

Is Ares Management Building a Pipeline to Nowhere?

Proposed \$980 million oil pipeline is behind schedule, opposed by a growing number of state and municipal lawmakers, and faces significant regulatory hurdles.

In May 2015 UNITE HERE raised questions about Ares Management's \$195 million commitment to the Pilgrim Pipeline, which had failed to overcome growing community opposition. Over one year later, the 170-mile oil pipeline now faces additional political and regulatory hurdles.

- Pilgrim Pipeline is opposed by all of the municipalities along the pipeline's proposed route in New Jersey and both houses of the state's legislature.
- Opponents have raised questions about Pilgrim's customer base. Bayway, the largest refinery near the pipeline's end in Linden, NJ has stated that the pipeline "is not a strategic fit."
- In New York, where village and city boards reportedly have "veto power" over pipelines crossing their borders under a century-old law, the project is opposed by 20 municipalities along the proposed route.
- A New York Assemblyman recently filed a resolution asking the New York Thruway Authority – the largest landholder along the route – to deny the use of its right-of-way. Pilgrim has stated that alternate routes off the Thruway are not feasible.

Pilgrim Pipeline Faces Mounting Obstacles

As of June 2015, Ares Energy Investors Fund (EIF) IV had committed \$195 million to the construction of Pilgrim Pipeline, a roughly 170-mile bi-directional crude oil and refined products pipeline from Linden, NJ to Albany, NY.¹ Since 2014, when news reports emerged that Pilgrim had begun outreach to towns along the proposed route,² the pipeline has faced growing opposition from a number of state and municipal lawmakers and a coalition of community organizations. Already delayed by landowners who have denied surveying access and easements,³ Pilgrim may also be blocked by village and city boards with potential "veto power" over pipeline construction within their borders that opponents say is granted by New York's Transportation Corporations Law.⁴

Ares EIF IV had by June 2015 invested \$18 million in phase 1 of the pipeline, which has a projected capital cost of \$980 million.⁵ Phases 2 and 3 represented "compelling midstream

opportunities” to service “major east coast markets” and a “potential combined additional investment opportunity of \$350 million,” according to an Ares investor presentation from September 2015.⁶ EIF’s estimated \$195 million phase 1 investment represented 9.4% of the total committed capital in EIF IV and V; an additional \$350 million would represent 26.4% of the committed capital in the two energy funds as of year-end 2015.⁷

Last year, before applying for state permits, Pilgrim already faced opposition from all but one of the municipalities along the proposed route in New Jersey and both houses of that state’s legislature,⁸ a number of New York municipalities and lawmakers,⁹ and from the Coalition to Stop Pilgrim Pipeline (CAPP), a 76-member alliance of environmental and community groups.¹⁰ The New Jersey Sierra Club declared “a really big victory” that “could end up killing the project” when in February 2015 the New Jersey utility, Public Service Electric & Gas Co. (PSE&G), denied Pilgrim the use of a 27-mile right-of-way.¹¹ “We told Pilgrim that it was not in the best interests of the utility or its customers to allow access to the right of way,” said a PSE&G spokesperson.¹²

These problems show no sign of abating. Not only has Pilgrim failed to overcome the growing opposition to its use of land along the pipeline’s route, but it now faces additional potential legislative and regulatory hurdles.

See Map of Municipalities along the Proposed Pilgrim Pipeline Route in Appendix A.

Delays and Opposition in New Jersey

Pilgrim has missed two of its own target dates for submitting necessary permit applications with the New Jersey Department of Environmental Protection.

The company does not appear to have initiated any state permit applications,¹³ despite telling Union County officials in June 2014 that it intended to file in the third quarter of that year, and stating in a November 2015 press release that it would file “later in the year.”¹⁴ We have found no indication that Pilgrim has applied in New Jersey, where it “faces widespread opposition” from “those fearful of possible leaks, explosions and harm to the water supply.”¹⁵

Pilgrim Pipeline’s Obstacles in New Jersey		
Status	Authority	Obstacle
Not filed	DEP & Highlands Council	At least nine (9) anticipated permits required according to Pilgrim’s “Permit Readiness Checklist” filed with the state
Denied	Public Service Electric & Gas Co.	Permission to use public utility’s 27-mile right-of-way
Opposition bill approved Dec. 18, 2014	State Assembly	Bipartisan Assembly Resolution 191 opposing Pilgrim Pipeline as currently conceived

Status	Authority	Obstacle
Opposition bill approved June 29, 2015	State Senate	Bipartisan Senate Resolution 106 opposing Pilgrim Pipeline as currently conceived
All 30 opposed	30 municipalities	Opposition from municipalities in the proposed route
“Not a strategic fit” according to Phillips66	Parent company Phillips66	Customer base: No agreement to connect pipeline to Phillips66’s Bayway Refinery in Linden, a major potential customer and the largest east coast refinery

