

June 30, 2016

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***Via Email Only***

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Re: **Geprags Park Settlement Options**  
**PSB DOCKET 8643 -- OFFER OF SETTLEMENT PURSUANT TO VRE 408**

Dear Bud and Jim:

This letter is an offer of settlement for Public Service Board Docket 8643 for condemnation of rights on the property of the Town of Hinesburg known as Geprags Park. As we discussed on the phone yesterday afternoon, this offer is borne out of discussions with members of the Town Selectboard and Conservation Commission, as well as based on feedback from the Intervenor and other members of the public who have been participating and contributing to the ongoing discussions. The offer is proposed as two alternatives:

**ALTERNATIVE 1 – ADDITIONAL COMPENSATION FOR EDUCATION / RECREATION:** VGS would build the pipeline in the currently-permitted route within Geprags Park, based upon the Revised Stipulation and Deed of Easement (incorporating the pending public comments except to the extent those comments would substantially interfere with construction / operation), but add \$425,000 to the compensation currently offered to the Town in the Revised Stipulation for a total of \$500,000, all to be used for educational and recreational uses in Hinesburg (including but not limited to Geprags Park, at the Town's discretion). The funds would be paid to the Town as follows: \$250,000 upon approval of the Order of Condemnation; and \$250,000 upon commencement of the pipeline's operation.

**ALTERNATIVE 2 – HORIZONTAL DIRECTIONAL DRILLING:** Using the currently-permitted route, Vermont Gas would use open trench construction method for the first 300-400 feet of pipeline in the northern "field" section of the park, and employ horizontal directional drilling ("HDD") immediately before the area identified as a potential wetland continuing under the wetlands areas of Geprags Park extending through to the south side of Shelburne Falls Road (i.e. outside the park), all at a depth of no less than 4 feet. A preliminary sketch of the proposed location is contained on the attachment to this letter. HDD will substantially reduce vegetative clearing through the park, and avoid wetland impacts entirely. VGS would also agree to the Revised Stipulation and Deed of Easement under negotiation (incorporating the pending public comments except to the extent those comments would substantially interfere with construction / operation), maintaining the proposed compensation and commitments contained in the previously-agreed stipulation, but scaling back on obligations related to vegetation management where no longer applicable.

Regardless of which option is selected, Vermont Gas would require the following:

- The Town and each admitted Intervenor in Docket 8643 would agree to the settlement using a separate stand-alone agreement (i.e., an agreement distinct from the Revised Stipulation being negotiated between VGS and the Town).

- The stand-alone agreement would make clear that settlement does not abnegate or constitute a concession of any party's legal theories, so that it should be interpreted to have no precedential value for any future proceedings regarding the park, the pipeline, or any other municipal property affected by public utility projects. The stand-alone agreement would contain a statement to the effect that the chosen alternative is sufficient to mitigate impacts in and to current / future uses in Geprags Park, and that the chosen alternative as outlined in the Agreement provides the factual support necessary to allow the Board to issue a condemnation order for the easement.
- The Town would agree to withdraw its motion to dismiss. The Intervenors would withdraw any motion filed between now and when a settlement is reached (if any).
- The Town and the Intervenors would waive any right of appeal to the Vermont Supreme Court provided the Board approves (with the Department's concurrence) the stand-alone agreement, Revised Stipulation and Deed of Easement in granting the order of condemnation.
- If any permit amendments are required to construct in the Park, the Town and the Intervenors agree not to oppose or appeal the amendment applications / petitions.
- The vote to approve the settlement with Alternative 1 or Alternative 2 would take place at the Hinesburg Selectboard meeting warned for July 7, 2016.

Vermont Gas believes that it is in the interests of all parties involved to avoid the costs of litigation (including pending issues related to discovery and parallel permit amendment proceedings) and to resolve this matter in a way the Town and the Intervenors agree will serve the interests of Geprags Park. We would appreciate hearing back by **Tuesday, July 5 at 4:00pm**. In the interim, Vermont Gas is pleased to answer any questions and provide additional documentation. VGS also remains committed to working through the Revised Stipulation and Deed of Easement with the Town, regardless of the outcome of these negotiations, and welcomes input on those documents.

Thank you for your and your clients' consideration and we look forward to hearing from you.

Sincerely,



William J. Dodge

cc: Thomas Murray, Director – Sales and Marketing, Vermont Gas Systems, Inc.  
Karen Kotecki, Manager of Right of Way, Vermont Gas Systems, Inc.

**~400ft of open trench,  
per original permit.**

**~1600ft of Drilled pipe,  
at least 4ft deep.**

**Confidential Settlement Offer:**  
This is a conceptual map of the Geprag drill proposal. The actual path will follow the approved route. VGS will provide engineering map if the settlement advances.