

**RECOMMENDATION ON THE VARIANCE APPLICATION OF
PSE&G/Bergen Switching Station - Expansion - Variance
FILE # 19-429**

I. INTRODUCTION

An application for one use variance has been filed with the New Jersey Sports & Exposition Authority (NJSEA) by Public Service Electric and Gas Company (PSE&G) for the premises located along Hendricks Causeway and identified as Block 4014, Lot 4, in the Borough of Ridgefield, New Jersey. The subject premises is located within three different zones in the Hackensack Meadowlands District, i.e., the Public Utilities, Environmental Conservation and Light Industrial B zones. The use variance is sought in connection with PSE&G's Phase Three 345kV-138kV Spare Transformer Installation and Oil Pump Plant Relocation project at its Bergen Switching Station, which involves the relocation of transmission line support equipment to an area located within the Environmental Conservation-zoned portion of the subject premises.

Specifically, the applicant is requesting use variance relief from the following:

1. N.J.A.C. 19:4-5.9(a), which does not list new public utility processing equipment as a permitted use in the Environmental Conservation zone. Relocated public utility processing equipment is proposed on a portion of the subject premises located within the Environmental Conservation zone.

Notice was given to the public and all interested parties as required by law. The public notice was published The Record. No written objections were submitted to the Division of Land Use Management. An electronic public hearing was held virtually using Zoom video conferencing on Tuesday, June 30,

2020. All information submitted to the Division of Land Use Management relative to this application is made part of the record of this recommendation.

II. GENERAL INFORMATION

A. Existing and Proposed Use

Located in the District's Public Utilities, Environmental Conservation and Light Industrial B zones, the subject 78.24-acre parcel fronts on Hendricks Causeway and is developed with the Bergen Switching Station, an electrical switching station. Gravel covers most of the 15.27-acre surface area within the switching station. Approximately 62 acres, or 80 percent of the overall site, is located in the Environmental Conservation zone and consists of mostly wetlands. Bellman's Creek traverses this portion of the property from west to east. The proposed station expansion requires an Individual Permit from the U.S. Army Corps of Engineers (USACOE) to place fill in existing wetlands. In addition, an In-Water Waterfront Development Permit, Water Quality Certificate for Freshwater Wetlands Individual Permit, Flood Hazard Area (FHA) Verification, and FHA Hardship Exemption are required from the New Jersey Department of Environmental Protection (NJDEP). Several electric transmission towers with overhead wiring are located throughout the entire site. The applicant is proposing to relocate existing public utility processing equipment, namely an oil pump plant located on the site within the Public Utilities zone, onto the portion of the subject premises located in the Environmental Conservation zone to make room for a new spare 345kV-138kV transformer. The spare transformer will help ensure that the switching station meets the reliability standards of the Federal Energy Regulatory Commission (FERC).

B. Response to the Public Notice

No written objections were received prior to the public hearing.

III. PUBLIC HEARING (June 30, 2020)

A public hearing was held via Zoom on Tuesday, June 30, 2020. NJSEA staff in attendance were Sara Sundell, Director of Land Use Management and Chief Engineer; Sharon A. Mascaró, Deputy Director of Land Use Management and Deputy Chief Engineer; Mia Petrou, Principal Planner; and Ronald Seelogy, Principal Engineer.

A. Exhibits

The following is a list of the exhibits submitted by the applicant at the public hearing and marked for identification as follows:

<u>Number</u>	<u>Description</u>
A-1	“Exhibit,” Sheet 1 of 2, prepared by PSEG Services Corporation on June 18, 2020.
A-2	“Exhibit,” Sheet 2 of 2, prepared by PSEG Services Corporation on June 18, 2020.
A-3	“Site Plan,” Sheet 1 of 2, prepared by PSEG Services Corporation on September 28, 2017, last revised on March 9, 2020.
A-4	“Site Plan,” Sheet 2 of 2, prepared by PSEG Services Corporation on September 28, 2017, last revised on March 9, 2020.
A-5	“Bergen Switching Station Ridgefield Substation Key Plan,” Drawing Number 232553, prepared by Black & Veatch on December 13, 1972, last revised on December 6, 2019.
A-6	“Bergen Switching Station Ridgefield Substation 230 kV Switchyard Foundation Plan Sheet 1,” Drawing Number 231882, prepared by Black & Veatch on November 28, 1972, last revised on August 16, 2019.

