# COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS MASSACHUSETTS DEPARTMENT OF ENVIRONMENTAL PROTECTION

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In the Matter of	)	OADR Docket Nos. 2019-008 - 2019-013
	)	DEP File No.: Air Quality Application
	)	No. SE-15-027
Algonquin Gas Transmission, LLC	)	Weymouth, MA
	)	

#### PRE-FILED DIRECT TESTIMONY OF NANCY KIST

I, Nancy Kist, hereby state as follows:

- 1. I am a Senior Advisor, Lands & Right of Way ("ROW") for U.S. Projects at Enbridge, Inc. ("Enbridge"). My business address is 890 Winter Street, Waltham, MA 02451. I am providing this testimony on behalf of the Applicant Algonquin Gas Transmission, LLC ("Algonquin").<sup>1/</sup>
- 2. I have a B.A. in History and English from Caldwell University and a J.D. from Seton Hall University School of Law.
- 3. As Senior Advisor, Lands & ROW, I manage land and right of way acquisition in support of natural gas pipeline infrastructure projects. This includes acquiring both temporary and permanent land rights to support construction, maintenance, repair and replacement of natural gas pipeline facilities. Although I am not a licensed professional appraiser, I routinely estimate the

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Algonquin is a subsidiary of Enbridge.

costs associated with land and right of way acquisitions for budgeting purposes as part of my responsibilities for Enbridge.

4. My responsibilities include the oversight of land and right of way acquisitions for projects in the geographic area from the east side of the Delaware River in New Jersey through the State of Maine. My role on any given project depends on the complexity of the project and the need to acquire land rights.

### Cost Estimate for Acquiring Land Rights to Install Underground Conduit at the Weymouth Compressor Station

- 5. I was asked to provide an estimate of the costs that would be associated with the acquisition of the land rights necessary to install underground electric transmission lines from the Edgar Substation located at the Calpine Fore River Energy Center to and underneath Route 3A onto the Weymouth Compressor Station site.
- 6. My estimate includes the costs associated with the acquisition of: (1) a 15-foot wide permanent easement, running 0.4 miles from the Edgar Substation to Route 3A; (2) 50 feet of temporary workspace ("TWS") running the same length, to support the installation of the underground electric transmission lines; (3) an additional area 100 feet wide by 265 feet in length of additional temporary workspace ("ATWS") to lay down construction equipment and use areas adjacent to Route 3A to facilitate the installation under Route 3A; and (4) a permit for installing the underground electrical transmission lines under Route 3A.
- 7. To estimate the price per square foot for the necessary land rights, I looked up the value assessed by the Town of Weymouth for the following properties: (1) 6 Bridge Street (owned by Algonquin); (2) 9 Bridge Street (owned by Calpine); and (3) 0 Bridge Street (owned by

Calpine).<sup>2</sup> I obtained the assessed value for each property directly from the Town of Weymouth On-line Property Records Viewing System, available here: http://pv.weymouth.ma.us/search/properties/3 The Town of Weymouth Property Card for each of the properties is attached hereto as Exhibit 1. 6 Bridge Street, 9 Bridge Street, and 0 Bridge Street are each assessed by the Town of Weymouth at or just under \$19.00 per square foot for the land only. This rate per square foot does not include improvements such as buildings or other taxable ancillary structures. I further confirmed the reasonableness of this approach by comparing these values to the price per square foot that Algonquin paid to acquire its land. In 2016, Algonquin paid \$13,000,000 to acquire 12.14 acres of land from Calpine. As this equates to approximately \$24.58 per square foot<sup>4</sup> to acquire 6 Bridge Street, the assessed value of approximately \$19.00 per square foot<sup>5</sup> provides a reasonably conservative cost basis for establishing an estimate of costs to acquire the temporary and permanent easement rights to construct, install and operate underground

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<sup>&</sup>lt;sup>2</sup> These street addresses are used to identify the respective properties based upon the "Property Location" assigned on the Town of Weymouth Property Card. I did not include the MWRA property identified as 50 Bridge Street because Algonquin would not need to acquire land rights from MWRA and it appears to be assessed on a different basis than each of the other properties I compared.

