

1 UNITED STATES OF AMERICA
2 FEDERAL ENERGY REGULATORY COMMISSION

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5 Docket No: PF13-16-000

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ALCONQUIN INCREMENTAL MARKET PROJECT

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Kelly Middle School

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25 Manhan Drive

Norwich, CT 06360

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Wednesday, October 2, 2013

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The public scoping meeting, pursuant to notice,
convened at 7 p.m., Doug Sipe chair of the scoping meeting.

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1 LIST OF PUBLIC SPEAKERS
2 DOUG SIPE, Federal Energy Regulatory Commission Chairman
3 JIM LUSKAY
4 MAGGIE SUTER
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1 PROCEEDINGS

2 MR. SIPE: Good evening guys. This is a big
3 place for a small audience, right. Anyhow, good evening on
4 behalf of the Federal Energy Regulatory Commission, I would
5 like to welcome you here tonight. This is a scoping meeting
6 for the Alconquin Incremental Market Project, known as the
7 AIM Project, proposed by Alconquin Gas Transmission LLC,
8 referred to Alconquin, an indirect subsidiary of Spectra
9 Energy Corp.

10 Let the record show that the public scoping meeting in
11 Norwich, Connecticut began at 7:08 pm, Wednesday, October
12 7th.

13 The primary purpose of this meeting is to provide
14 you with the opportunity to comment on the record and for us
15 to provide you with some information about the project and
16 about FERC and who we are, but really it's for you guys to
17 let us know to this point what your comments are on the
18 project.

19 My name is Douglas Sipe, I am the Outreach
20 Manager at FERC, to my right is Maggie Suter, she is the
21 Environmental Project Manager. In the back at the sign-in
22 table where you guys came in is Jennifer Lee and Stu
23 Buchanan. They are with NRG, they are a, well NRG I always
24 refer to them as a natural resource group, a consulting
25 firm. They are assisting us in the environmental
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1 documentation behind this proposal.

2 So you guys probably got an agenda when you
3 walked in and the agenda is basically, we are going to give
4 you an overview of FERC. We are going to ask the company to
5 give an overview of the project and then you guys will get
6 the opportunity to ask some questions to us, okay.

7 With that I will let you know who FERC is. The
8 FERC is an independent agency, it regulates the interstate
9 transmission of electricity, natural gas and oil. FERC
10 reviews proposals and authorizes construction of the
11 interstate natural gas pipelines, storage facilities and
12 liquefied natural gas terminals, as well as the licensing
13 inspection of hydro-electrical projects.

14 As a federal licensing agency, the FERC has
15 responsibility under the National Environmental Policy Act
16 to consider the potential environmental impact associated
17 with this project which is under consideration.

18 With regard to the Algonquin AIM Project, the
19 FERC is the lead federal agency, with that all this week we
20 have had inner agency meetings with state, we tried to have
21 some meetings with some federal agencies, which actually we
22 did on Tuesday, we were able to meet with the Corp in
23 Manhattan on Tuesday, but today we had some inner agency
24 meetings where federal agencies couldn't be present because
25 of the shutdown.

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1 We are not, FERC is not affected by the shutdown
2 at this moment but we could be if it continues. If Congress
3 doesn't decide what they want to do, all right. But with
4 that we try to work with other agencies as much as we can
5 and we ask those agencies to be cooperating with us on the
6 federal side and on the state side and sometimes on the
7 local side, all right.

8 The agencies hopefully will use the environmental
9 document that we prepare as their own environmental
10 documentation for the project. As I said earlier, the
11 primary purpose of this meeting tonight is to give you the
12 opportunity to comment on the project or on the
13 environmental issues that you would like to see covered in
14 the EIS. It will help us most if your comments are as
15 specific as possible regarding the potential impact and the
16 reasonable alternatives of this project.

17 Now with saying that, we understand that this is
18 early on in the process, okay. You guys may have attended
19 some open houses or some informational meetings that the
20 company has had. FERC attended the open houses. This is
21 now we are at the stage where we are going to scoping
22 meetings. The Company has only given us a little bit of
23 information, where they have given us basically two resource
24 reports, so there is not a lot to comment on besides the
25 information the Company gave you or the information found on
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1 the docket, but you guys live here, the Company has
2 hopefully talked to you by now, you know enough about the
3 project maybe you can give us some comments and will assist
4 us tonight.