- A-7 "Bergen Switching Station 345 kV Gas-Insulated Switchgear Sections B-B and LL-LL," Drawing Number 728642, prepared by Black & Veatch on August 10, 2018.
- A-8 "Bergen Switching Station Oil Pumping Equipment Plan & Sections," Drawing Number OILEQP, prepared by Black & Veatch on February 5, 2019, last revised on December 6, 2019.
- A-9 "Bergen Switching Station Ridgefield Substation 345/138 kV Transf. 3TRW Oil Containment Plan, Sections and Details Fdn Mk PF-3," Drawing Number 727944, prepared by Black & Veatch on August 10, 2018.
- A-10 "Bergen Switching Station Ridgefield Substation Grading, Drainage, Soil Erosion and Sediment Control Plan Sheet 1 of 2," Drawing Number 323228, prepared by Black & Veatch on May 2, 2011, last revised on December 6, 2019.
- A-11 "Bergen Switching Station 345 kV Gas-Insulated Switchgear Clearing, Grading, Drainage, Soil Erosion & Sediment Control Notes and Details Sheet 1 of 2," Drawing Number 393229, prepared by Black & Veatch on August 19, 2014, last revised on February 2, 2019.
- A-12 "Bergen Switching Station 345 kV Gas-Insulated Switchgear Clearing, Grading, Drainage, Soil Erosion & Sediment Control Notes and Details Sheet 2 of 2," Drawing Number GRD001, prepared by Black & Veatch on August 31, 2014, last revised on December 6, 2019.
- A-13 "Bergen Switching Station 345 kV Gas-Insulated Switchgear Fence & Miscellaneous Site Protective Barriers," Drawing Number 393231, prepared by Black & Veatch on August 19, 2014, last revised on February 2, 2019.

B. Testimony

Glenn C. Kienz, Esq., of the Weiner Law Group LLP, represented PSE&G at the hearing. The following three witnesses testified in support of the application:

1. Eugene Hernandez, P.E., PSE&G;
2. Nicholas Gaspar, P.E., Black & Veatch; and
3. Richard Masters, Jr., P.P.

Staff findings and recommendations are based on the entire record. A transcript of the public hearing was prepared and transcribed by Beth Calderone, Certified Shorthand Reporter.

C. Public Comment

No members of the public were present at the public hearing

IV. RECOMMENDATION

A. Standards for the Granting of a Use Variance from the Provisions of N.J.A.C. 19:4-5.9(a) which does not list new public utility processing equipment as a permitted use in the Environmental Conservation zone.

The Hackensack Meadowlands District Zoning Regulations at N.J.A.C. Section 19:4-4.14(e) state in part that, *a variance shall not be granted unless specific written findings of fact directly based upon the particular evidence presented are made that support the following conclusions:*

1. *Concerning use variances:*
 - i. *The strict application of these regulations will result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the property owner.*

Testimony was provided by the applicant that the strict application of the regulations would result in practical difficulties and undue hardship to the property owner. If the variance were not granted to permit the installation of the relocated public utility processing equipment on the portion of the subject premises in the Environmental Conservation zone, PSE&G would not be able to install its spare 345kV-138kV transformer at this existing electrical switching station facility. The spare transformer, which will be installed near existing overhead facilities towards the center of the site, will add redundancy thereby increasing the switching station's reliability and ensuring a continuous, uninterrupted supply of electric power to Bergen County residents and institutions, as well as compliance with Federal Energy Regulatory Commission's (FERC) standards for infrastructure, reliability and redundancy.

The existing switching station is located on portions of the property in the Public Utilities, Environmental Conservation and Light Industrial B zones. The proposed improvements will result in an expansion of this facility onto an undeveloped 0.95-acre portion of the premises in the Environmental Conservation zone. It was demonstrated that a suitable area for the proposed facility expansion does not exist elsewhere on the site within the portions of the property in the Public Utilities and Light Industrial B zones. Moving the spare 345kV-138kV transformer to a separate off-site location would require the installation of additional overhead transmission lines and the construction of new electric transmission towers, some of which would impact conservation areas. Thus, the strict application of the regulations relating to the proposed installation of relocated public utility processing equipment on the Environmental Conservation-zoned portion of the subject premises

would result in exceptional and undue hardship upon the applicant and property owner.

