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MR. AHTO: Meeting is called to order. Appleview. Now we're going to quit at 9:30. Let the record reflect that everyone is here who was here before the break.

MR. ALAMPI: Thank you. Chairman, Carmine Alampi continuation of the hearing on Appleview, LLC. At the last meeting I think Mr. Lamb was still in cross-examination of a witness, Jose Rodriguez from Transco, and I suspect that will continue.

The only development has been that we had submitted a Johnson Soils report, what's called a Slope Stability Report dated June 1, 2012 submitted on behalf of Appleview. That was submitted I believe on June 4th, and I'm not sure that the board had time to consider and review it. We're not expecting to give any testimony on this report per se but I'd like to mark it into the case record as the next exhibit for Appleview, A, I don't know where we left off, A something. John, I didn't want to change the sequence of your --

MR. LAMB: I've got a revised exhibit list.

MR. ALAMPI: I'll just indicate for

the record Mr. Lamb raised issues as to the labeling of the different exhibits and Celeste through the transcript reorganized those exhibits for us as per the correct marking and we're satisfied with all that. I just don't know --

MR. MUHLSTOCK: We'll go through that in a second. I have the next exhibit for Appleview being A-8. Mr. Lamb, if you want to check that on your list.

MR. ALAMPI: I don't want to be belabor it, Mr. Muhlstock. We'll mark as A-8, today's date for identification a Johnson Soils report dated June 1, 2012. I don't intend to go into any testimony on it, at the appropriate time we'll lay its foundation and I'm not looking to interfere with Mr. Lamb's cross-examination, I yield the floor to him.

MR. MUHLSTOCK: All right. Before

Mr. Lamb starts up again, I do want to indicate

for the record that Ms. Bartoli has read the

transcripts of April 3 and March 6, I will get a

signed certification subsequently. Also Mr.

Somick has read the March 6th transcript and Mr.

Fernandez has read the March 6th transcript and

I'll get certifications from them. Mr. Chairman,

that would bring everyone here absolutely current in terms of either being here for each of the remand hearings or having read each of the transcripts.

MR. AHTO: Okay.

MR. ALAMPI: Chairman, lastly when I submitted the report A-8 I did also send directly to all counsel to the board's attorney and to the board engineer for their review, and with that I'll turn it over to Mr. Lamb.

MR. LAMB: Thank you. Just to correct, and I do have a list but I guess it didn't make into it -- we have to not take all the files because they're voluminous so I will circulate that before the next meeting. I note that the May 1st transcripts indicates that there's a Remand Exhibit 8, so yours should be 9. That's what page 43 of the transcript indicates.

MR. MUHLSTOCK: You are correct,
Mr. Lamb, you are correct, I do have RA-8, okay,
Celeste, so this report that Mr. Alampi just
identified actually should be let's use RA-9.

(Remand Applicant Exhibit 9, Johnson Soils report dated June 1, 2012, was marked for identification.)

MR. ALAMPI: Thank you. Nothing further.

MR. LAMB: Yes, the only other thing I had if you recall at the end of the last hearing we marked for identification G-15 and G-16, and the board I guess with their counsel was going to consider whether that should be introduced into evidence and whether I will be permitted to ask questions on it. If you recall that's the e-mail of Mr. McLaughlin dated January 15, 2008 and the letter of Mr. Stevens to Mr. Oury, prior developer's counsel, dated January 18, 2008. So that's the only procedural issue I guess that has remained open to the best of my knowledge that we haven't addressed before.

MR. MUHLSTOCK: I didn't get any argument one way or the other from any of the counsel on that, so...

MR. ALAMPI: I just renew my objection, it was a different application. I think you were going to rule on it, Mr. Muhlstock.

MR. MUHLSTOCK: I mean if it has bearing on credibility of the witness here, why is it not fair game for cross-examination?

MR. ALAMPI: Well, he wants to move it into evidence. He can use it for cross-examination but I don't see how -- it's a different application.

MR. MUHLSTOCK: It's like any other document.

MR. ALAMPI: You can overrule it.

MR. MUHLSTOCK: Overruled. G-15 and G-16 are in the record. G-15 was a January 15, 2008 e-mail. G-16 was a January 18, 2008 e-mail from Mr. Stevens to Mr. Oury.

(Galaxy Exhibit 15, January 15, 2008 e-mail, was marked for identification.)

(Galaxy Exhibit 16, January 18, 2008 letter from Mr. Stevens to Mr. Oury, was marked for identification.)

MR. LAMB: And the latter one was a letter, not an e-mail.

MR. MUHLSTOCK: Letter, sorry.

MR. LAMB: And then the only then
I'll just talk while Mr. Alampi is here, the only
other thing, Mr. Chairman, Mr. Muhlstock because
this slope stability study had been submitted to
the board and I spoke to Mr. Alampi, I know
testimony will come later, what I'd like to do is

have our expert on the slopes, Robert Kuniff, inspect the property or walk the property. He had previously testified in the original hearings and so although we don't need that for tonight, I wanted to anticipate it so that his inspection wouldn't delay anything at a later date.

Obviously we can't --

MR. ALAMPI: If they provide a certificate of insurance, typical protocol for coming on the property, he can climb up and down the hill.

MR. MUHLSTOCK: Well, what's your position, Mr. Alampi, on whether or not this RA-9 is relevant on the remand?

MR. ALAMPI: The scope of the remand?

MR. MUHLSTOCK: Yes.

MR. ALAMPI: I think that this was a report that the board had requested upon the approval of the resolution last year, that resolution of course is in litigation, and the court has held up the resolution and subject to further disposition in court that was a follow-up requirement. And I think Mr. Lamb asked the witness Rodriguez and went through I think a

series of questions on two evenings in his cross-examination with regard to the information that's contained in that report or the data that supported that report. I think it just ties into his testimony and he's already given testimony with regard to information that's revealed in the report. It basically codifies what's been testified to under oath. I don't think it's going anywhere beyond that.