5 It is also designed as you saw when you walked in
6 that Alconquin was here at 6 o'clock, we put that in the
7 Notice of Intent to have maps out and such and Alconquin has
8 staff here that was able, hopefully able to answer your
9 questions when you walked in, show you the route, show you
10 how it goes across your property if you are affected.

11 So let me go into the environmental review of
12 FERC and then after that I am going to give Alconquin an
13 opportunity to give you guys a demonstration of their
14 project.

15 The flowchart we have, now do you guys have the
16 NOI? Did you receive this? Does it look like this from
17 FERC did you receive this from us? Okay well in that NOI
18 let me show you, see if you were closer you could see this.
19 There is a flowchart, okay it looks like that it's the same
20 flowchart we have in the back of the room, okay when you
21 walked in by the signing table.

22 It kind of shows you what FERC had done to this
23 point and what the Company has done to this point and what's
24 coming after this okay. We have kind of a you are here type
25 of, well it's not in the NOI itself, but the you are here
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1 thing is in the back on that flowchart. Right now we are at
2 the scoping meeting so you can see what we have left to do,
3 okay if you follow this flowchart and you can see what the
4 company has left to do, all right.

5 With that I can give you that Algonquin entered
6 the pre-filing process on June 28, 2013 which began our
7 review of the facilities and what we refer to as the AIM
8 project. The purpose of the pre-filing process is to
9 encourage early involvement by all interested stakeholders.
10 The definition of a stakeholder is anybody that has interest
11 in this project, okay it doesn't have to cross your property
12 or you don't have to be abutting to this facility to have
13 interest in this project and you can be a stakeholder, okay.

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15 And also the pre-filing process allows for early
16 identification and resolution of issues okay. As of today
17 no formal application has been filed by Algonquin, okay
18 that's going to come they are telling us in February of next
19 year so we don't have a formal application yet filed with
20 them, okay. However, FERC and the other agencies have begun
21 the review of the project in this pre-filing process.

22 So on September 13th we issued this NOI to the
23 mailing list. The mailing list comes from the company and
24 then we add the mailers and such, the comment letters that
25 we get, we add mailing addresses to it, we add agencies to

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1 it so the mailing list is under constant revision so if you
2 didn't get this, which I think everyone will nod their head
3 that they did. I apologize about that but the mailing list
4 is under constant revision and we try to keep up with it.

5 So it initiated the scoping period, the scoping
6 or comment period will end on October 14, 2013 during our
7 review of the project we will assemble information from a
8 variety of sources including Algonquin, the public, other
9 state, local and federal agencies and our own independent
10 analysis and field work. We will analyze this information
11 to prepare a draft EIS that will be distributed to the
12 public for comment.

13 So the open houses that I talked about earlier
14 that the Company had during that time period what we did is
15 we would walk the site, we looked at a lot of the route by
16 driving back and forth, getting out on the right-of-way
17 itself. We flew it in a helicopter, okay, that was open
18 houses were a month or so ago and now at this point we are
19 holding scoping meetings and we have agency meetings this
20 week so the project keeps moving forward along with our
21 process keeps moving forward.

22 I will note that the October 14th date, that's
23 just the initial closing of the initial scoping period.
24 CEQ, Council Environment Quality requires us to open, under
25 NEPA they require you to open a scoping period and close it.

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1 For this project we chose thirty days, that's the initial
2 scoping comment period okay. At FERC we take comments from
3 the beginning of pre-filing the whole way up until they file
4 the application and then after they file the application we
5 continue to take public comments.

6 The reason why we open and close it so early in
7 this process is we want early comments so we can have a good
8 application by the Company. Once we have a good application
9 by the Company that provides us the opportunity to have a
10 better environmental document to put on the street for the
11 public review.

12 Okay so once scoping is finished, again there is
13 kind of two scoping periods, once scoping is finished our
14 next step is to begin to analyze the company's proposals and
15 the issues that have been identified during that scoping
16 period. This will include an examination of the proposed
17 facility locations as well as the alternative sites.

18 We will assess the project's effects on water
19 bodies, wetlands, vegetation, wildlife, endangered species,
20 culture resources, soils, land use, air quality, safety and
21 all state quarter comments that can in to that point. When
22 complete with that analysis, after the Company files the
23 application, we will prepare a draft EIS. The EIS is
24 usually pretty thick in nature, it's like a phonebook almost
25 it has a lot of information in it. That's our analysis of
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1 the company's application that's filed, okay.