Municipalities Against Pilgrim

In New Jersey, all 30 municipalities in the proposed route and another 10 nearby municipalities have passed resolutions opposing the project. Of the 40 opposed municipalities, 31 also call for a “moratorium” on planning, proposal, or surveying of the pipeline (26 of these also call for a moratorium on Pilgrim Pipeline construction).¹⁶

Chatham and Florham Park asked the state utility PSE&G to “continue to stand with” them in denying Pilgrim Pipeline access to the requested rights-of-way. Florham Park officials “view the proposed pipeline as inconsistent with our Master Plan and a detriment to our citizens,” while Chatham’s lawmakers “believe Pilgrim’s proposed route risks our community’s safety, drinking water, health, natural resources and property values, while providing no benefits,” according to their respective letters to PSE&G.¹⁷

Another 11 municipalities passed land use ordinances limiting the construction of pipelines within their boundaries. One ordinance states: “Pipelines which are not public utilities that distribute services to end users and are unregulated by the State of New Jersey Board of Public Utilities are prohibited within any zone in the Township.”¹⁸

Bipartisan Opposition in the New Jersey State Legislature

Both houses of the New Jersey legislature approved bipartisan resolutions opposing the project and urging any “federal, state, or local entity engaged in review of the Pilgrim Pipeline project to reject the project as currently proposed, and thereby prohibit its construction through New Jersey.”¹⁹

“[Pilgrim Pipeline] goes through everything from densely developed areas to pristine, protected regions. None of us want it there.”

— Tom Kean, Republican Senator from New Jersey

The bill’s co-sponsor in the New Jersey Senate, Republican Tom Kean, objected to the potential environmental hazards posed by the pipeline: “It goes through everything from densely developed areas to pristine, protected regions. None of us want it there.”²⁰ Democratic co-sponsor Richard

Codey said that “any spill could affect the drinking water of one million residents in New Jersey.” Assemblywoman Mila Jasey declared, “We have the power to stop it.”²¹

Pilgrim Missteps with “Harsh” and “Aggressive” Outreach Tactics

Federal and state legislators have also criticized what environmentalists call “threatening” tactics in attempting to gain access to private property to conduct land surveys.²² Pilgrim itself has admitted it was “too harsh” in its approach to homeowners.²³

Republican Assemblywoman Holly Schepisi, co-sponsor of the anti-Pilgrim resolution, has criticized Pilgrim’s tactics, particularly the threat of eminent domain. “The way it’s been handled [by Pilgrim] has turned a lot of people off,” said Schepisi, who reportedly noted that the company’s letters to property owners were “aggressive in tone, threatening eminent domain seizures of land.”²⁴

In October 2014, the company reportedly sent letters to homeowners along the proposed route stating that Pilgrim has “the power to condemn private property” and that it would seek a court order to survey properties if denied access.²⁵ At a town hall meeting that same month, Pilgrim official George Bochi told the audience: “If the design of the project winds up being across your property and we can’t come to a reasonable agreement, as a pipeline company, under New Jersey statutes we do have the right to eminent domain.”²⁶ Lawyers for the New Jersey Sierra Club and the Eastern Environmental Law Center have argued that Pilgrim does not have eminent domain power.²⁷

Pilgrim later acknowledged that the letters to landowners were “too harsh.”²⁸

Republican US Congressman Rodney Frelinghuysen told a Hanover, NJ audience that “the people behind the Pilgrim pipeline have not done their due diligence” and that “this is the first time that a group has come in and actually bullied us by their proposal and that’s not the way to do it if you want to be successful.”²⁹

New York Opposition

In August 2015, Pilgrim applied for a Use and Occupancy Permit in New York state³⁰ where it faces opposition in the state assembly and from 20 municipalities comprising nearly two-thirds of those in the proposed route.