MR. MUHLSTOCK: Mr. Lamb.

MR. LAMB: I would just say, Mr.

Muhlstock, that one of the issues is the slope
stability as far as the pipeline safety is
concerned. The testimony of Mr. Rodriguez
concerns the various risks that they look at and
one of the risks that they look at is obviously
landslides, earthquakes, other things and its
proximity to the pipe. So I believe -- we don't
have any objection to the slope stability study
because the more information and the safer this
is, that's one of the major objectives, so we
don't have any objection.

MR. ALAMPI: Now I'm nervous because Mr. Lamb is not objecting. So I must have done something wrong strategically and all I could say

is I think that this is an issue that I would surmise that the court, given the spirit of the order surrounding the remand and the oral argument presented by all attorneys and the court's opinion it seemed to me that this information is something that has enough of a value that I think the court would embrace this document.

MR. MUHLSTOCK: Okay. Fine, no objection, it's in the record.

MR. TUCKER: Mr. Muhlstock, if I may, I've been giving the objectors the benefit of the doubt. I think the slope stability study, the one dated June 1, 2012 in the broadest context could be relevant only insofar as construction of this project would impact stability of the slope.

MR. MUHLSTOCK: I agree. Because that's what the remand is all about.

MR. LAMB: Let me just -- I don't want to interrupt the gentleman. Again, for the record, Transco has avoided becoming a party in this action. Now, the Chair let Transco's counsel take over the cross-examination of a witness -- an examination of a witness that Mr.

Alampi required as part of his case to help prove that there's safety and the risks are minimized, et cetera. Now, we have -- so I can understand him addressing objections to questions to Mr. Rodriguez. But if he's now going to weigh in on other issues on Mr. Alampi's witness and Mr. Alampi's report, then I want to confirm that Transco is a party to this action and they are therefore in this. They're either in it or they're not in it, but that type of comment means they're in it.

MR. MUHLSTOCK: Okay, Transco is not in the case.

MR. ALAMPI: They're not in the case, they're not a co-applicant, they're here because of the directive from the court and they're here.

MR. MUHLSTOCK: Let's move on with the cross.

JOSE RODRIGUEZ, having been duly sworn by the Notary Public, was examined and testified as follows:

23 CROSS-EXAMINATION (cont'd)

BY MR. LAMB:

Q. Good evening, Mr. Rodriguez.

A. Hello.

- Q. Mr. Rodriguez, one of the questions that arose at the prior hearings was an area where you testified it could use more fill. Has there been any maintenance to that area or to the property since you last testified a little more than a month ago?
- A. There's been no work in the last month that I'm aware of.
- Q. Okay. You recall also one of the things outstanding was you were waiting for the pig test that you done in 2011, that had not been I guess received by Transco as of the last meeting. Has that come in in the last month since the last hearing?
- A. The pig results have come in. A dig list has come in.
- Q. And so that is something that did not come in prior to the last hearing on May 1st?
- A. Not true. Prior to the last meeting in fact my testimony was that we repaired an item that we found as a result of the pig run. So therefore a dig list must have been made before that and I said that.
 - Q. And the dig test is in writing?

Rodriguez - cross

- A. The dig list is in writing somewhere.
- Q. Okay. And is that a document that was provided in connection with the subpoena request that we asked the board to issue which they issued?

A. No.

MR. LAMB: Mr. Chairman, I'm going to request that prior to the next meeting that the results of that test, what Mr. Rodriguez indicated was a dig test be provided in sufficient reasonable time in advance of the hearing.

THE WITNESS: Clarification, I said dig list, not dig test.

MR. LAMB: Dig list.

MR. MUHLSTOCK: Dig, D-I-G --

THE WITNESS: List, dig list, a list of locations we needed to dig and investigate.

Which we have done, there was only one location in this area and it was fixed prior to the last meeting. I testified to it at the last meeting.

MR. MUHLSTOCK: What's your

position?

MR. TUCKER: Transco objects to the

production of the dig list. It's proprietary information, it's not information that's shared with the public. We have a continuing objection to it. We posed that objection in the response to the subpoena by letter dated March 29th and our position remains.

MR. LAMB: My position also remains. I again renew my motion to strike the testimony of Mr. Rodriguez. He was going to provide testimony, refer to documents and then not provide the documents, that is not appropriate.

MR. MUHLSTOCK: Well, the documents that have been requested were requested by you. They weren't brought out on his direct testimony. They were brought out by you on cross.

MR. LAMB: Yes, because his -- I'm sorry, go ahead.

MR. MUHLSTOCK: So I could understand your objection if these were -- these documents were referred to on direct, then you'd have a legitimate argument. But your asking things on your cross that brought out these -- or reference to these documents. And if counsel is going to object, I'm going to tell you again, that I think if you need these for

cross-examination, I think you should make a
motion to the court.

MR. LAMB: I'm also going to reiterate that this witness has given a number of opinions over his -- the last three hearings of testimony. And we have the right through cross-examination to explore the basis for his opinions. And part of the basis for his opinions is there is written documentation and tests and writings and documents. And so what he's essentially given to us is a net opinion and without the supporting information and that's why it's a proper subject of cross-examination.

MR. MUHLSTOCK: Well, you can certainly make that argument to the court. And if the court feels you're right, so be it. And, again, you can, if you feel it's necessary for your cross, then make a motion to the court.

MR. LAMB: We are right now on a remand hearing, I think it's necessary for the cross but I don't think it's my burden to go run into court for motions on a pending matter. I have indicated my objection, you've indicated your advice to the board.

MR. MUHLSTOCK: Transco --

MR. LAMB: Transco has indicated their objection.

MR. MUHLSTOCK: Transco is not going to produce it. They're here voluntarily as a witness, they're not going to produce it. The board is not going to make the motion to the court. The board doesn't feel it's necessary on this remand, you do and that's your prerogative, so if you feel you need it, go right ahead.