- ii. *The variance will not result in substantial detriment to the public good and will not adversely affect the public health, safety, morals, order, convenience, prosperity or general welfare.*

The granting of the requested variance to permit the installation of public utility processing equipment on the portion of the subject premises in the Environmental Conservation zone will not result in substantial detriment to the public good, and will not adversely affect the public health, safety, morals, order, convenience, prosperity, or general welfare. The proposed use in the Environmental Conservation-zoned portion of the site, which is the subject of this variance, is identical to that of public utility equipment that currently exists in the Public Utilities-zoned portion of the site at the location of the proposed spare 345kV-138kV transformer. It is noted that *existing* public utility processing equipment is a permitted use in the Environmental Conservation zone. The proposed improvements, which consist of improvements that will be *relocated* from another area of the subject site to the Environmental Conservation zone, will blend in with the character of the existing development on the portions of the site containing the existing switching station in the Public Utilities, Environmental Conservation and Light Industrial B zones.

All relevant NJSEA performance standards as enumerated in N.J.A.C. 19:4-7.1 et seq. will be met. The health, safety, convenience and general welfare of the public will benefit from the switching station expansion, as it will allow PSE&G to install a spare transformer to increase the reliability and ensure a continuous

supply of electric power for 930,000 Bergen County residents and various regional institutions including three area hospitals.

iii. Adequate infrastructure, including storm and sanitary sewers, utilities, access roads, will be provided and shall be so designed to prevent and/or minimize negative impacts upon the existing infrastructure. In addition, the proposed use will not decrease the ability of said infrastructure to perform in a safe and efficient manner.

The granting of the requested variance to permit the installation of public utility processing equipment on the portion of the subject property in the Environmental Conservation zone will not negatively impact existing infrastructure.

The oil pump plant equipment that will be relocated to the Environmental Conservation zone includes pump houses, heat exchangers and circulating units to cool underground utility transmission lines. The relocation of this equipment will facilitate the placement of the proposed spare 345kV-138kV transformer, which will add equipment redundancy to ensure a continuous supply of electric power. Therefore, the proposed use will not decrease, but rather will increase, the ability of the existing infrastructure to perform in a safe and efficient manner.

There will be no negative impact on area roads resulting from the granting of the requested variance. Adjacent roadways are capable of handling the existing vehicular trips associated with the PSE&G personnel's periodic site maintenance visits to the switching station, which, according to the applicant's professionals, will not increase as a result of the relocated public utility processing equipment or the installation of the proposed spare 345kV-138kV

transformer. No PSE&G employees will be staffed on the premises resulting from this project as the switching station is, and will continue to be, an unmanned facility.

In addition, the proposed station expansion has been designed to mitigate possible negative stormwater drainage impacts to the surrounding area.

As such, the granting of the variance will not negatively impact existing infrastructure. Rather, the project itself constitutes a regional utility infrastructure improvement that will add redundancy and increase the reliability of the supply of electric power to the Bergen County area.

iv. The variance will not have a substantial adverse environmental impact.

The granting of the requested variance to permit the installation of public utility processing equipment on the portion of the subject premises in the Environmental Conservation zone will not result in any substantial adverse environmental impacts. Although approximately 0.49 acres of wetlands will be disturbed to facilitate the installation of the relocated equipment, the applicant will be purchasing 0.80 acres of wetland mitigation credits from the Evergreen MRI-3 Mitigation Bank to offset any disturbance of wetlands on the subject site. District environmental performance standards will be met for noise, vibration, glare, air emissions, and hazardous and radioactive materials. As such, the granting of the requested variance will not result in any substantial adverse environmental impacts but will result in the improvement of

sensitive environmental areas on-site and off-site through drainage improvements and wetlands mitigation.

- v. The variance will not substantially impair the intent and purpose of these regulations.*

The stated purpose of the Environmental Conservation zone is to preserve and enhance the ecological values of wetlands, open water and adjacent uplands within the District, while providing public access to these areas and encouraging scientific and educational study in regard to wetland ecology. Although a total of five different uses are permitted within the zone, including existing public utility equipment and appurtenances, the installation of new public utility equipment is not permitted. One intention of the exclusion of the installation of new public utility construction equipment in the zone as a permitted use is to avoid uses that may result in environmental degradation.