2 And once we prepare that draft EIS, we will put a
3 forty-five day comment period on that, so you will receive
4 that and then you will have forty-five days to comment. All
5 state quarters have forty-five days to comment, okay. After
6 making any necessary changes or additional to the draft EIS,
7 a final EIS will be mailed to any interested parties. So
8 basically you will receive two documents, all right.

9 Note that the mailing list for this project is
10 pretty large, I can see that there is three of you here
11 tonight, but note that the mailing list is pretty large and
12 on the back of this NOI, on this form, you will see the
13 basically if you want a hard copy version of that EIS, you
14 need to tell us and send this form back. At this point you
15 are only going to receive a CD of that EIS because of the
16 mailing costs associated with those phonebook type of
17 documents, okay, but if you want a hard copy just let us
18 know, you just have to mail that form back in all right.

19 As I mentioned earlier the issuance of the NOI
20 opened the formal comment period that will close October
21 14th. The NOI encouraged you to submit your comments as
22 soon as possible. It gives us time to analyze and research
23 the issues, all right. Again you may have not had that much
24 to say, that specific to say at this point but anything you
25 say here tonight, or send in to us will be used in that.

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1 FERC does encourage electronic filing of comments
2 and all other documents, there's a small brochure actually
3 we don't have that I'm catching myself. On our website,
4 www.FERC.gov you can go to the e-filing link and we
5 encourage electronic filing of comments and you can see how
6 to file electronically. There are also directions on how to
7 do that in the NOI.

8 It's very important if you sent comments, either
9 electronically or traditionally by mail or if you handwrite
10 them here tonight they include our Docket Number, the Docket
11 Number for this Project is PF13-16. PF stands for
12 pre-filing. Once a Company files an application that number
13 will change to a CP number, it will stand for Certificate
14 Proceeding. All right, and I will note that it doesn't
15 matter how we receive your comments, yes we encourage
16 electronic filing because it is easier but you can mail
17 them, you can write them here tonight, you can give them
18 here to these microphones here in a second, all comments are
19 treated equally, it doesn't matter how they are given.

20 So I would like to explain the roles of the FERC
21 Commission and the FERC environmental staff. The
22 five-member FERC Commission is responsible for making a
23 determination of whether to issue a Certificate of Public
24 Convenience and Necessity to the Applicant. In this case it
25 is Algonquin, the EIS prepared by the FERC environmental
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1 staff which we are a part of, describes the project
2 facilities, and associated environmental impacts,
3 alternatives of project, mitigation to avoid or reduce
4 impacts and our conclusions and recommendations.

5 The EIS that you will receive is not a decisional
6 document. It is being prepared and disclosed to the public
7 and to the Commission, the environmental impact of
8 constructing, operating the proposed project. When it is
9 completed, the Commission will consider the environmental
10 information from the EIS along with the non-environmental
11 issues, such as engineering, markets and rates, in making
12 the decision to approve or deny Algonquin's request for a
13 certificate.

14 There is no review of FERC's decisions by the
15 President or Congress maintaining FERC's independence as a
16 regulatory agency and providing for fair, unbiased
17 decisions. So before we start taking your comments, I have
18 asked Algonquin to provide a brief overview of the proposed
19 project, Mr. Jim Luskay from Algonquin will do that for you
20 now.

21 MR. LUSKAY: Thank you Doug. Good evening
22 everyone. My name is Jim Luskay I am the regional project
23 director for Spectra Energy for the Northeastern United
24 States and thank you for the opportunity to address you this
25 evening. The real value for us in these sessions is to hear
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1 any comments or concerns you have on the project and also to
2 begin to mitigate any concerns you might have or answer any
3 questions that you have so right now I would like to go
4 through and spend a few minutes, tell you a little bit about
5 the project and certainly afterwards if you have any follow
6 up questions we would be happy to talk to you about it. I
7 hope that you find your time here tonight valuable as well
8 and again thank you for coming.

9 Spectra Energy has served customers and
10 communities in North America for more than a century. The
11 company develops and operates natural gas liquids and crude
12 oil pipelines. Additionally the company gathers and
13 processes natural gas, stores it and distributes it.
14 Spectra Energy's assets include Algonquin Transmission, LLC,
15 known as Algonquin, an interstate pipeline system that has
16 been operating safely for sixty years in this area. It
17 transports up to 2.44 billion cubic feet per day of natural
18 gas from major supply basins into New Jersey, New York and
19 throughout New England.