MR. LAMB: And with respect to

Transco being here voluntarily, Transco is here
as a result of the judge's decision which ordered
the applicant to provide safety information
concerning the gas pipeline. The applicant
apparently chose to address that issue by having
Transco witnesses appear.

MR. MUHLSTOCK: There is no subpoena.

MR. LAMB: Well, I respectfully -in the first remand, the original hearing I did
request a subpoena of Transco and that subpoena
was not granted. Now the judge has required that
there be safety information.

MR. MUHLSTOCK: And you have the safety information from this witness so far.

MR. LAMB: I don't want to belabor it. We all put our positions on the record.

MR. MUHLSTOCK: Go ahead.

BY MR. LAMB:

- Q. Mr. Rodriguez, you've testified that there is geofabric on the site?
 - A. Yes.
- Q. And I don't think we need to get out the exhibits, but if you recall I think you were here, Mr. Bertin had R-1 A, B and C, he had a bunch of pictures of the site?
 - A. Yes.
 - Q. And you've also inspected the site?
 - A. Yes.
- Q. And you've seen -- you've seen this geofabric, it's visible?
 - A. Yes, I have.
- Q. The purpose -- you and I went, had some discussion about the purpose of geofabric.

 Is it fair to say that the purpose of geofabric is to provide soil stability in that area?
 - A. Yes.
- Q. And is it also fair to say that what the normal procedure is geofabric is placed in the area and then soil is placed on top of it so

that grass can grow with the geofabric underneath that area?

- A. The dirt is placed within it not on top of it and then the idea is that it will hold the dirt and that it could naturally vegetate.

 Originally it was probably seeded.
- Q. And the objective then is it not after the seeds take place and the grass grows the geofabric is no longer visible, there's grass there, there's dirt, the geofabric is underneath all that; is that correct?
- A. Unless the dirt washes away as it has in this situation.
- Q. Okay. And thank you. And so therefore when you see geofabric exposed, is that not an indication that there has been some erosion in that area?
- A. It would be no different than if you painted your car 20 years ago and it faded, I couldn't expect it to remain the same over 20 years. It is of no significance that there is a washing away of the soil of maybe an inch or two, but, yes, you could call that erosion.
- Q. Okay. And isn't it one of the issues here to look at erosion on this area by

the proposed construction of a building on these steep cliffs?

MR. TUCKER: Excuse me, Mr.

Chairman. I thought maybe Mr. Lamb was going somewhere with this but I have a twofold objection. Number one, we've been all over this in prior testimony. Number two, it's totally irrelevant because as is proven by the fact this occurred in 1994, it's totally unrelated to the construction of this building therefore it's beyond the scope of the remand. I object to any continuing questions on this line -- on this subject matter. It's totally irrelevant.

MR. LAMB: First of all I did not ask him what the condition was in 1994. I asked him what the condition is right now when he inspected it recently. And he indicated that he could see it and yes, there was soil erosion, there was erosion on it. And one of the issues is erosion.

MR. TUCKER: Not erosion occasioned by construction of this building and therefore it's beyond the scope of the remand.

MR. MUHLSTOCK: All right.

Mr. Lamb, let me ask you --

MR. LAMB: Can I say something to make sure the board understands my position?

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MR. MUHLSTOCK: That's what I was going to ask you, please, make a proffer.

MR. LAMB: I am going to jump ahead to the slope stability study that Mr. Alampi has submitted. You can see what the proposal is for the slope on their exhibits. There's A, B and C. And you can see exactly how the building is cutting into the cliffs. You can see that. so one of the issues under the regulations, the federal regulations is to make sure that this is safe, and soil stability is an issue. Erosion is an issue. Your own ordinance dealing with steep slopes one of the issues is to keep the terrain the same, to avoid soil erosion, to keep the natural habitat. So Transco's counsel can make every objection they wants but unfortunately I think they're wrong and I think we're going to be back. So if you don't want the witness to answer, that's your decision.

MR. MUHLSTOCK: Well, let's do it this way. How much longer on this line of questioning do you think you have?

MR. LAMB: I think, frankly, I

finished because he answered that yes, there is soil erosion.

MR. MUHLSTOCK: Well, that's your take.

MR. LAMB: The take is whatever she said in the record I'm satisfied with.

 $$\operatorname{MR.}$$ MUHLSTOCK: The record speaks for itself.

MR. LAMB: I'm satisfied with it.

MR. MUHLSTOCK: Let's leave it at

11 that.

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12 BY MR. LAMB:

- Q. Mr. Rodriguez, is it fair to say that pipes have different grades of materials?
 - A. Yes.
- Q. Do you know the grade of material on this particular pipe that's on the subject property?
- A. If you're referring to yield strength, yes, I do.
 - Q. And what would that be?
- A. I believe it's 52,000 pounds per square inch.
 - Q. That's called the grade?
 - A. That's called the yield, the yield

strength of the pipe and I may or may not have said that.

Q. I asked you in your original questioning about the --

A. By the way that yield strength is in the load calculations that were submitted that has been subpoensed or asked for, so it's in the record in one form or another.

MR. LAMB: Thank you for reminding me. I should have put in the record that that was also an outstanding item, Mr. McGrath's review of the load calculation. I confirmed with Mr. McGrath by leaving a message at his office yesterday, I wanted to make sure he had that letter and that load calculation and he was reviewing it because that's something that arose on May 1st and he wasn't copied on the letter. And he confirmed by a message to me today that he was in the process of reviewing it.

- Q. Have you reviewed the National

 Transportation Safety Board bulletins in general

 for pipelines, applicable to pipelines?
- A. I do from time to time but not very often.
 - Q. Did you review the January 3, 2011

bulletin?

A. I don't know. I don't think so.

MR. LAMB: While we pass it out I'm
going to give you a copy, counsel. We can mark
that G-17.

Q. Mr. Rodriguez, have you had a chance to review that?

MR. MUHLSTOCK: Why don't we identify it on the record for the court reporter.

