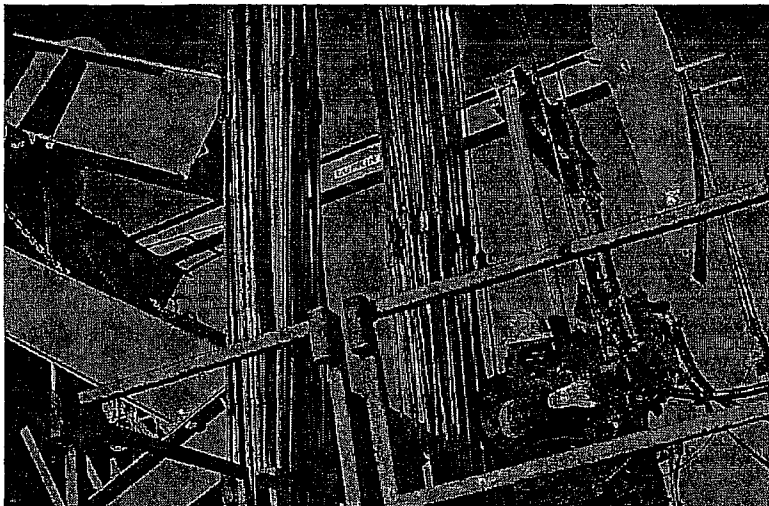
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<http://www.wsj.com/articles/oil-deaths-rise-as-bakken-boom-fades-1426187062>

BUSINESS

Oil Deaths Rise as Bakken Boom Fades

At least 38 oil-field fatalities occurred nationally in five months; the 'most dangerous' job in America



As crude prices retreat, oil companies have cut the rates they pay contractors who work at sites on North Dakota's oil-rich Bakken formation by 20% or more. A drilling site outside Williston, N.D. *PHOTO: REUTERS*

By ALEXANDRA BERZON

Updated March 12, 2015 8:46 p.m. ET

BISMARCK, N.D.—At least eight workers have died since October in North Dakota's oil fields, more than in the preceding 12 months combined.

The uptick in fatalities comes as many oil companies are responding to plummeting crude-oil prices by dialing back their drilling activity in the state, one of the hubs of the U.S. energy boom.

Some federal safety officials say they suspect oil's plunge might be a factor in the accidents because it puts cost-cutting pressure on oil-field services companies, whose employees do much of the work at drilling sites. The rash of accidents in North Dakota, which has the highest workplace death rate in the country, began around the time the number of drilling rigs in the state began to decline but, the officials said, it's too early to draw conclusions.

In one two-week period in January, two workers and the owner of a small oil-field services company died in three separate accidents that included a fire and the probable inhalation of deadly chemicals.

In addition, safety officials said there have been an unusual number of basic safety errors, including cases in which workers brought space heaters, generators or other gear that could spark fires into enclosed spaces containing flammable vapors.

MORE OIL STORIES

- Crude-Oil Price Collapse Takes Toll on Williston, N.D. (<http://www.wsj.com/articles/crude-oil-price-collapse-takes-toll-on-williston-1426184505>)
- North Dakota Crude Production Falls (<http://www.wsj.com/articles/north-dakota-crude-production-falls-from-record-highs-as-oil-prices-slide-1426188823>)
- How Falling Oil Prices Are Hindering Iraq's Ability to Fight ISIS (<http://www.wsj.com/articles/how-falling-oil-prices-are-hindering-iraqs-ability-to-fight-islamic-state-1426033756?KEYWORDS=oil>)
- Train Wrecks Hit Tougher Oil Railcars (<http://www.wsj.com/articles/train-wrecks-hit-tougher-oil-railcars-1425861371>)

"These are the kinds of incidents that we haven't seen in a while," said Eric Brooks, who directs the U.S. Occupational Safety and Health Administration's Bismarck office. "With the drop in oil prices, companies may be looking to protect the profit margin by hiring contractors that are not experienced," he said.

"It's simple math," said Dennis Schmitz, a safety consultant to oil companies operating in the state. "There's absolutely potential that some of what we're seeing is driven by the price of oil."

But Mr. Schmitz said he has noticed oil companies have become more proactive about worker safety since last fall. And oil executives said that declining oil prices and production might ultimately make the state's oil fields safer by weeding out less-experienced operators.