The proposed project will result in the expansion of the existing switching station into the Environmental Conservation zone in order to facilitate the relocation of existing equipment from the center of the site as the result of the installation of a new spare 345kV-138kV transformer. The proposed use on the Environmental Conservation-zoned portion of the site is, however, identical to the existing use on the adjacent upland area of the site that is in the Public Utilities zone.

As approximately 0.49 acres of wetlands will be disturbed to facilitate the installation of the relocated equipment, the applicant will be purchasing 0.80 acres of wetland mitigation credits from the MRI-3 Mitigation Bank to offset the loss of wetlands on the subject

site. In addition, all relevant NJSEA performance standards as enumerated in N.J.A.C. 19:4-7.1 et seq. will be met. Accordingly, the proposed installation of public utility processing equipment will not substantially impair the intent and purpose of the regulations.

vi. The variance at the specified location will contribute to and promote the intent of the District Master Plan.

The Master Plan designates the subject premises as a part of the District's Preserve and Logistics/Industrial Center Planning Areas. The Master Plan states in part, "The Preserve Planning Area permits uses that are consistent with the preservation of open space and habitat protection and enhancement. Wildlife management areas are encouraged..." and "The Preserve area classification will promote the protection of wetlands remaining in the District." See Master Plan, adopted February 2020 (Area Plans, 8-8).

In addition, public utility uses are traditionally associated with heavy industrial and logistic facilities found in the Logistics/Industrial Center. Regarding such uses, the Master Plan states that, "...the NJSEA will continue to accommodate the heavier and logistics needs of the region in appropriate locations, in balance with the impacts of these uses to the environment and their surroundings." See Master Plan, adopted February 2020 (Area Plans 8-5 & 8-6). While the Master Plan's planning areas do not constitute zoning districts, their descriptions provide the impetus for the development of the NJSEA's zone plan and regulations.

The Official Zoning Map and regulations reflect the spirit and intent of the Master Plan and are the mechanism by which the policies and principles of the Master Plan are implemented and

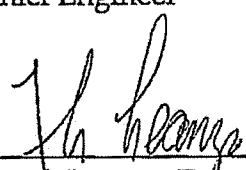
enforced, in accordance with smart growth policies. The subject premises is located within the District's Public Utilities, Environmental Conservation and Light Industrial B zones. As stated previously, a total of five different uses are permitted within the Environmental Conservation zone, including existing public utility equipment and appurtenances, but not inclusive of the installation of new public utility equipment. However, the expansion of the existing switching station into the Environmental Conservation zone to facilitate the proposed use, involves the installation of existing public utility equipment that is being relocated as the direct result of the installation of a new spare 345kV-138kV transformer on the uplands portion of the site within the Public Utilities zone.

One goal of the District Master Plan is to promote an array of land uses that encourage economic vitality, create jobs, and support public health, safety, and welfare. The proposed use will support this goal as it will increase reliability and ensure an uninterrupted continuous supply of electric power to service 930,000 Bergen County residents and institutions, inclusive of three hospitals. And as stated previously, the proposed use will not result in substantial detriment to the public health, safety and welfare. Accordingly, the proposed installation of public utility processing equipment on the subject premises will contribute to and promote the intent of the District Master Plan.

• SUMMARY OF CONCLUSIONS

- Standards for the Granting of a Use Variance from the Provisions of N.J.A.C. 19:4-5.9(a), which does not list new public utility processing equipment as a permitted use in the Environmental Conservation zone.

Based on the record in this matter, the use variance application to permit the new installation of relocated public utility processing equipment on a portion of the subject premises in the Environmental Conservation zone is hereby recommended for APPROVAL.

Approval	8/28/20	
_____ Recommendation on Variance Request	_____ Date	_____ Sara J. Sundell, P.E., P.P. Director of Land Use Management and Chief Engineer
<u>APPROVAL</u>	<u>8/28/20</u>	<u></u>
_____ Recommendation on Variance Request	_____ Date	_____ Frank Leanza, Esq. Senior Vice President Chief of Legal & Regulatory Affairs