MR. LAMB: I'm sorry. It's the

NTSB, National Transportation Safety Board News

Bulletin dated January 3, 2011, reference number

SB-11-01 entitled "NTSB issues urgent safety

recommendations as a result of preliminary

findings in San Bruno pipeline rupture

investigation."

(Galaxy Exhibit 17, National
Transportation Safety Board News Bulletin
dated January 3, 2011, reference number
SB-11-01, was marked for identification.)

- A. To answer your question I've looked at it but it would take me more than a moment to review. I'd have to sit down and reread it.
- Q. Did you ever review the entire document previously?

A. No.

- Q. That's simple. You are aware of the requirements on Transco to provide integrity management programs?
 - A. Yes.
- Q. Okay. Is there an integrity management program in writing that Transco has prepared for this section of the pipeline?
- A. We have integrity management program which I've copied you on the website that says that. We do not have integrity management program for a segment of pipe.
 - Q. So you have --
- A. We manage the entire system according to the program which is very in-depth and detailed of how we maintain the integrity of the pipeline.
- Q. Okay. And that you're saying was -that's never been provided to us, that's on your
 website?
- A. No, an overview of it is on our website and that was provided to you.
- Q. An overview. When was it provided to me?
 - A. It was one of the items I had in my

hands that you asked for a copy of.

- Q. And when did you give that? Was that marked for identification?
- A. It was one of the first things we gave to you prior to subpoena or the request for a subpoena.

MR. TUCKER: Excuse me, Mr.

Chairman, I'm going to request that Mr. Lamb make some kind of proffer here. I can see how this might be generally relevant to pipeline safety in the abstract. What I don't see is how this relates to the construction of this building and that is the scope of the remand. And I think we're wandering off into general pipeline safety which is not where the judge wanted us to go.

MR. LAMB: With all due respect, this person, this Transco is not a party to the lawsuit, we've already been through this and if the board wants to limit questions, the board can make that ruling and I'll abide by obviously the board's ruling.

MR. MUHLSTOCK: The document was -I think the document you're referring to was
marked T-5. I have it as T-5.

Q. There is a Gas Pipeline Integrity

Management Program Summary that I have marked as T-5. Is that what you're referring to?

- A. I believe it probably is.
- Q. Is there an entire -- other than the is summary is there an actual document upon which that summary was based?
 - A. I would assume so.
 - Q. Did you prepare the summary?
 - A. No.

MR. LAMB: I'm going to request that the actual document be provided to the board and to myself a reasonable period of time prior to the next hearing.

MR. MUHLSTOCK: Let me ask the witness --

THE WITNESS: Yes.

MR. MUHLSTOCK: -- because I don't have that document, the one that was marked T-5. What did it indicate?

THE WITNESS: That indicated that we have a pipeline integrity management program and it detailed some of the things that we do. And of that program the only item that I can really speak to in any detail was that we manage projects that are built around the pipeline and

proposed around the pipeline and that's what I do as a division engineer. The program is much larger than that, it covers items that have nothing to do with this building and therefore there is no reason why I would be knowledgeable of those details because it's not part of my job. The part of that program that is part of my job is protecting the pipeline from construction in the vicinity of the pipeline and that I can speak to in a great deal. That's what this project is about.

MR. MUHLSTOCK: These inspections, these reports have anything to do with the pipeline itself?

THE WITNESS: Well, the things that we do as integrity management -- and as I've said once before Dan Schweitzer can speak more of those details, I'm just familiar with them. But we're talking about items like why we do smart pig runs and the cathartically protect the pipeline. There are a lot of things that we do as a pipeline company to make sure that the pipe is safe. These, again, are all outside of this building, we do regardless if there's a building there or not.

MR. MUHLSTOCK: Mr. Tucker, is this document, are these reports that are requested somehow privileged? I understand your objection that it might be far afield, okay, but let's find out. Would you assert that they're privileged?

MR. TUCKER: I think so, because these are -- this is not an industrywide document, it is a company document. And we certainly don't want this to be released to be a matter of public record. It's something that we have created, it's our program, it's proprietary and it doesn't go to any other pipeline operator.

 $$\operatorname{MR.}$$ MUHLSTOCK: Who has access to these reports?

MR. TUCKER: The PHMSA which is the federal regulatory body and the company.

THE WITNESS: Can I speak?

MR. TUCKER: Sure.

THE WITNESS: Rick is exactly right.

In other words, I guess I'm not a lawyer, I can only speak as a layman because I'm just a layman.

There are private policy as a private company.

MR. MUHLSTOCK: Okay, I get it.

THE WITNESS: And we're regulated by

PHMSA, PHMSA is the ruling authority that makes

sure that our program is appropriate, follows their code of regulations. We are audited by them.

MR. MUHLSTOCK: Okay, PHMSA is a federal regulatory body?

THE WITNESS: Part of DOT.

MR. MUHLSTOCK: Part of DOT.

MR. TUCKER: Federal DOT.

MR. MUHLSTOCK: If this was OPRA'd,

do you think it would be producible?

MR. TUCKER: I don't know, it would be up to PHMSA.

MR. LAMB: Let me clarify that the Code of Regulations 195.452(b)(1) is the regulation that requires a utility company such as Transco to have an IM program that addresses the risks on each segment of the pipeline. And since we are here at a hearing and one of the major issues is the risks on the pipeline, the underlying document that supports the summary and whether that summary is accurate or correct to me is a relevant piece of information.

MR. TUCKER: If that's relevant,
then it would also be relevant every other
policy, internal procedure, practice that Transco

Rodriguez - cross

has would be equally relevant because none of them would have anything to do with construction of this building on this site and with the extent of risk if any posed to this pipeline. And I take issue with the assertion, and I don't believe it's accurate that a pipeline operator has to have a unique integrity management program for each segment of pipe. I don't even know what is meant by each segment of pipe. But we couldn't possibly have regulations for every segment of pipe from the Gulf of Mexico to New York City, it's just not feasible.