In the meantime, according to industry executives, oil companies have cut the rates they pay contractors who work at sites on North Dakota's oil-rich Bakken formation by 20% or more. That has forced them and their subcontractors to find ways to trim costs.

One safety worker in oil services said his company had cut the number of people who do certain jobs to three from four, which makes the work more difficult. Other workers said the cost cuts had trickled down to their jobs in subtler ways that shouldn't affect safety.

Oil-field worker Zachary Sherwood, who came to North Dakota three years ago from Minnesota, where he delivered pizzas, said he hadn't experienced any recent change in safety practices. "Safety culture up here is very prominent," he said.

North Dakota isn't the only place where oil-field fatalities are on the rise, according to a Wall Street Journal analysis of federal data. In Colorado, three workers died in separate accidents over a one-month period last fall, the same number as in the preceding 12 months.

Nationally, the Journal analysis of OSHA and local records found 38 oil-field deaths from October through February, the first five months of the federal government's current fiscal year. That compares with 68 deaths during all of the previous year. The numbers don't include car accidents, which account for about half of the industry's workplace deaths. They also don't include the three workers who died in a major rig explosion in Texas earlier this week.

In 2012, the most recent year for which data are available, North Dakota's overall rate of workplace deaths shot up to 17.7 fatalities per 100,000 workers—five times the national average.

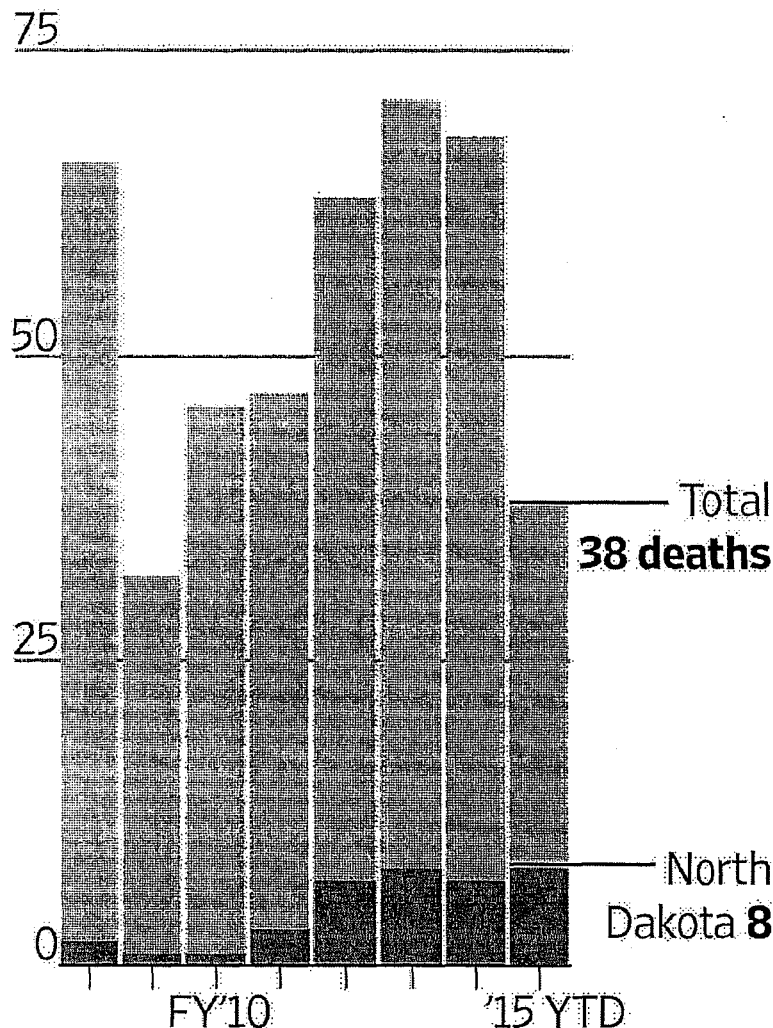
"The statistics for workplace safety don't look so good," North Dakota Gov. Jack Dalrymple said in a recent speech. "I try to explain to people that it so happens that our industries are among the most dangerous in America."

Safety experts, workers and a review of documents indicate that the factors behind the state's oil-field accidents are many, including grueling 12-hour work shifts for as many as 20 days in a row and rampant turnover. They also say job sites can be chaotic as multiple contractors struggle to coordinate their work.