20 The Algonquin system included eleven hundred and
21 twenty miles of various size pipelines extending from
22 Lambertville, New Jersey to New York, Connecticut, Rhode
23 Island and Massachusetts. The system includes mainlines,
24 laterals and thirty-five miles of offshore pipeline from
25 Weymouth, Massachusetts to Beverly, Massachusetts referred
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1 to as a hub line.

2 The Algonquin system connects with Spectra
3 Energies Texas Eastern Transmission System in Lambertville,
4 New Jersey and also with the Maritimes and Northeast
5 Pipeline, majority owned by Spectra Energy in Spectra,
6 Massachusetts. By regulation, Algonquin is an open access
7 pipeline that must transport natural gas on a
8 non-discriminatory basis.

9 We will talk a little bit about the purpose and
10 need of the project. As Doug has mentioned, currently
11 Algonquin is participating in the Federal Regulatory Energy
12 Commission's pre-filing process for a proposed expansion
13 called the Algonquin Incremental Market Project or AIM
14 Project. The AIM Project will expand Algonquin's existing
15 pipeline system in order to transport and additional 342,000
16 dekatherms per day of natural gas from an inner-connected
17 Ramapo, New York into the Northeast. The increased capacity
18 offered by the AIM Project will allow abundant domestically
19 produced natural gas supplies to flow reliable into
20 Northeast markets.

21 These secure cost effective supplies will help
22 meet the region's current demand as well as future growth
23 for clean burning natural gas. Here in Connecticut, the AIM
24 Project is consistent with the objectives of the Connecticut
25 Department of Energy, environmental protections,
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1 comprehensive energy strategy that "proposed to make gas
2 available to as many as 300,000 additional Connecticut homes
3 and businesses."

4 In addition, the investment new natural gas
5 pipeline infrastructure such as the AIM Project will lead to
6 savings in energy cost. A report by the Concentric Energy
7 Advisors concludes that "the direct benefit of the New
8 England infrastructure is estimated to range from
9 approximately 243 to 315 million in annual cost savings."

10 Open seasons were held in September through
11 November of 2012 and in June of this year. An open season
12 is a process where potential customers express an interest
13 in participating in a pipeline expansion project that will
14 provide them with access to pipeline capacity. How much
15 they request is based on their projected needs.

16 The accumulation of all of the participating
17 customer requirements is what determines the scope of the
18 project and what facilities will need to be built to serve
19 their demand. As the development of the project evolves,
20 the volumes committed to the customers, by the customers and
21 resulting scope does change. Currently our scope is for the
22 previously mentioned 342,000 dekatherms per day and we have
23 executed precedent agreements with the following companies:
24 UIL Holdings which includes the location distribution
25 companies, Connecticut Natural Gas and Southern Natural Gas,
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1 Northeast Utilities which includes the local distribution
2 companies, Yankee Gas Services Company and Enstar Gas
3 Company, National Grid which includes the local distribution
4 companies, Narragansett, Colonial and Boston Gas, Nisource
5 Inc. which includes the local distribution company Bay State
6 Gas Company and we are also in the negotiations and about to
7 finalize our precedent agreement with the City of Norwich,
8 Department of Utilities as well.

9 As far as the schedule, in February and March of
10 this year we began contacting landowners and federal and
11 state and local officials to introduce the project and begin
12 to gather feedback on proposal facilities and locations.
13 With FERC's approval, we began the pre-filing process in
14 June as Doug had noted. From April through September we
15 hosted fifteen voluntary landowner informational meetings
16 and ten public open houses in New York, Connecticut, Rhode
17 Island and Massachusetts.

18 Meeting notifications were sent out to directly
19 impacted landowners and abutters. Contact was made with
20 local officials and for the public open houses, ads were
21 placed in local papers. This is the fourth such meeting
22 held in this area write around here. The meetings provide
23 an opportunity for people to learn more about the AIM
24 Project, let us know how the proposed facility may impact
25 them and to begin discussions on how impacts may be
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1 mitigated.

2 We expect to complete the FERC pre-filing process
3 and submit a Certificate Application to FERC in February of
4 2014. We hope that FERC will issue a Draft Environmental
5 Impact Statement in July of 2014 which will include the
6 comments received at these public scoping meetings and
7 throughout the scoping period.