MR. STEVENS: Mr. Muhlstock, I have a copy --

MR. LAMB: Could we either have one attorney from Transco --

MR. MUHLSTOCK: No, both attorneys are here. This is not a court of law. Both attorneys can speak.

MR. STEVENS: Thank you, Mark

Stevens. I have a copy of Part 192.49, CFR Part

192 which is applicable to natural gas pipelines.

If Mr. Lamb has a copy, may I see a copy of Part

195 which is the citation to which he referred?

MR. LAMB: I'm going to pass out and

Rodriguez - cross

mark for identification the entire set of regulations. If you recall, Mr. Rodriguez testified we comply with all the regulations, all of those regulations but on cross-examination he really couldn't pinpoint it thus far. If the regulations are going to become an issue, I think we should mark it as part of the record.

MR. STEVENS: I would like to see what he's referring to because some of these regulations pertain to liquid carrying pipelines. Thank you.

MR. LAMB: Okay. We have 192 -MR. MUHLSTOCK: Mr. Lamb, I think
that you are somewhat afield here, that's what my
recommendation to the board is. And that if this
document, if these reports are critical to you, I
think, again, you can either OPRA them from the
federal regulatory agency or make application to
Judge Farrington at your convenience.

MR. LAMB: Let me just clarify. I believe I got that cite from the attachment to the NTSB Bulletin. I believe Mr. Stevens may be correct because it does say for hazardous liquid pipelines, that particular cite.

MR. MUHLSTOCK: Again, I think

Rodriquez - cross

that's what I'm going to suggest to the board as a ruling on these documents. Why don't you send an OPRA request to the federal agency?

MR. LAMB: We will send the OPRA request, but, again, first of all I don't have the summary, I'm not saying Mr. Rodriguez didn't give it to me. I don't have that. Whether I lost it in the paper shuffle, I don't remember him submitting a copy to everybody, so I'm going to request that they provide that to you, Mr. Muhlstock, and the board and myself again, the summary.

MR. ALAMPI: Mr. Lamb went through a painstaking effort of putting all the exhibits together and providing it to all of us and then conferring with Celeste in the transcript to correct the proper designation of all these exhibits.

MR. LAMB: And I said that, Mr. Alampi. I said that it was on my list.

MR. ALAMPI: He must have it. He must have it in his possession because we all have it.

MR. LAMB: If I have it in my possession I cannot locate it. So I'm requesting

a duplicate copy. I'll assume that Mr. Rodriguez handed it to me and that I didn't get that reference from the transcript.

MR. MUHLSTOCK: Well, I can't put my hands on it right now because I have literally four box on this case, so I'll have to look for it.

MR. AHTO: Mr. Lamb, we're all over the place here. I think we're back here for the safety of this pipeline, this specific pipeline during the construction of the building. And we're going all over the place. We've been going all over the place for months. Can we keep it to where we're supposed to be?

MR. LAMB: Mr. Chairman, if your board wants to rule that I can only ask about construction, I previously said on the record this is more than construction. They have asked for an easement, a 20-foot easement to be part of that right-of-way, that Transco right-of-way. They're running vehicles across that easement. They are excavating into the cliffs. The risks associated with their activities both construction and what happens post construction are relevant. If you do not believe that post

construction operations of the building, the project, the easements is relevant, then you can make that determination. I respectfully disagree.

MR. MUHLSTOCK: Yes, but there's been no evidence on anything that could be conceivably post construction here that would have an impact on the pipeline. After construction is completed, there is no evidence that is in the record that I can think of as to how the pipeline could be impacted other than general slides, general erosion which could happen whether a building is there or not. I think that's what the board needs to hone in on.

MR. LAMB: Okay. Okay. You may recall that Richard Kuprewicz wrote a report and testified concerning the fact that some risks, some problems occur after the construction.

We've also been through the fact that --

MR. MUHLSTOCK: But related to the construction. I don't remember anything in his report that said that, you know, after construction as a result of the construction there could be incidents whereby the pipeline could be ruptured. I don't remember anything

like that.

MR. LAMB: If you weaken the slopes, you dig into the steep slopes, it could happen when you dig, it could happen next year, it could happen in five years. If you run trucks down the 20 foot right-of-way that is between the building and the pipeline when you do repair to the pipe, the drainage pipe and whatever other improvements are in that 20 foot right-of-way, those are all post construction involved in the maintenance and operation of the building.

MR. AHTO: I think that's where the questioning should be, during construction, running trucks, I think that's where you should be now not afterwards and maybe that's where your questioning should be.

MR. LAMB: One of the things that we have maintained and the judge, we believe, agreed with us, is that a risk assessment analysis and a mitigation of those risks be provided. They didn't have to do it in writing and they haven't done it in writing. We haven't heard the rest of their witnesses but respectfully it's our position Mr. Rodriguez is not the pipeline safety expert. That's what we've said. But he's

provided testimony and we're trying to address what he's said. He's made a lot of statements that there is no problem and no objection, but when we've cross-examined him and asked for the details, the details don't seem to all be there and that's my position.

MR. MUHLSTOCK: Okay.

MR. TUCKER: The board has heard the evidence and will decide what is there and what isn't there but I think we're getting into --

MR. MUHLSTOCK: Let's let Mr. Lamb continue his cross.

MR. TUCKER: Well, I want to address where I since hopefully corrected where he is going and it may raise an important point. And that is I don't think it's the burden of Transco or even the applicant to demonstrate that with respect to each and every regulation or policy or procedure that affects a pipeline that we are in compliance with this one, the next one, the next one and the next one. I think that's getting the burden mixed up. I think at some point the objector should have the burden of coming forward and demonstrating that there is something unsafe about what's going on here and about this

application. They haven't done that.

MR. MUHLSTOCK: Well, you've heard the board indicate tonight that we do think that the cross-examination is going quite far afield but we certainly don't want to preclude -- I certainty don't want to get into a situation where Judge Farrington is going to read the transcript and say boy, the board precluded Mr. Lamb from proper questioning. So we're allowing beyond what I personally would think is appropriate on the remand, but we've allowed this, you know, cross-examination to go on at this point and we'll continue and allow Mr. Lamb to make his arguments so that no one can look back on the transcript and indicate that he was precluded.