The permitting process includes an environmental review originally to be overseen by the New York Thruway Authority. But after opponents reportedly “expressed concern that Thruway officials, who are trying to locate funding for the new Tappan Zee Bridge, could be unduly influenced by the fees Pilgrim would pay to use Thruway land,” the New York Department of Environmental Conservation (DEC) and the Thruway Authority announced that they would co-lead the environmental review.³¹ Local municipalities continued to call on the DEC to take sole authority for the review process.³²

In the preliminary Draft Environmental Impact Statement submitted as part of its Use and Occupancy application, Pilgrim identified an additional 31 “permits, executive orders and approvals” under the authority of at least 13 different federal, state and local agencies that are “potentially applicable to the proposed Pilgrim Pipeline Project.”³³

One of the potentially required approvals—a DEC-issued Water Quality Certification (WQC) required under Section 401 of the Clean Water Act—was in April 2016 denied to the Constitution Pipeline,³⁴ “a 124-mile pipeline that would have delivered shale gas from Pennsylvania to eastern New York.”³⁵ A Constitution Pipeline opponent celebrated the WQC denial as a “landmark decision [that] should serve as a precedent for denying New York State authorization for all proposed fossil fuel pipelines.”³⁶

Pilgrim Pipeline’s Obstacles in New York		
Status	Authority	Obstacle
Filed Aug. 2015	DEC & Thruway Authority	State Use and Occupancy Permit Application
Preliminary Draft filed Aug. 2015	DEC & Thruway Authority	Full Environmental Impact Statement
Filed Aug. 2015	NYS Thruway Authority	Permission to use State Thruway Authority’s right-of-way comprising 79% of the proposed route
Not filed. To be determined during or after environmental review	At least 13 different “potentially involved and/or interested” federal, state and local agencies	31 “permits, executive orders and approvals potentially applicable to the proposed Pilgrim Pipeline Project”
Opposition bill filed April 13, 2016	State Assembly and Senate	Assembly Bill A09831A prohibiting the State Thruway Authority from allowing pipeline construction along its right-of-way
Opposed by five of the nine applicable municipalities	Nine applicable villages and cities	NY Transportation Corporations Law of 1909 prohibiting pipeline construction without two-thirds vote of boards of the nine applicable villages and cities in pipeline route
Opposed by 20 of 33 municipalities	33 municipalities in the proposed route	Opposition from municipalities in proposed route

Municipal Opposition under the New York Transcorp Law

Pipeline opponents are using a century-old New York state law that they say gives villages and cities “veto power” over pipeline projects within their boundaries.³⁷

The New York Transportation Corporations Law of 1909 (Transcorp Law) states that “No pipe line shall be constructed into or through any incorporated village or city in this state, unless authorized by a resolution prescribing the route, manner of construction and terms upon which granted, adopted at a regular meeting of the board of trustees of the village or the legislative body of the city by a two-thirds vote thereof.”³⁸

As of March 2016, five of the nine applicable villages and cities under the Transcorp Law had passed resolutions against the project.³⁹

“It doesn’t make any sense for [the DEC and the Thruway Authority] to study a project that can’t possibly be built,” said the director of Riverkeeper, one of the Coalition leaders. The Coalition has asked the DEC and the Thruway Authority to “either request that Pilgrim withdraw its application or suspend their review until the corporation can provide credible evidence demonstrating the feasibility of the project.”⁴⁰

Of the 33 total municipalities in the proposed pipeline path, 20 have passed resolutions opposing the pipeline. Seventy five percent of the resolutions call “upon the New York State Thruway Authority”—the largest landholder along the pipeline’s route—“to reject use of its right-of-way for the Pilgrim Pipeline” specifically or “for the purpose of transporting oil or gas by pipeline” generally.⁴¹

In April 2016, Democratic Assemblyman Frank Skartados filed a resolution prohibiting the Thruway Authority from allowing Pilgrim to build the pipeline.⁴² Skartados stated that “the proposed Pilgrim Pipeline puts Hudson Valley families, farmers and businesses at risk. We must say ‘no’ to the pipeline.”⁴³

According to Pilgrim’s New York Use and Occupancy Permit Application, Pilgrim has “investigated alternate locations for the Project and has determined that constructing off Thruway property would be infeasible.”⁴⁴

Business Plan Called Into Question: A Pipeline to Nowhere?

Opponents have also raised questions about Pilgrim’s business plan – and the existence of a customer base.

In its New York permit application, Pilgrim stated that the pipeline will transport oil to “one or more refineries and marine terminals in the vicinity of Linden.”⁴⁵ But a major potential customer

and the largest refinery on the east coast,⁴⁶ Linden's Bayway Refinery said in November 2015 that it had no agreement with Pilgrim to connect to the pipeline, adding that it "is currently not a strategic fit."⁴⁷ The Sierra Club has pointed out that Bayway's owner, Phillips66, already has an agreement with Buckeye Partners pipeline, a different regional pipeline.⁴⁸

Municipal Opponents to State Pension Officials: Reconsider Ares Investments

Two New York municipalities have gone as far as asking state pension officials to reconsider their investments with Ares.⁴⁹

The Boards of New Paltz and Rosendale have passed resolutions asking the New York Comptroller to "take a broader look reviewing Ares Management portfolio companies."⁵⁰ New Paltz Mayor Tim Rogers stated that the pension funds' influence could make a difference in halting the pipeline.

