

May 29, 2018  
Glen Mills, Pennsylvania

Rosemary Chiavetta  
Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: *Pennsylvania State Senator Andrew E. Dinniman v. Sunoco Pipeline L.P.*; Docket Nos. P-2018-3001453 and C-2018-3001451**

Dear Ms. Chiavetta:

In its reckless rush to ram hazardous, highly volatile liquids pipelines through the heart of densely populated southeast Pennsylvania, Sunoco and its supporters have waged a campaign of disinformation aimed at both elected and appointed public officials (such as those who serve at the Public Utility Commission), and the public. One weapon deployed during this propaganda blitzkrieg is the assertion that the Mariner East export project provides an economic benefit. On the basis of this supposed benefit, we Pennsylvanians should accept the destruction of our property values, the endangerment of children and seniors, and the infringement of private property rights guaranteed under the Constitutions of Pennsylvania and the United States. The existence of such a benefit would hardly justify jettisoning these core American values; but the problem is that there is scant evidence supporting the underlying assertion—that an overall benefit to Pennsylvania communities exists in the first place.

Putting aside (for a moment) the critical issues of public safety and private property rights, it is evident that a full analysis would show enormous overall economic *harm* to Pennsylvania. As lawmakers from both parties recognize, without all the data, including quantification of project *costs*, it's dishonest to assume into existence an economic benefit.

One source relied upon for asserting the existence of an economic benefit is a study commissioned by Delaware County Council in 2012. This study was purportedly obtained for the purpose of considering redevelopment options for Sunoco's shuttered Marcus Hook refinery. However, the only options that were considered involved the transport of "natural gas liquids" to the facility. (Natural gas liquids, or NGLs, are liquefied ethane, propane and butane, and few other materials in the same family. If released, these materials present extraordinary hazards to densely populated areas. The federal regulatory agency, the Pipeline and Hazardous Materials Safety Administration (PHMSA) classifies NGLs as hazardous, highly volatile liquids).

No non-NGL alternatives were considered for the site, although they certainly existed. With regard to economics, the \$200,000 Delaware County taxpayer-funded study considered only potential upside, without making any effort to quantify downsides such as impaired property values, inability to obtain insurance, losses to property tax bases, and so on. For these reasons, the study is biased and fatally flawed. Economic "reports" like this fall into a genre which is well-understood by economists. StateImpact Pennsylvania recently reported on the subject,

writing “Haynes Goddard is a retired environmental economics professor at the University of Cincinnati and an expert in cost benefit analyses, which include calculations of social and environmental costs of large projects. Goddard said this type of report is meant to “buck up politicians” who support the project and the company that stands to make money off it. ‘They’re really ultimately misleading because they’re a very incomplete analysis of all the economic impacts positive and negative that these kinds of projects could have,’ Goddard said.”<sup>1</sup>

A more honest and complete assessment completed in January 2017, titled “Economic Costs of the PennEast Pipeline: Effects on Ecosystem Services, Property Value, and the Social Cost of Carbon in Pennsylvania and New Jersey,” sought to quantify both positive and negative impacts of the proposed PennEast Pipeline and to weigh them against each other. This study found “Putting the streams of annual costs into present value terms and adding the one-time costs, the total estimated economic cost of the PE [PennEast] pipeline in the study region is between \$13.3 and \$56.6 billion. Contrasting, and as we explain more thoroughly in this report, the costs are several times larger than the proposed benefits.”

These cost estimates are hardly trivial numbers, but they probably come as no surprise to any landowner who is facing the damage and economic destruction already wreaked across Pennsylvania by Sunoco.

West Goshen Township gets specific about the economic catastrophe it’s facing on its web site. In West Goshen Township alone, Sunoco’s proposed project has scuttled a multi-million-dollar senior living facility, thereby seriously and permanently impacting the tax bases of both West Goshen Township and the West Chester Area School District. In addition, West Goshen has incurred hundreds of thousands of dollars in legal expenses in connection with its efforts to get Sunoco to comply with an agreement it voluntarily entered into with the township.<sup>2</sup> These negative impacts are both quantifiable and typical. They are visible in township after township where hard-working landowners and businesses have been assaulted in court by Sunoco and its army of jackbooted attorneys attempting to seize private property for corporate gain.