The experts say that the oil companies that own drilling sites generally set safety guidelines for their oil-service contractors and largely depend on them to ensure workers' safety. But companies don't always properly supervise or enforce their safety policies and haven't always given workers proper protective gear.

Counting Up

Oil field fatalities through February total 38 deaths.



Note: Fiscal years end Sept. 30.
 Source: WSJ analysis of Occupational Safety and Health Administration data

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Kari Cutting, vice president of the North Dakota Petroleum Council, a trade group for oil interests in the state, said her group's members generally have robust safety programs. "The goal of the industry is zero safety incidences," she said. "Because you never reach zero incidences, you are always striving to be better all the time."

OSHA's ability to police the industry is limited. It has eight inspectors in North Dakota, the same number as before the oil boom, and a nearly 150,000-square-mile territory to cover.

Among the recent fatalities was 37-year-old Wesley Herrmann, who was a handyman in Georgia before he came to North Dakota three years ago. After two years working for an oil-field services company he bought a truck and opened his own

company. Before long, friends and former colleagues say, he was overseeing four trucks and 12 employees who were doing work for at least five different oil companies.



Daniel Peabody, shown in 2010, died at a North Dakota drilling site after he was pinned between a semi-truck and a water tank as he directed traffic. PHOTO: JESSICA PEABODY

On Jan. 6, investigators say, a fire broke out when Mr. Herrmann or one of his employees was working in an enclosed shed near a heater tank that separates oil into various components. The fire, said people with knowledge of the situation, might have been sparked by a battery-operated drilling tool, which wasn't supposed to be in the vicinity. Mr. Herrmann died and two of his workers suffered burns.

Former colleagues said Mr. Herrmann had plenty of training, and were at a loss about the incident. "He had three years of intense experience," said Mark Lenti, who hired Mr. Herrmann for his first oil patch job.

Daniel Peabody, 29, died in a separate accident after he was pinned between a semi-truck and a water tank as he directed traffic at a drilling site. Though OSHA's investigation is continuing, regulators said the accident appeared to stem from poor organization at the site.

His wife, Jessica Peabody, and the couple's four young children raised money through a website to buy a headstone for Mr. Peabody. "I don't think either of us knew how dangerous it really was," Ms. Peabody said.

— *Russell Gold contributed to this article.*

Write to Alexandra Berzon at alexandra.berzon@wsj.com

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ASSEMBLY RESOLUTION No. 191

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED DECEMBER 11, 2014

Sponsored by:

Assemblywoman **LINDA STENDER**
District 22 (Middlesex, Somerset and Union)
Assemblyman **JOHN F. MCKEON**
District 27 (Essex and Morris)
Assemblywoman **MILA M. JASEY**
District 27 (Essex and Morris)
Assemblyman **JON M. BRAMNICK**
District 21 (Morris, Somerset and Union)
Assemblywoman **HOLLY SCHEPISI**
District 39 (Bergen and Passaic)

Co-Sponsored by:

Assemblyman **Diegnan**, Assemblywoman **N.Munoz**, Assemblyman **Benson**,
Assemblywomen **Watson Coleman** and **Spencer**

SYNOPSIS

Opposes Pilgrim Pipeline project in NJ.

CURRENT VERSION OF TEXT

As introduced



(Sponsorship Updated As Of: 12/19/2014)

1 AN ASSEMBLY RESOLUTION opposing the Pilgrim Pipeline project
2 in New Jersey.

3

4 WHEREAS, Pilgrim Pipeline Holdings is proposing to build two new
5 parallel oil pipelines through the States of New Jersey and New
6 York that would transport crude oil and refined petroleum
7 products between Albany, New York and Linden, New Jersey;
8 and

9 WHEREAS, The pipeline will carry oil extracted from North Dakota's
10 Bakken shale formation, produced through the process of hydraulic
11 fracturing, or fracking; and

12 WHEREAS, The transport of crude oil has increased more than 4,000
13 percent in North America over the past six years as a result of the
14 increased production of crude oil from the Bakken shale formation;
15 and

16 WHEREAS, In February the Wall Street Journal compared oil from 86
17 locations around the world and found Bakken crude oil to be the
18 most explosive; and