"I believe we have significant leverage in that our pension fund ... has about \$700 million of exposure across a variety of different funds that Ares — this behemoth of an investment management firm — is responsible for. So we have all this exposure to Ares, and, if everyone and their brother is concerned and opposed to the Pilgrim pipelines, particularly in all the communities ... we would really like to use some of that leverage and ask the comptroller to use some of their influence. We pay an enormous amount of money by paying for their management fees. So money talks, and we have, I believe, leverage in terms of what we want our pension fund assets invested in."⁵¹

Questions for Investors

- What expectations did Pilgrim have regarding community response to its proposal?
- How will Pilgrim develop a customer base?
- When will Pilgrim file its permit application in New Jersey, if it has not already done so?
- What will happen if Pilgrim is unable to secure the necessary approvals?
- Will EIF limited partners be impacted by further delays?

Endnotes

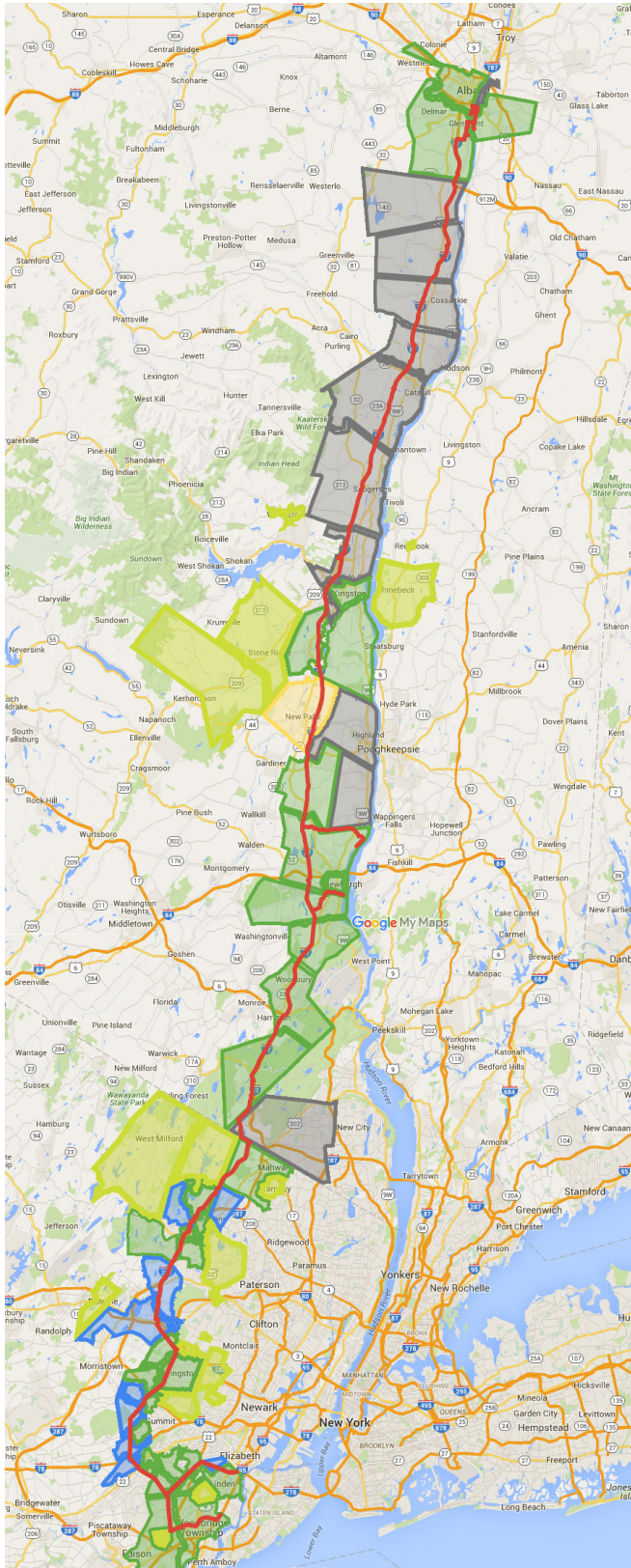
- 1 Ares Management. September 9, 2015. Ares Energy Investors Fund V Presentation to Contra Costa County Employees' Retirement Association. http://www.cccera.org/sites/main/files/file-attachments/agenda_packet_9.9.15.pdf
- 2 Scott Fallon. April 5, 2014. "Oil pipeline proposed in North Jersey through Highlands," *The Record*. <http://www.northjersey.com/news/oil-pipeline-proposed-in-north-jersey-through-highlands-1.842212>
- 3 James Walsh. January 15, 2015. "Possible pipeline route concerns Plattekill residents," *The Times Herald-Record*. <http://www.recordonline.com/article/20150115/BUSINESS/150119569>
- 4 Mary Esch. April 5, 2016. "Pilgrim Pipeline opponents say local bans will derail project," the *Daily Freeman* <http://www.dailyfreeman.com/general-news/20160405/pilgrim-pipeline-opponents-say-local-bans-will-derail-project>
- 5 Ares Management. September 9, 2015. Ares Energy Investors Fund V Presentation to Contra Costa County Employees' Retirement Association. http://www.cccera.org/sites/main/files/file-attachments/agenda_packet_9.9.15.pdf