<sup>&</sup>lt;sup>3</sup> According to its website, the Town of Weymouth Assessor's Office is responsible for the administration of all laws and regulations regarding property tax assessment. The Assessors, as required by Chapters 59, 60A, 61, 121A of the Massachusetts General Laws and various Acts of the Legislature, perform the appraisal of approximately 21,000 parcels of property. <a href="https://www.weymouth.ma.us/assessor">https://www.weymouth.ma.us/assessor</a>

<sup>&</sup>lt;sup>4</sup> The calculation for reaching a value of \$24.58 per s.f. is as follows: The site is 12.14 acres in size which is multiplied by 43,560 s.f. (one acre). The resulting calculation yields 528,818.40 s.f. of land. The purchase price of \$13,000,000 is then divided by 528,818.40 s.f. and equals \$24.58 per square foot.

<sup>&</sup>lt;sup>5</sup> The calculation for estimating a value of \$19.00 per s.f. is as follows: The site is 12.14 acres in size which is multiplied by 43,560 s.f. (one acre). The resulting calculation yields 528,818.40 s.f. of land. The assessed value for the land as per the Weymouth Tax Card is \$10,036,300. The assessed value for the land of \$10,036,300 is then divided by 528,818.40 s.f. and equals \$18.98 per square foot, which I have rounded up to \$19.00/s.f.

electrical transmission lines at the locations described above.

- 8. To determine the estimated costs to install the underground electrical transmission lines, I multiplied the square feet needed for the necessary land rights by the assessed price per square foot (\$19.00) and a factor: 50% where Algonquin would need a permanent right; and 12.5% where Algonquin would need a temporary right. I used 50% for the permanent easement, as Algonquin will need the right to construct, install, operate, maintain, repair, and replace the underground electrical transmission line, as well as to access the Calpine property permanently for those purposes; these uses will bar Calpine's use of the subsurface of the permanent easement area and prevent Calpine from placing structures on top of the permanent easement area. I used a factor of 12.5% for the temporary easement as an expression of a reasonable rate of return for a one year lease of the areas needed to stage equipment and material during construction of the underground electrical transmission lines.
- 9. I estimated the cost for a permit for the Route 3A crossing to be approximately \$5,000, which includes my estimate of the permit fees and the professional fees necessary to support the application with drawings that comply with the application requirements.
- 10. This approach is consistent with the approach that I have routinely followed for other projects.
- 11. Based on my calculations, I have estimated that it will cost approximately \$619,460.00 to acquire the necessary land rights to construct, install, operate, and maintain the underground electrical transmission lines described above. A copy of my estimate worksheet is attached as Exhibit 2.

Signed under the pains and penalties of perjury on July , 2020.

Nancy Kist

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# Exhibit 1



# Town of Weymouth Property Card

Property Location: 6 BRIDGE ST

Parcel ID: 6-63-1

#### **Current Owner:**

ALGONQUIN GAS TRANSMISSION LLC C/O DUFF & PHELPS, LLC PO BOX 2629 ADDISON, TX 75001

# Current Assessments (All Land and Buildings)

Buildings	\$0
Other	\$0
Land	\$10,036,300
TOTAL	\$10,036,300

#### Land Line Valuation

Size	12.14 acres
Zone	
Assessed Value	\$10,036,300

### Parcel Record of Ownership

Grantor	Grantee	Date	Туре	Price	Book/Page (Cert)
CALPINE FORE RIVER ENERGY	ALGONQUIN GAS TRANSMISSION LLC	12/2/2016	V	\$13,000,000	(189837)
CONSTELLATION MYSTIC POWER LLC	CALPINE FORE RIVER ENERGY	11/7/2014	V	\$265,000,000	(189837)
FORE RIVER DEVELOPMENT LLC	CONSTELLATION MYSTIC POWER LLC	1/3/2011	V	\$36,200,000	(181726)
SITHE FORE RIVER DEV LLC	FORE RIVER DEVELOPMENT LLC	2/20/2001	В	\$0	(159129)
N/A	SITHE EDGAR LLC	5/21/1998	QS	\$4,330,000	761/21

### **Primary Building Information**

For additional building information, please review the building tab of the map viewer.