Sunoco and its supporters often claim that the proposed Mariner East export pipeline promises prosperity. But the PUC’s view of the disastrous economic reality of Sunoco’s proposed project must be informed by verified sources, not by one-sided, self-serving Sunoco propaganda. On the other hand, the public safety risks of the project (in terms of consequences and probability), especially to Pennsylvania’s most vulnerable residents, are squarely in view of the Commission. And the Commission has the authority and responsibility to enforce the applicable federal regulatory scheme. Commission Administrative Law Judge Barnes wrote in her Emergency Order dated May 21, 2018:

“Section 59.33(a) of the Commission’s regulations provides that “Every public utility shall at all times use every reasonable effort to properly warn and protect the public from danger and shall exercise reasonable care to reduce the hazards to

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<sup>1</sup> <https://stateimpact.npr.org/pennsylvania/2018/01/09/report-mariner-east-pipelines-could-have-a-9-billion-financial-impact>, last visited May 29, 2018.

<sup>2</sup> [www.westgoshen.org/sunoco-mariner-i-ii-information-litigation](http://www.westgoshen.org/sunoco-mariner-i-ii-information-litigation), last visited May 29, 2018. See “What is the economic impact of the Mariner II pipelines on West Goshen Township?”

which employees, customers and others may be subjected to by reason of its equipment and facilities. 52 Pa. Code § 59.33(a). Two large school districts have asked Governor Wolf what to do in an emergency. N.T. 62. Residents request specific instructions, but only receive boilerplate general information. N.T. 111. Chester County Emergency Services requested an emergency management plan and this request has not been fulfilled. N.T. 190. Sunoco’s Pipeline Safety expert Zurcher did not know how people unable to run away from a vapor cloud should respond to such an incident. N.T. 579. Sunoco may have given safety pamphlets to 66,000 people along the 350-mile route, and to schools within .5 miles of the pipe. However, given that vapor clouds can move depending on weather conditions and people are mobile within their communities, this is insufficient. More public outreach should be done than the meetings already held and that shown in SPLP Exhibits 8, 11 and 46. N.T. 419, 540. All of these facts support a finding that Sunoco has failed to take reasonable efforts to warn and protect the public from danger.”

Chester County’s Department of Emergency Services has provided the following numbers of people within the recommended one-half mile initial evacuation zone along the Mariner East route in Chester County:<sup>3</sup>

MuniName	Sum_POPULATION_EST
East Nantmeal	146
West Nantmeal	413
Wallace	789
Elverson	1032
Upper Uwchlan	2153
West Goshen	2410
Westtown	3157
Uwchlan	8139
East Goshen	8955
West Whiteland	11282

In Delaware County, the planned public alerting system, Delco Alert, is designed to trigger hundreds or thousands of cell phones and other electronic devices simultaneously. But PHMSA warns not to use cell phones in the event of an NGL leak. And Delaware County Emergency Services has confirmed that no one has evaluated whether the use of such a system (say, to notify people to begin an on-foot self-evacuation) might itself provide an ignition source in a heavier than air combustible vapor cloud.

The Commission has an obligation to protect public safety, which is at unreasonable risk of harm from Sunoco operations, especially given that the public has been provided no credible means of carrying out the on-foot self-evacuation which both Sunoco and PHMSA state is the only correct public response to an NGL leak. I write in support of the formal complaint filed by Pennsylvania

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<sup>3</sup> These numbers are based on 2010 U.S. Census data. They do not take into account vulnerable, transient populations such as those housed in elementary schools during school hours.

Senator Andrew Dinniman, and respectfully urge the Commission to affirm and continue its currently effective halt to operations of Mariner East 1, and to also halt all construction of new Sunoco hazardous, highly volatile liquids pipelines in unsafe proximity to occupied structures.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Eric Friedman". The signature is written in black ink on a white background.

Eric Friedman