- 6 Ares Management. September 9, 2015. Ares Energy Investors Fund V Presentation to Contra Costa County Employees' Retirement Association. http://www.cccera.org/sites/main/files/file-attachments/agenda_packet_9.9.15.pdf
- 7 According to Ares Q1 2016 report, EIF IV's capital commitments totaled \$1.688 million as of March 31, 2016. <https://www.sec.gov/Archives/edgar/data/1176948/000155837016005746/ares-20160331x10q.htm>; The only known commitment to EIF V is \$50 million from Contra Costa County. http://www.cccera.org/sites/main/files/file-attachments/agenda_packet_5.25.16.pdf
- 8 Ben Horowitz. January 16, 2015. "Pilgrim Pipeline going 'full steam ahead' with plans, despite growing opposition," *NJ.com*. http://www.nj.com/morris/index.ssf/2015/01/pilgrim_pipeline_continuing_fight_despite_mounting.html; William Westhoven. March 26, 2015. "Morris freeholders vote to oppose Pilgrim Pipeline," *The Daily Record*. <http://www.dailyrecord.com/story/news/local/2015/03/26/morris-freeholders-vote-oppose-pilgrim-pipeline/70506826/>
- 9 Ariel Zangla. January 14, 2015. "Kingston Common Council adopts resolution formally opposing Pilgrim Pipeline," *The Daily Freeman*. <http://www.dailyfreeman.com/article/DF/20150113/NEWS/150119877>; Hema Easley. August 13, 2015. "Tuxedo Park passes resolution opposing Pilgrim Pipeline," *Times Herald-Record*. <http://www.recordonline.com/article/20150813/NEWS/150819701>; Jordan Carleo-Evangelist. May 17, 2016. "Albany council votes against oil pipeline," *Times Union*. <http://www.timesunion.com/local/article/Albany-council-votes-against-oil-pipeline-7520458.php>; NY Assemblyman Frank Skartados December 14, 2015 Press Release: <http://nyassembly.gov/mem/Frank-Skartados/story/66885/>; NY Assemblyman Frank Skartados April 13, 2016 Press Release: <http://nyassembly.gov/mem/Frank-Skartados/story/69274/>; Coalition Against Pilgrim Pipeline. April 23, 2016. "Skartados Bill Would Ensure Local Municipalities Have A Say In Pipeline Projects," *CAPP website*. <https://stoppilgrimpipeline.com/2016/04/23/skartados-bill-would-prohibit-pilgrim-from-using-the-ny-thruway-right-of-way/>; NY Assembly Bill A10468: <http://nyassembly.gov/leg/?bn=A10468>
- 10 Coalition Against Pilgrim Pipeline Members: <https://stoppilgrimpipeline.com/coalition-members/>
- 11 Ben Horowitz. February 27, 2015. "PSE&G: Pilgrim Pipeline can't use our right-of-way between Montville and Woodbridge," *NJ.com*. http://www.nj.com/morris/index.ssf/2015/02/pseg_pilgrim_pipeline_cant_use_right-of-way_betwee.html; Abbott Koloff. February 27, 2015. "PSE&G opposes Pilgrim Pipeline use of route through North Jersey," *NorthJersey.com*. <http://www.northjersey.com/news/pse-g-opposes-pilgrim-pipeline-use-of-right-of-way-in-north-jersey-1.1279971>
- 12 Abbott Koloff. February 27, 2015. "PSE&G opposes Pilgrim Pipeline use of route through North Jersey," *NorthJersey.com*. <http://www.northjersey.com/news/pse-g-opposes-pilgrim-pipeline-use-of-right-of-way-in-north-jersey-1.1279971>
- 13 Pilgrim listed nine "initial permits anticipated" in its Permit Readiness Checklist filed with the New Jersey Department of Environmental Protection on June 11, 2014. In January 2015 a permitting and licensing consultant estimated that Pilgrim would need about 20 permits from New Jersey along with reviews from the state's Highlands Council and Green Acres program – all of which could reportedly take 12 to 16 months to complete. Ben Horowitz. January 16, 2015. "Pilgrim Pipeline going 'full steam ahead' with plans, despite growing opposition," *NJ.com*. http://www.nj.com/morris/index.ssf/2015/01/pilgrim_pipeline_continuing_fight_despite_mounting.html
- 14 Pilgrim Pipeline. "Northeast Regional Pipeline Project: Meeting with Union County Elected Officials," June 18, 2014. http://www.newprov.org/download/Pilgrim%20Pipeline/Pilgrim_New_Jersey_Presentation_June_2014.pdf; Pilgrim Pipeline November 18, 2015 Press Release. "Pilgrim Pipeline Submits Use and Occupancy Permit Application in New York." <http://pilgrimpipeline.com/pilgrim-pipeline-submits-use-and-occupancy-permit-application-in-new-york/>
- 15 Myles Ma. November 19, 2015. "Pilgrim Pipeline to pass through Highlands, documents show," *NJ.com*. http://www.nj.com/bergen/index.ssf/2015/11/pilgrim_pipeline_to_pass_through_highlands_documen.html
- 16 Example from Parsippany-Troy Hills Resolution No. 2014-104 adopted June 17, 2014: <https://stoppilgrimpipeline.files.wordpress.com/2014/09/parsippany-resolution.pdf>. Copies of 38 of the resolutions are available on CAPP's website (<https://stoppilgrimpipeline.com/resolutions/>). The remaining two are available on the municipal websites of West Orange (<http://westorange.org/AgendaCenter/ViewFile/Item/1056?fileID=1690>) and Edison (http://www.edisonnj.org/09_21com_marlena_.pdf).
- 17 November 30, 2015 letter from Florham Park Mayor Mark Taylor to PSE&G CEO Ralph Izzo. https://stoppilgrimpipeline.files.wordpress.com/2014/12/florham_park_resolution.pdf; March 12, 2015 letter from Chatham Township Committee to PSE&G CEO Ralph Izzo. http://www.chathamtownship-nj.gov/pipeline/Letter_Resolution_031215.pdf
- 18 Township of Berkeley Heights, Union County, NJ, Ordinance No. 13-2015, adopted October 6, 2015. https://stoppilgrimpipeline.files.wordpress.com/2015/10/berkeley_heights_ordinance.pdf