19 WHEREAS, The Pilgrim Pipeline project would expand capacity to
20 bring more of this very volatile fuel into the State on a route that
21 passes densely populated and environmentally sensitive areas, and
22 preserved lands; and

23 WHEREAS, The Pilgrim Pipeline project raises significant safety
24 concerns for the State of New Jersey including potential harm to
25 municipal and county infrastructure, and would likely have a
26 negative impact upon future development in the community; and

27 WHEREAS, The federal Pipeline and Hazardous Materials Safety
28 Administration (PHMSA) only has 135 inspectors and 375 state
29 partners to oversee 2.6 million miles of pipeline, and only a fifth of
30 that pipeline system has been inspected since 2006; and

31 WHEREAS, A pipeline spill or rupture could harm communities, the
32 environment, and drinking water supplies and would negatively
33 affect the health, safety, and welfare of the State's residents; and

34 WHEREAS, The New Jersey Legislature recognized the significance of
35 the New Jersey Highlands Region and afforded special protection to
36 the region and its resources in 2004 with the passage of the New
37 Jersey Highlands Water Protection and Planning Act, which created
38 the Highlands Water Protection and Planning Council and the
39 Highlands Regional Master Plan to ensure resource-based planning
40 would be used in the Highlands Region to combat sprawl and the
41 depletion of water quality and quantity, as the region provides
42 drinking water to 5.4 million State residents; and

43 WHEREAS, The federal government acknowledged the exceptional
44 value of Highlands resources and the urgent need for their
45 preservation in 2004 when Congress passed the Highlands
46 Conservation Act which recognizes the importance of the water,
47 forest, agricultural, wildlife, recreational, and cultural resources of

1 the Highlands Region, and the national significance of the region to
2 the United States; and

3 **WHEREAS**, The current proposed route of the Pilgrim Pipeline crosses
4 through 10 municipalities and critical drinking water supply
5 watersheds in the Highlands Region, and many State residents in
6 municipalities along the proposed route depend on ground water
7 and public community water systems for their water supply and
8 septic systems for waste disposal, and this project will impact
9 groundwater quality and quantity and residents' septic fields along
10 and adjacent to the right of way; and

11 **WHEREAS**, Many State residents depend on surface water originating
12 from communities through which the oil pipelines will pass,
13 including the Ramapo River Basin Aquifer System, which provides
14 100 percent of the water for Mahwah, Ramsey, Oakland, Franklin
15 Lakes, Allendale, Pompton Lakes and Wayne, and, during drought
16 can supply 190 million gallons of water a day to the Wanaque
17 Reservoir, which supplies 3.5 million people; and

18 **WHEREAS**, The PHMSA reports 280 significant incidents annually
19 with oil pipelines, and if an incident were to occur along this
20 proposed route, it could potentially impact the drinking water of
21 millions of residents in New Jersey and New York; and

22 **WHEREAS**, The wise stewardship of the natural resources of the State
23 of New Jersey requires protection of water supplies and other
24 natural resources for generations to come; and

25 **WHEREAS**, Protection of the State's water supplies and resources is
26 better accomplished by prevention of contamination and
27 environmental degradation, rather than attempting to clean up
28 contamination and restoring degraded environments after the fact;
29 now, therefore,

30
31 **BE IT RESOLVED** by the General Assembly of the State of New
32 Jersey:

33
34 1. This House opposes the construction and operation of the
35 proposed Pilgrim Pipeline and urges the United States Army Corps
36 of Engineers, the New Jersey Department of Environmental
37 Protection, the New Jersey Highlands Water Protection and
38 Planning Council, and any other federal, state, or local entity
39 engaged in review of the Pilgrim Pipeline project to reject the
40 project, and thereby prohibit its construction through New Jersey.

41
42 2. In addition, this House calls for a moratorium on any and all
43 planning, surveying, and construction of the Pilgrim Pipeline
44 through the State of New Jersey, because this project will traverse
45 and negatively impact numerous significant natural resource areas
46 of the Highlands Region.

1 3. This House also calls for a full environmental review of the
2 project and calls on the United States Army Corps of Engineers to
3 prepare an Environmental Impact Statement for the entire route of
4 the project under the National Environmental Policy Act.
5 Additionally, this House calls on the New Jersey Department of
6 Environmental Protection to conduct a thorough environmental
7 review of the project, including a Highlands Act review.

