



**Federal Energy Regulatory Commission
December 21, 2006
Open Commission Meeting
Talking Points of
Commissioner Suedeen Kelly**

Item C-1: Millennium Pipeline Company, LLC (CP98-150-006 *et al.*)

- By approving Phase I of the Millennium Pipeline Project, we have taken an important step in ensuring available, affordable, and reliable supplies of natural gas to meet the northeast's and New York's growing energy needs. The Phase I Project will provide for the delivery of about 525,400 dekatherms per day of natural gas transportation service into the service area.
- Although the Millennium Pipeline Project was delayed for some time, the reason for the delay underscores an extremely important issue: that states and local communities have a voice in determining the siting of natural gas infrastructure.
- In 2001, the Commission issued an Interim Order authorizing the original Millennium Pipeline proposal. The Interim Order recognized that there was significant opposition to the portion of the proposed pipeline that would cross the Hudson River and through the city of Mount Vernon in Westchester County, and required Millennium and Mount Vernon to work together to come up with a solution.
- The Interim Order also precluded Millennium from constructing the facilities until it received an affirmative coastal zone determination from the New York State Department of State, pursuant to the Coastal Zone Management Act, or CZMA. In 2002, New York found that Millennium's proposals were inconsistent with the state's Coastal Management Program. This decision was affirmed by the Secretary of Commerce, and the U.S. District Court.
- As a result of the court decision, Millennium redesigned the Project in part to eliminate the need to cross the Hudson River and parts of Westchester County, which were found to be inconsistent with New York's coastal management plans.
- I mention this not because I wish to dredge up this project's long history, but to highlight the fact that the State of New York and its citizens identified legitimate concerns over the original Millennium Project proposal, which resulted in significant changes to the project.
- For these reasons, I am pleased to vote out this order.