- 19 NJ Senate Resolution 106, passed June 29, 2015. <https://legiscan.com/NJ/text/SR106/id/1249193>; NJ Assembly Resolution 191, passed December 18, 2014. http://www.njleg.state.nj.us/2014/Bills/AR/191_I1.HTM
- 20 Scott Fallon. June 29, 2015. "NJ senators join criticism of Pilgrim Pipeline route through North Jersey Highlands," *The Record*. <http://www.northjersey.com/news/environment/senators-join-criticism-of-pipeline-route-1.1364927>
- 21 Liz Keill. February 26, 2015. "Pilgrim Pipeline Issue Draws Major Crowd in Madison," *TAPinto Online Newspaper*. <https://www.tapinto.net/towns/morristown/categories/news/articles/pilgrim-pipeline-issue-draws-major-crowd-in-madis>
- 22 Tom Johnson. November 10, 2014. "Pipeline Developer May Be Using Scare Tactics To Intimidate Homeowners," *New Jersey Spotlight*. <http://www.njspotlight.com/stories/14/11/06/pipeline-developer-may-be-using-scare-tactics-to-intimidate-homeowners/>; Claude Brodesser-Akner. December 19, 2014. "Pilgrim execs fire back at N.J. Assembly's resolution opposing pipeline," *NJ.com*. http://www.nj.com/politics/index.ssf/2014/12/pilgrim_execs_fire_back_at_assemblys_resolution_opposing_pipeline.html
- 23 Ben Horowitz. January 16, 2015. "Pilgrim Pipeline going 'full steam ahead' with plans, despite growing opposition," *NJ.com*. http://www.nj.com/morris/index.ssf/2015/01/pilgrim_pipeline_continuing_fight_despite_mounting.html
- 24 Claude Brodesser-Akner. December 19, 2014. "Pilgrim execs fire back at N.J. Assembly's resolution opposing pipeline," *NJ.com*. http://www.nj.com/politics/index.ssf/2014/12/pilgrim_execs_fire_back_at_assemblys_resolution_opposing_pipeline.html
- 25 Scott Fallon. November 6, 2014. "Oil pipeline company is threatening to take N.J. homeowners to court if surveys denied," *The Record*. <http://www.northjersey.com/news/oil-pipeline-company-is-threatening-to-take-n-j-homeowners-to-court-if-surveys-denied-1.1128532>
- 26 S.P. Sullivan. October 22, 2014. "Pilgrim Pipeline plan packs Kinnelon town hall for public hearing," *NJ.com*. http://www.nj.com/morris/index.ssf/2014/10/pilgrim_pipeline_plan_packs_kinnelon_town_hall_for_public_hearing.html
- 27 Scott Fallon. November 6, 2014. "Oil pipeline company is threatening to take N.J. homeowners to court if surveys denied," *The Record*. <http://www.northjersey.com/news/oil-pipeline-company-is-threatening-to-take-n-j-homeowners-to-court-if-surveys-denied-1.1128532>
- 28 Ben Horowitz. January 16, 2015. "Pilgrim Pipeline going 'full steam ahead' with plans, despite growing opposition," *NJ.com*. http://www.nj.com/morris/index.ssf/2015/01/pilgrim_pipeline_continuing_fight_despite_mounting.html