8
9 4. This House further urges the New York State Legislature to
10 adopt a similar resolution so both states can stand united in
11 opposition to this project.

12
13 5. Copies of this resolution, as filed with the Secretary of State,
14 shall be transmitted by the Clerk of the General Assembly to the
15 President of the United States, the Commanding General and Chief
16 of Engineers of the United States Army Corps of Engineers, each
17 member of the New Jersey Congressional Delegation, the Governor
18 of New Jersey, the Commissioner of the New Jersey Department of
19 Environmental Protection, the New Jersey Highlands Water
20 Protection and Planning Council, the Governor of New York, and
21 the Senate President and Assembly Speaker for the State of New
22 York.

23
24
25 STATEMENT

26
27 This resolution expresses the Assembly's opposition to the
28 Pilgrim Pipeline project and urges the United States Army Corps of
29 Engineers, the New Jersey Department of Environmental Protection
30 (NJDEP), the New Jersey Highlands Water Protection and Planning
31 Council, and any other federal, state, or local entity engaged in
32 review of the Pilgrim Pipeline project to reject the project. The
33 resolution also urges the Army Corps of Engineers to prepare an
34 environmental assessment for the project under the National
35 Environmental Policy Act and calls on the NJDEP to thoroughly
36 review the project's impacts.

37 The Pilgrim Pipeline project would construct two new parallel
38 oil pipelines in the State, linking Albany, New York, and Linden,
39 New Jersey. The pipeline would transport Bakken shale oil
40 produced by fracking in North Dakota. This oil is highly explosive
41 and pipeline transportation would threaten local communities with
42 the risk of spills and other accidents. The pipeline would cut
43 through communities that are already overburdened by pollution,
44 and environmentally sensitive areas that supply drinking water to
45 the State's residents.

TOWN OF RED HOOK
RESOLUTION NO. 2 DATED JANUARY 28, 2015
OPPOSING BUILDING OF THE PILGRIM PIPELINE

WHEREAS, Pilgrim Pipeline Company is proposing to build a bi-directional pipeline in close proximity to the NY State Thruway, through Rockland, Orange, Ulster, Greene, and Albany counties that would transport crude oil and refined petroleum products between Albany, New York and Linden, New Jersey; and

WHEREAS, the pipeline will carry oil from the Bakken Shale region of North Dakota extracted through a process of hydraulic fracturing, or "fracking," which has been found to contaminate clean water resources, create toxic air emissions and radioactive waste, and release large quantities of methane gas into the atmosphere; and

WHEREAS, data collected by the Capline Pipeline in Louisiana, which tested crude from 86 locations worldwide, indicates that crude oil from Bakken Shale has a far higher vapor pressure than crude from dozens of other locations, making it much more likely to throw off combustible gases; and

WHEREAS, the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) issued a safety alert on January 2, 2014, to the general public, emergency first responders, and shippers and carriers regarding the particular flammability of Bakken crude oil; and

WHEREAS, the Pipeline will carry a large volume of Bakken crude oil through residential areas in adjacent communities, which will place residents in harm's way should an explosion or spill occur; and

WHEREAS, according to PHMSA, pipeline operators reported 1,880 crude oil spills nationwide between 2003 and 2013, or nearly one spill every other day, resulting in over 44 million gallons of oil being spilled; and **WHEREAS**, 80 percent of these spills were the result of corrosion, equipment failure, incorrect operation or material and weld failures; and

WHEREAS, according to Public Employees for Environmental Responsibility, PHMSA only has 135 inspectors to oversee 2.6 million miles of pipeline, and only a fifth of that pipeline system has been inspected by PHMSA or its state partners since 2006; and

WHEREAS, any rupture or compromise of the Pipeline, even without an explosion or fire, will require extraordinary cleanup efforts, could force residents from their homes, and place a large number of residents in close proximity to hazardous materials; and

WHEREAS, most residents living near the proposed pipeline depend on ground water and public community water systems for potable water supplies, the integrity and safety of which may be jeopardized by the Pipeline; and

EXTRACT OF MINUTES

A regular meeting of the Town Board of the Town of Red Hook, Dutchess County, New York was convened in public session at the Town Hall, 7340 South Broadway, Red Hook on January 28, 2015 at 7:30 p.m., local time.