MR. TUCKER: We understand that concern and we share it with you. I'm just saying there's got to be some outer limit to it or we'll be here forever.

MR. LAMB: Well, we will be here forever if we keep getting objections to every question.

MR. MUHLSTOCK: You've heard the board, Mr. Lamb. Why don't you see if you can

narrow this down.

MR. LAMB: Let me also respond. It is not my purpose to go over each regulation that is applicable to this. All we ask for, our expert reviewed this and if you recall our expert only said Transco in the person that is most able to provide a risk assessment and mitigation or addressing of the risks. They should do it. And when they -- and if the they do that, then we will review it to see if it's appropriate. So we intend to bring someone back if we believe that what Transco has said is not appropriate.

MR. MUHLSTOCK: Okay.

BY MR. LAMB:

- Q. Mr. Rodriguez, do you recall how much an easement Transco requested of the applicant? Are you familiar with them asking for more than 25 feet of an easement?
- A. Since my involvement I asked that the setback area remain unencumbered which was 20 feet.
- Q. But prior to your involvement, in your investigation of this do you have any knowledge that Transco asked for more than the 20 foot additional area? Do you have any knowledge,

yes or no?

- A. I have a recollection of something but I cannot recall whether it's 20 or 25 feet.
- Q. So are you saying that there was a request for more than 20 feet or you're not sure?
 - A. I'm not sure.
- Q. Are there any improvements in the 20 foot area, the right-of-way, are there improvements that the developer is making other than the drainage line that is going to be above grade?
- A. There is a retaining wall in the -- near where our pipeline turns.
 - Q. Northwesterly corner?
- A. Yes.
 - Q. Any others?
 - A. No. By the way, you might find it interesting that about that location of the retaining wall, when the pipeline was built there used to be a building there.
 - Q. Any other improvements?
 - A. Not that I can recall.
 - Q. Okay. Is there manholes, any manholes in that area, in that 20-foot right-of-way?

- A. There may be manholes associated with the sewer system.
- Q. And isn't it fair to say that the general 2009 guidelines of Transco prohibit those type of above grade improvements in a Transco right-of-way?
 - A. Yes.

- Q. And you also agree that that's new construction in that 20-foot accessway, that's new construction?
- A. Well, those are our guidelines for where we own right-of-way and someone wishes to build within our existing right-of-way. Those improvements are in areas that we do not own the right-of-way right now and so we cannot keep them out of a right-of-way that we don't own.
- Q. Does Transco have a damage prevention program applicable to its pipelines that is required under the federal regulations?
 - A. Yes, yes.
 - Q. Is that something that's in writing?
- A. Part of the damage prevention program, the part that would be in writing would be those requirements that we shared with you.
 - Q. Have you provided us the damage

prevention program in the subpoena request that was in writing or to this board?

- A. We provided you with the -- with our requirements. I also want to add that --
- Q. No, I want you to answer the question, please.
 - A. Okay.

- Q. Did you provide a document called Damage Prevention Program for this stretch of pipe or the pipe on this property in connection with this application?
 - A. I don't know.

MR. TUCKER: I'm going to object to the question. We're getting into the same semantics we got into with who is a pipeline safety engineer and those two magic words were in somebody job description, well, they were that was determinative of their expertise. Here the question is have we produced a document that has a certain title. There may not be any such document. Why don't we get to the substance of the request and ask if that information has been produced in writing by whatever the document may be called so we don't get hung up on no, I didn't produce a document that has this exact title to

it. I think we're getting a little lost here.

MR. LAMB: I think there is under the federal regulations there's a document called Damage Prevention Program, that's a requirement and so my question was very specific.

- Q. Do you have a written damage prevention program? The answer is either yes or no. I thought you answered it yes.
 - A. The answer is yes.
- Q. And therefore have you provided that in the context of this case?
- A. You know, I provided you two documents which you don't have the one, you probably don't have the other. I believe the other one might have been the damage prevention. You might check that exhibit list. They were references to pages from our website.
- Q. I don't want to spend more time on this. If you could provide that before the next hearing through your counsel, I'll continue.

The regulations also require Transco to prepare a potential impact zone analysis; is that correct?

- A. I believe so.
- Q. Is that a document that Transco has

prepared?

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- A. I don't know.
- Q. Would that document be in writing?
- A. If it was a document it would be.

MR. LAMB: I'm going to request also they produce a potential impact zone analysis which I believe is required under the regulations.

MR. MUHLSTOCK: If they have one.

MR. LAMB: If they have one.

MR. ALAMPI: I do understand it's not a court of law, the strict rules of evidence are not applying. But of course Mr. Lamb raises this and that and thus and such as required under the regulations. We don't know if any of that is true, we don't know what regulations and then again we've seen time and again we talk about safety standards that deal with hazardous liquid product as opposed to what's here. It goes on and on. This is a form of an objection. statements are with a great deal of reluctance but with an even greater deal of patience to try to get through this process but if Mr. Lamb is going to parse all different regulations about laying a foundation without quantifying it, it

just makes no sense. It's an inappropriate method of cross-examination.

MR. LAMB: We have an expert here who has held himself out as an expert who says that Transco has complied with all the regulations. So I would expect that the expert would know if Transco is required to provide those documents, keep those documents and whether they exist.

MR. MUHLSTOCK: Okay. So let's -Mr. Rodriguez, do you know if Transco has to
prepare a damage prevention study with respect to
the proposed development by Appleview?

THE WITNESS: We are not.

MR. MUHLSTOCK: Okay. You're not.

Do you know if Transco has the obligation to

prepare a potential impact zone analysis with

respect to the potential development by

Appleview?

THE WITNESS: We are not.

MR. MUHLSTOCK: Thank you.