- 29 Hanover Eagle Staff. March 7, 2015. "Frelinghuysen speaks to Whippany Rotary," *Hanover Eagle*. http://www.newjerseyhills.com/hanover_eagle/sports/frelinghuysenspeaks-to-whippany-rotary/article_75c146d3-72fb-5507-8763-4bb792af6f87.html
- 30 Pilgrim Pipeline New York Use and Occupancy Permit Application filed August 7, 2015. <http://pilgrimpipeline.com/wp-content/uploads/2015/pdf/Use-and-Occupancy-Permit-Application-8-7-15.pdf>
- 31 Brian Nearing. February 23, 2016. "Opponents: DEC must settle Pilgrim Pipeline disputes," *Times-Union*. <http://www.timesunion.com/business/article/Opponents-DEC-must-settle-Pilgrim-Pipeline-6850129.php>
- 32 Brian Nearing. March 29, 2016. "N.Y. Thruway Authority opposes role of New Paltz, New Windsor in crude oil pipeline environmental review," *Times-Union*. <http://www.timesunion.com/business/article/N-Y-Thruway-Authority-opposes-role-of-New-Paltz-7216116.php>
- 33 Pilgrim Pipeline Draft Environmental Impact Statement submitted to NYDEC August 2015. <http://pilgrimpipeline.com/wp-content/uploads/2015/pdf/Pilgrim-Pipeline-Project-DEIS.pdf>
- 34 NYDEC April 22, 2016 Press Release: "New York State Department of Environment Conservation Denies Water Quality Certificate Required for Constitution Pipeline." <http://www.dec.ny.gov/press/105941.html>
- 35 William Opalka. April 23, 2015. "New York Environmental Department Rejects Constitution Pipeline," *RTO Insider*. <http://www.rtoinsider.com/new-york-constitution-pipeline-25352/>
- 36 Nick Merianos. April 22, 2016. "New York denies critical permit for Constitution Pipeline," *WBNG News*. <http://www.wbng.com/news/local/New-York-denies-critical-permit-for-Constitution-Pipeline-376774701.html>
- 37 Mary Esch. April 5, 2016. "Pilgrim Pipeline opponents say local bans will derail project," the *Daily Freeman* <http://www.dailyfreeman.com/general-news/20160405/pilgrim-pipeline-opponents-say-local-bans-will-derail-project>; Michael D'Onofrio. March 30, 2016. "Century-old law may derail bi-state Pilgrim Pipeline, groups say," *The Journal News*. <http://www.lohud.com/story/money/business/2016/03/30/century-old-law-derail-pilgrim-pipeline-environmental-groups/82446430/>
- 38 New York Transportation Corporations Law § 87. Construction through villages and cities. <http://codes.findlaw.com/ny/transportation-corporations-law/tcp-sect-87.html#sthash.bpPsI4Gf.dpuf>; Pilgrim acknowledges that it "is a pipeline corporation... under the New York State Transportation Corporations Law" in its New York Permit Application: <http://pilgrimpipeline.com/wp-content/uploads/2015/pdf/Use-and-Occupancy-Permit->