State Classification Code	TANKS	Finished Basement	No	
Building Square Footage		Attached Garage	No	
Year Built		Detached Garage	No	
Dwelling Style		Number of Bedrooms		
Exterior Walls		Number of Full Bathrooms		
Foundation Type		Number of Half Bathrooms		
Deck Area Heating/Cooling Type				
Porch Area		Number of Fireplaces		

Basement Area	

**DISCLAIMER:** ALL DATA IS PROVIDED "AS IS", WITH ALL FEATURES, IF ANY. THE TOWN OF WEYMOUTH EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY TYPE, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY AS TO THE ACCUACY OF THE DATA, MRECHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.



# Town of Weymouth Property Card

Property Location: 9 BRIDGE ST

Parcel ID: 6-64-1

#### **Current Owner:**

CALPINE FORE RIVER ENERGY CENTER, LLC C/O CALPINE CORPORATION 717 TEXAS AVE SUITE 1000 HOUSTON, TX 77002

# Current Assessments (All Land and Buildings)

Buildings	\$184,704,500
Other	\$12,535,100
Land	\$29,981,900
TOTAL	\$227,221,500

#### Land Line Valuation

Size	36.26 acres
Zone	
Assessed Value	\$227,221,500

### Parcel Record of Ownership

Grantor	Grantee	Date	Туре	Price	Book/Page (Cert)
CONSTELLATION MYSTIC POWER LLC	CALPINE FORE RIVER ENERGY	11/7/2014	V	\$265,000,000	(189837)
FORE RIVER DEVELOPMENT LLC	CONSTELLATION MYSTIC POWER LLC	1/3/2011	V	\$36,200,000	(181726)
SITHE FORE RIVER DEV LLC	FORE RIVER DEVELOPMENT LLC	2/20/2001	В	\$0	(159129)
SITHE EDGAR LLC	SITHE FORE RIVER DEV LLC	2/20/2001	В	\$0	(159129)
	SITHE EDGAR LLC	5/21/1998	QS	\$4,330,000	761/21
	BOSTON EDISON COMPANY		QS	\$0	1

### **Primary Building Information**

For additional building information, please review the building tab of the map viewer.

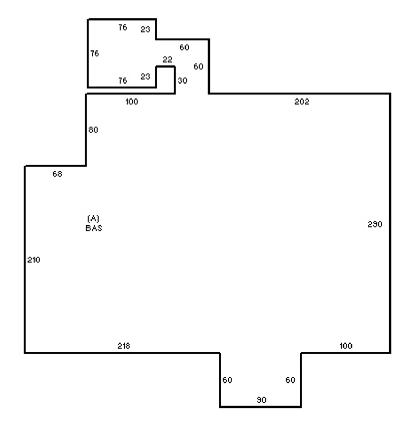
State Classification Code	ELEC PLANT AGREEMENT
Dellation Communication	400.000
Building Square Footage	126,996
Year Built	1950
Dwelling Style	POWER PLANT
Exterior Walls	MINIMUM
Foundation Type	SLAB

Finished Basement	No
Attached Garage	No
Detached Garage	No
Number of Bedrooms	
Number of Full Bathrooms	
Number of Half Bathrooms	

Deck Area	0 SF	Heating/Cooling Type	
Porch Area	0 SF	Number of Fireplaces	0
Basement Area	0 SF		

### **Building 1**





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# Town of Weymouth Property Card