MR. LAMB: I'm going to ask the same questions in general without limiting it to for a prospective development.

Q. Do you have to have those documents

for your pipeline including the pipeline over the subject property?

A. We're required to have a damage prevention program which we do.

MR. MUHLSTOCK: This is a general damage prevention program. Okay. You have that?

THE WITNESS: Yes.

MR. MUHLSTOCK: So but you're saying that you don't, you don't think in your opinion, you don't have to provide or prepare any of these other analyses with respect to the proposed development of the Appleview site?

THE WITNESS: That is correct.

MR. MUHLSTOCK: Okay.

MR. LAMB: Mr. Muhlstock, I'm not asking him with respect to the development.

MR. MUHLSTOCK: I heard. He said, he testified that they have a general damage prevention study.

THE WITNESS: Program, yes.

MR. MUHLSTOCK: Program, excuse me.

THE WITNESS: Which is many

facetted.

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MR. MUHLSTOCK: Many, many facets.

Right. Okay.

THE WITNESS: Lots of people, lots of things are done.

MR. SOMICK: Required by federal law.

MR. AHTO: I think we're here for this development. And if you're saying you're not asking for this particular development, you're asking for a different development, we're here for this particular --

MR. LAMB: I'm not asking for a development. I don't expect that a utility company has a specific damage prevent plan for a specific piece of property. What I expect -- and we will provide you with a letter before the next hearing, what I suspect is that they have a general program and respectfully it's relevant whether whatever is in that general program, I haven't read it so I don't have any comments on it, but whether that is relevant to this project. Just like they have general guidelines that Mr. McGrath located at seminar that he went to. They have guidelines, those are general guidelines. They don't make the guidelines for a piece of property, they make the guidelines in general.

MR. MUHLSTOCK: Is the damage

47 Rodriguez - cross 1 prevention program in writing by Transco? 2 there a booklet? THE WITNESS: There is the overview 3 which I've submitted. 5 MR. MUHLSTOCK: Okay. 6 THE WITNESS: Then there is a more 7 in-depth program that I don't believe that we 8 want to share with the public. 9 MR. MUHLSTOCK: Okay. 10 THE WITNESS: We share with our 11 regulator. 12 MR. MUHLSTOCK: Okay. 13 THE WITNESS: And that regulator is PHMSA who insures the public safety in this 14 15 regard. MR. MUHLSTOCK: Okay. Mr. Tucker, 16 do you believe that the damage prevention program 17 18 analysis or report or study of Transco is somehow 19 privileged? 20 MR. TUCKER: I think it's privileged 21 as their work product.

MR. MUHLSTOCK: Okay.

MR. TUCKER: And as proprietary.

MR. MUHLSTOCK: Same thing with

potential impact zone analysis?

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MR. TUCKER: Yes.

MR. MUHLSTOCK: Mr. Lamb, I'm going to suggest that you file the same procedure that I set forth earlier, OPRA it from the federal agency or make an application to Judge Farrington that you think it's critical --

MR. LAMB: I don't think we have the burden, they have the burden based upon the judge's decision and it's my position that they're not satisfying the burden.

MR. MUHLSTOCK: The board thinks, the board thinks that you're going far afield --

MR. LAMB: I understand that.

MR. MUHLSTOCK: -- that's why the board thinks that you do have that obligation if you want to pursue those lines of questioning.

MR. LAMB: I understand what you're saying. I'm going to be happy to write to PHMSA and the National Safety Board I guess is the regulatory body and I'm going to be happy to tell them exactly what's going on here and what the answer to the questions, and I'm happy to request all of it.

MR. MUHLSTOCK: Okay.

MR. LAMB: If they tell me that

there's some safety issue, I have no desire to cause a potential problem but I'm trying to make sure that there's not a potential problem and the only way to do that is to get these documents.

And -- I never expected, nor my questions presumed that they prepared each one of these documents for a specific piece of property.

MR. MUHLSTOCK: Okay.

MR. TUCKER: And that's what makes them irrelevant to this application I respectfully submit.

MR. MUHLSTOCK: You know what, I'm not Judge Farrington. She'll decide --

 $$\operatorname{MR.}$$ TUCKER: We all understand that we have to go somewhat far afield.

MR. MUHLSTOCK: -- if this remand requires those type of documents.

MR. TUCKER: And I think generally whatever PHMSA will release to the public on request as to this pipeline company and others we have no problem with that.

MR. LAMB: Well, if Mr. Tucker -Mr. Tucker just argued they're privileged. Now
he's saying if PHMSA releases them. If they're
privileged PHMSA shouldn't release them.

MR. TUCKER: I don't think they

2 will.

MR. MUHLSTOCK: Okay. We'll find out. Go ahead.

MR. AHTO: You have ten minutes.

BY MR. LAMB:

Q. Now, Mr. Rodriguez, I'm going to go over this slowly, we had -- I want to make sure we didn't have a misunderstanding at the last hearing.

You made a -- you gave an opinion that you have no objection to this project and that was before you received the slope stability study that we all were anticipating from Mr.

Alampi's client's expert. Now we're not going to ask any questions on that because that's for another day. So assume that you have not seen that. Do you agree that before you can categorically say that Transco has no objection or there is no problem, that it's appropriate and reasonable to review a slope stability study for this particular piece of property?

- A. For me reviewing it, no.
- Q. Okay.

MR. MUHLSTOCK: Why?

THE WITNESS: Because I'm familiar with the property, I'm a licensed civil engineer, I'm familiar with situations like this by years of experience, I can recognize situations by observation and my training and knowledge. I don't need a report that's going to tell me what I know.

MR. MUHLSTOCK: And?

THE WITNESS: And the person that asked for the report is a mechanical engineer, not licensed at the time and from his point of reference he needed to see a little bit more. In addition, the report was requested for a different proposal that went deeply into the slope. My review of this project, it was far less impact and very minor on the slope, so I did not need to see a slope stability study of a past proposal. The area that I was concerned with, there is hardly any impact.