- Application-8-7-15.pdf; According to CAPP's legal analysis (see p. 29: https://stoppilgrimpipeline.files.wordpress.com/2016/06/capp_to_ares_may13_2016.pdf), the 1909 law applies because, unlike natural gas pipelines or other interstate infrastructure, oil pipelines are not regulated by other state or federal statutes.
- 39 Michael D'Onofrio. March 30, 2016. "Century-old law may derail bi-state Pilgrim Pipeline, groups say," *The Journal News*. <http://www.lohud.com/story/money/business/2016/03/30/century-old-law-derail-pilgrim-pipeline-environmental-groups/82446430/>
 - 40 Michael D'Onofrio. March 30, 2016. "Century-old law may derail bi-state Pilgrim Pipeline, groups say," *The Journal News*. <http://www.lohud.com/story/money/business/2016/03/30/century-old-law-derail-pilgrim-pipeline-environmental-groups/82446430/>; Coalition Against Pilgrim Pipeline. March 25, 2016. Coalition Letter to the NY State Thruway Authority and NY DEC regarding Review of Application by Pilgrim Transportation Corporation for Proposed Petroleum Pipelines. https://stoppilgrimpipeline.files.wordpress.com/2016/06/capp_to_ares_may13_2016.pdf
 - 41 Example from the Town of New Paltz, Resolution Opposing the Pilgrim Pipeline, adopted November 19, 2014. <https://drive.google.com/file/d/0Bw5nDE9mUfKgYTV0SnFWd1Z1cXc/view>
 - 42 NY Assemblyman Frank Skartados April 13, 2016 Press Release: <http://nyassembly.gov/mem/Frank-Skartados/story/69274/>
 - 43 Ariel Zangla. May 5, 2016. "Kingston council backs effort to bar Pilgrim Pipeline project from Thruway land," *The Daily Freeman*. <http://www.dailyfreeman.com/general-news/20160505/kingston-council-backs-effort-to-bar-pilgrim-pipeline-project-from-thruway-land>
 - 44 Pilgrim Pipeline New York Use and Occupancy Permit Application filed August 7, 2015. <http://pilgrimpipeline.com/wp-content/uploads/2015/pdf/Use-and-Occupancy-Permit-Application-8-7-15.pdf>
 - 45 Pilgrim Pipeline New York Use and Occupancy Permit Application filed August 7, 2015. <http://pilgrimpipeline.com/wp-content/uploads/2015/pdf/Use-and-Occupancy-Permit-Application-8-7-15.pdf>
 - 46 Brian Nearing. February 23, 2016. "Opponents: DEC must settle Pilgrim Pipeline disputes," *Times-Union*. <http://www.timesunion.com/business/article/Opponents-DEC-must-settle-Pilgrim-Pipeline-6850129.php>; Scott Fallon. January 2, 2016. "Firm behind Albany-to-Linden oil pipeline yet to file N.J. application," *The Record*. <http://www.northjersey.com/news/environment/concerns-over-oil-pipeline-1.1483979?page=all>; Ben Horowitz. January 16, 2015. "Pilgrim Pipeline going 'full steam ahead' with plans, despite growing opposition," *NJ.com*. http://www.nj.com/morris/index.ssf/2015/01/pilgrim_pipeline_continuing_fight_despite_mounting.html
 - 47 Scott Fallon. November 18, 2015. "Proposed path would put oil pipeline near watershed in Mahwah," *The Record*. <http://www.northjersey.com/news/proposed-path-would-put-oil-pipeline-near-watershed-in-mahwah-1.1457958>
 - 48 Sierra Club Press Release December 10, 2015. "Pilgrim Pipeline Makes False Claims on Reducing GHGs." <http://www.sierraclub.org/new-jersey/press-releases/0625>
 - 49 Rosendale Town Board Resolution 06-2016-03, adopted June 1, 2016. https://stoppilgrimpipeline.files.wordpress.com/2014/12/rosendale_aresinvestment.pdf; New Paltz Village Board Resolution, adopted May 25, 2016. https://stoppilgrimpipeline.files.wordpress.com/2014/12/newpaltz_village_aresinvestment.pdf
 - 50 Rosendale Town Board Resolution 06-2016-03, adopted June 1, 2016. https://stoppilgrimpipeline.files.wordpress.com/2014/12/rosendale_aresinvestment.pdf
 - 51 William J. Kemble. May 12, 2016. "Village of New Paltz urges NY state to divest pension money from fund that aids Pilgrim Pipeline," *The Daily Freeman*. <http://www.dailyfreeman.com/general-news/20160512/village-of-new-paltz-urges-ny-state-to-divest-pension-money-from-fund-that-aids-pilgrim-pipeline>

Appendix A: Map of Municipalities along the Proposed Pilgrim Pipeline Route as of July 2016



Legend

GREEN – Towns directly on the pipeline route that have passed resolutions opposing the pipeline.

LIGHT GREEN – Other nearby towns that have passed resolutions opposing the pipeline.

BLUE – Towns that have passed both resolutions and ordinances restricting pipeline construction.

GRAY – Towns on the pipeline route that have not passed resolutions opposing the pipeline.

Red line – represents the proposed pipeline route.

Source: <https://stoppilgrimpipeline.com/maps/>