The meeting was called to order by Supervisor Crane and, upon roll being called, the following members were:

PRESENT:

Supervisor Sue Crane
Councilwoman Brenda Cagle
Councilman Harry Colgan
Councilman William O'Neill
~~Councilman James Ross~~

ABSENT: Councilman James Ross

The following persons were ALSO PRESENT:

~~Christine M. Chale, Esq., Attorney for the Town~~

The following resolution was offered by Cagle, seconded by Colgan, to wit:

RESOLUTION NO. 2
DATED JANUARY 28, 2015
OPPOSING BUILDING OF THE PILGRIM PIPELINE

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

Supervisor Sue T. Crane	VOTING <u>Aye</u>
Councilwoman Brenda Cagle	VOTING <u>Aye</u>
Councilman Harry Colgan	VOTING <u>Aye</u>
Councilman William O'Neill	VOTING <u>Aye</u>
Councilman James M. Ross	VOTING <u>Absent</u>

The foregoing resolution was thereupon declared duly adopted.

WHEREAS, the Pilgrim Pipeline is proposed to be laid in areas containing sensitive aquifers upon which residents depend for drinking water; and,

WHEREAS, the Pilgrim pipeline also threatens important surface water resources along its path; and,

WHEREAS, the Town of Red Hook finds that the proposed Pilgrim Pipeline potentially threatens the health, safety, and welfare of residents and businesses living or working in the Mid-Hudson region; could decrease the values of homes located along its route and in surrounding neighborhoods; and could negatively impact future development in this region; and

WHEREAS, the Mid-Hudson Regional Sustainability Plan calls for becoming less energy and fossil fuel intensive while strengthening the regional economy, expanding renewable energy generation exponentially across the Region, and improving the resilience of the energy delivery system; and

WHEREAS, construction of the Pilgrim Pipeline to support and expand markets for fossil fuels is directly contrary to these clean energy goals; and

NOW THEREFORE BE IT RESOLVED that the Town Board of the Town of Red Hook:

1. Calls upon the New York State Thruway Authority to reject use of its right-of-way for the purpose of transporting oil or gas by pipeline; and further calls upon the New York State Department of Transportation (DOT) to deny an exception to its Accommodation Plan for said purpose; and
2. Urges Governor Cuomo and the State Legislature to oppose construction of the Pilgrim Pipeline in New York State; and
3. Directs the Town Clerk to forward copies of this resolution to the NYS Thruway Authority Chair Howard P. Milstein, NYS DOT Commissioner Joan McDonald, U.S. Senators Charles Schumer and Kirsten Gillibrand and U.S. Representative Chris Gibson, Governor Andrew Cuomo, NY, Public Service Commission Chairwoman Audrey Zibelman, N.Y. Assembly Member Didi Barrett, N.Y. Senator Sue Serino, and NYS DEC Commission Joseph Martens.

CERTIFICATE OF RECORDING OFFICER

The undersigned hereby certifies that:

(1) She is the duly qualified and acting Clerk of the Town of Red Hook, Dutchess County, New York (hereinafter called the "Town") and the custodian of the records of the Town, including the minutes of the proceedings of the Town Board, and is duly authorized to execute this certificate.

(2) Attached hereto is a true and correct copy of a resolution duly adopted at a meeting of the Town Board held on the 13th day of January, 2015 and entitled:

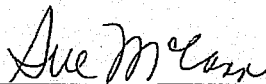
RESOLUTION NO. 2
DATED JANUARY 28, 2015
OPPOSING BUILDING OF THE PILGRIM PIPELINE

(3) Said meeting was duly convened and held and said resolution was duly adopted in all respects in accordance with law and the regulations of the Town. To the extent required by law or said regulations, due and proper notice of said meeting was given. A legal quorum of members of the Board was present throughout said meeting, and a legally sufficient number of members voted in the proper manner for the adoption of the resolution. All other requirements and proceedings under law, said regulations or otherwise incident to said meeting and the adoption of the resolution, including any publication, if required by law, have been duly fulfilled, carried out and otherwise observed.

(4) The seal appearing below constitutes the official seal of the Town and was duly affixed by the undersigned at the time this certificate was signed.

IN WITNESS WHEREOF, the undersigned has hereunto set her hand this 29 day of January 2015.

-SEAL-



Sue McCann
Town Clerk