MR. LAMB: I'm going to mark G-18, a portion of the April 3, 2012 transcript.

MR. MUHLSTOCK: Why do you have to mark a portion of the transcript?

MR. LAMB: Because I'm going to ask him questions about it, Mr. Muhlstock. It's --

MR. MUHLSTOCK: It's already part of the record, G-18 is a portion of the April 3 transcript. So what page are you on, Mr. Lamb?

MR. LAMB: 83. It's page 83 of the transcript but 90 is the text. The bottom page 83 as on Celeste's transcript.

MR. MUHLSTOCK: Okay.

(Galaxy Exhibit 18, a portion of the April 3, 2012 transcript, was marked for identification.)

MR. MUHLSTOCK: Is there a question?

MR. ALAMPI: I'm just trying to follow. It's obvious to me this is a portion of the April transcript but the page numbers may not correlate because sometimes the transcript comes through e-mail first and then comes in the traditional format. But for Mr. Lamb's purposes, the bottom of the page is page 83.

MR. LAMB: Correct.

 $$\operatorname{MR.}$$ MUHLSTOCK: I'm not sure how that correlates with the e-mail.

MR. STEINHAGEN: It's page 90 of the actual transcript.

MR. ALAMPI: So there it is. It's actually page 90 of the transcript. For those

who are not familiar we now get things by e-mail and the pagination is different than the traditional booklet that you get. We would call it page 90 of the transcript.

- Q. Mr. Rodriguez, have you had a chance to review what I just marked as G-18?
 - A. Yes.

- Q. Is it not fair to say that on April 3, 2012 you indicated it would be relevant for you to see the slope stability and review of the cliffs documents?
 - A. Yes.
- Q. But now when you testified in May it's not relevant to see that for purposes of your opinion?

MR. ALAMPI: This is June.

MR. LAMB: No, but we had the discussion in May at the end of the hearing.

- A. Let me clarify it again.
- Q. Please. Please clarify it.
- A. I'll try again. I did not -- I do not need the study to make my analysis because of the -- because of this specific design and this specific situation. A report was made, I would certainly welcome reading it and seeing what

someone has to say. I do not rely on this report or someone else's report to make a decision.

Q. So if this report says that there are certain problems that should be addressed to resolve safety issues or minimize risks, that that's something that's not relevant to your opinion?

MR. TUCKER: Object to the form of the question. It's totally speculative. I don't

MR. MUHLSTOCK: Can you rephrase that?

MR. LAMB: You know, Mr. Muhlstock, since we don't have the report in front of us it's probably better that we -- we're going to have the slope stability study, Mr. Alampi has advised me that at the appropriate time he's going to have testimony on it. So I can't -- if you want me to --

THE WITNESS: You could ask. I've read the report.

Q. Is not landslides one of the risks under the regulations that Transco must address when approving projects or operating their pipelines?

- A. Yes and in great detail I spoke about landslides before and how they do not apply to this situation, how this area has been reported to be not subject to deep seated landslides.
- Q. I didn't say deep seated landslides.

 I said landslides. Aren't there surface

 landslides and subsurface, deep seated issues?

 Isn't there a difference?
- A. You're getting into semantics and there's landslides that have significance to a pipeline and there is erosion that is not. And if there's surface erosion, that is not significant to the pipeline, to the safety of the pipeline.
- Q. So no surface erosion ever adversely affects a pipeline, is that what you're saying?
- A. Only if it gets deep enough to remove support to the pipeline, then it is a problem.
- MR. AHTO: Mr. Rodriguez, I have a question.
- THE WITNESS: Yes, sir.
- MR. AHTO: You're talking about a landslide. If the building was there or if

building is not there, is that going to prevent that landslide if it's going to happen?

THE WITNESS: Actually if the -- no it's not going to prevent it but if the building was there the land would stop sliding when it slid into the building and it actually would kind of be more stable for the slope from our perspective.

MR. AHTO: With that time is up.
We'll have to continue at another meeting and if
you are going to set up a special or at the next
regular meeting.

MR. ALAMPI: Thank you. Chairman, we have attempted to avoid the special meeting process because we noted that your agenda had had two, sometimes only one other matter, but we're really not progressing in the last two or three public hearings through no one's fault. So now it becomes necessary to request a series of special meetings. I did not anticipate that this remand would be reviewed in only one, even two hearings but I certainly didn't think that we'd be in the fifth or sixth hearing and on the first witness. So I would like to schedule a special meeting.

Mr. Lamb and I spoke yesterday and again today, we all have crazy schedules because this is what we do, this night work all over the I don't know what you would like to do. area. Do you keep them on the same day of the week, your special meetings?

MR. MUHLSTOCK: Go off the record. (Discussion off the record.)

MR. AHTO: Okay, there's three specials, July 12th, 19th and the 26th and there will be no notice given because we're giving it now. It will be continue.

MR. LAMB: And I've indicated that the latter dates would be subject to the availability of my experts. One I have to fly in from a long distance, the likelihood.

MR. ALAMPI: 7:00 each hearing?

MR. AHTO: 7:00.

MR. ALAMPI: Thank you, Chairman.

MR. AHTO: You're welcome.

Is there a motion.

MR. SOMICK: Motion to adjourn.

MR. FERNANDEZ: Second.

THE CHAIRMAN: All in favor.

(Chorus of ayes.)

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CERTIFICATE

I, CELESTE A. GALBO, a Certified

Court Reporter and Notary Public within and for

the State of New Jersey do hereby certify:

That all the witnesses whose testimony is hereinbefore set forth, was duly sworn by me and that such is a true record of the testimony given by such witnesses.

I further certify that I am not related to any of the parties to this action by blood or marriage and that I am in no way interested in the outcome of this matter.

In witness whereof, I have hereunto set my hand this $\underline{22nd}$ day of \underline{June} $\underline{2012}$.

License No. 30X100098800

CELESTE A. GALBO, CCR, RPR, RMR

Celeste A. Galbo, CCR, RMR