Property Location: 0 BRIDGE ST

Parcel ID: 6-63-3

#### **Current Owner:**

CALPINE FORE RIVER ENERGY C/0 CALPINE CORPORATION 717 TEXAS AVE SUITE 1000 HOUSTON, TX 77002

# Current Assessments (All Land and Buildings)

Buildings	\$0
Other	\$0
Land	\$3,169,600
TOTAL	\$3,169,600

#### Land Line Valuation

Size	3.83 acres
Zone	
Assessed Value	\$3,169,600

### Parcel Record of Ownership

Grantor	Grantee	Date	Туре	Price	Book/Page (Cert)
N/A	CALPINE FORE RIVER ENERGY	12/2/2016	V	\$13,000,000	(189837)
CONSTELLATION MYSTIC POWER LLC	CALPINE FORE RIVER ENERGY	11/7/2014	V	\$265,000,000	(189837)
FORE RIVER DEVELOPMENT LLC	CONSTELLATION MYSTIC POWER LLC	1/3/2011	V	\$36,200,000	(181726)
SITHE FORE RIVER DEV LLC	FORE RIVER DEVELOPMENT LLC	2/20/2001	В	\$0	(159129)
N/A	SITHE EDGAR LLC	5/21/1998	QS	\$4,330,000	761/21

### **Primary Building Information**

For additional building information, please review the building tab of the map viewer.

State Classification Code	IND DEV LAND	Finished Basement	No			
Building Square Footage		Attached Garage	No			
Year Built		Detached Garage	No			
Dwelling Style		Number of Bedrooms				
Exterior Walls		Number of Full Bathrooms				
Foundation Type		Number of Half Bathrooms				
Deck Area		Heating/Cooling Type				
Porch Area		Number of Fireplaces				

Basement Area	

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# Exhibit 2

										Year		Value of Land
					Assessed Value					Purchased as		Only per SF
			Acres per		Total per	Land Value only		Other Value only	Purchase Price as	Per	Assessed	based on
	Weymouth Tax	Street Address Per	Weymouth		Weymouth Tax	per Weymouth	<b>Buildings Value only per</b>	per Weymouth	per Weymouth	Weymouth	Value of Land	Acquisition
Owner	Map/Block/Lot	Weymouth Tax Card	Tax Card	Square Feet	Card	Tax Card	Weymouth Tax Card	Tax Card	Tax Card	Tax Card	Only per SF	Cost
Algonquin (Compressor Station)	6-63-1	6 Bridge Street	12.14	528,818.40	\$ 10,036,300.00	\$ 10,036,300.00	\$ -		\$ 13,000,000.00	12/2/2016	\$ 18.98	\$ 24.58
Calpine (Plant)	6-64-1	9 Bridge Street	36.26	1,579,485.60	\$ 227,221,500.00	\$ 29,981,900.00	\$ 184,704,500.00	\$ 12,535,100.00	\$ 265,000,000.00	11/7/2014	\$ 18.98	
Calpine (Kings Cove)	6-63-3	0 Bridge Street	3.83	166,834.80	\$ 3,169,600.00	\$ 3,169,600.00				11/7/2014	\$ 19.00	

Assume 15' permanent easement
Assume 50' TWS
69kv to 138 kv 3 cables plus a spare encased in concrete
ATWS at crossing of Route 3A & for storage of materials on site
Assume .4 miles of underground conduit bank before you enter AGT property

	Width	Length Mile	Length ft	SF of occupancy	SF price	Factor	Total
Permanent Easement	15	0.4 \$	2,112.00	31,680.00	\$ 19.00	50% \$	300,960.00
TWS	50	0.4 \$	2,112.00	105,600.00	\$ 19.00	12.50% \$	250,800.00
ATWS	100	0.05 \$	264.00	26,400.00	\$ 19.00	12.50% \$	62,700.00
Permit for 3A Crossing							\$5,000
						\$	619,460.00