8 We will ask FERC to approve the AIM Project by
9 January 2015. This will allow us to begin construction in
10 the second quarter of 2015 and construction will be
11 scheduled over a two year period in order to manage pipeline
12 outages. We anticipate placing the AIM Project fully into
13 service by November 1st of 2016. As I mentioned the scope
14 of the projects, I will go into a little bit more detail on
15 that.

16 As the AIM Project is moved forward we have
17 revised the facilities to align them with the needs of our
18 customers. And for the overall project, what we are looking
19 at is proposing to construct approximately 21.7 miles of
20 various segments of mainline, primarily by the removal and
21 replacement or looping of existing lines, including 1.2
22 miles of new pipeline to be installed beneath the Hudson
23 River in New York at one of two potential locations
24 utilizing the horizontal directional drill crossing method.

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1 We are also proposing to construct approximately
2 15.3 miles of lateral pipeline, either by removal and
3 replacement or looping of existing lines and expansion that
4 includes 4.8 miles of new 16 inch and 24 inch pipeline
5 laterals. We propose to have six new compressor units for a
6 total of 72,240 additional horsepower at five existing
7 compressor stations.

8 Construct three new meter stations and modify
9 existing meter stations. In an effort to minimize impact
10 the proposal facilities are located primarily within
11 existing rights-of-way or at existing Company facilities.
12 Currently along the entire proposed route, there are 440
13 directly impacted landowners, 928 abutting landowners and
14 351 landowners within half of a mile of existing compressor
15 stations.

16 Now more specifically the scope in the area that
17 we are talking about here today, um, which is essentially
18 the Eastern side of Connecticut into Rhode Island is to
19 construct 2.1 miles with thirty-six inch diameter pipeline
20 loop, placed parallel to the existing pipeline from the
21 existing Cromwell Compressor Station located in Cromwell,
22 Connecticut to the Connecticut River.

23 And for those that are near our pipeline, you
24 probably are aware of the facilities that are near you. In
25 general what we have in Eastern Connecticut, we have a main
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1 line and a loop, a 24 and a 30 that run through that
2 Northeastern part of the state and then we have our E system
3 that comes down off of that which comes down as 12, 16 all
4 the way down to 3 inch pipes, so we are going to be putting
5 an additional line in where we have the 24 and 30 loop
6 coming out of Cromwell up to the Connecticut River and then
7 the work on the E system is about 9.1 miles of our existing
8 6 inch we are going to replace it with 16 inch diameter
9 pipeline and that's in the towns of Lebanon, Franklin and
10 Norwich, Connecticut.

11 We will also be constructing about 1.4 miles of
12 12 inch diameter loop placed parallel to the existing
13 pipeline and the E1 system in town of Montville. We propose
14 to add compression and make modifications to the Cromwell
15 Compressor Station. Add compression and make modifications
16 to the Chaplain Compressor Station, located in Chaplain,
17 Connecticut and add compression and make modifications to
18 the Burillville Compressor Station which is located in
19 Burillville, Rhode Island.

20 We also propose to construct a new meter station
21 here in Norwich and make modifications to existing meter
22 stations in Connecticut. In closing, we would like to thank
23 the landowners, the public officials, regulatory agencies
24 and other interested parties who have offered their guidance
25 and input as we develop the AIM Project.

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1 We are certain that the information we received
2 throughout the pre-filing process will help us design,
3 construct and operate and efficient and environmentally
4 responsible expansion of the Algonquin system. Thank you
5 again for your time. Thank you, Doug.

6 MR. SIPE: Thank you Jim, after the meeting
7 concludes the maps are still out so if you guys have any
8 questions for Algonquin, their staff is here to answer some
9 questions for you, they will show you anything on their
10 maps.

11 So now is where I begin the important part,
12 really why we are all here tonight, okay, is to get some
13 comments from you guys or some questions from you guys. We
14 do have, this is being transcribed by a court reporter so
15 when you come up and ask the questions or give your comments
16 and it has to be in one of the mics. Please when you come
17 up, spell your name, state your name and spell your name for
18 the record and then you should be good to go. One thing,
19 also, this is being recorded like I said, there will be a
20 transcript of this meeting, okay, so it will be available
21 online in approximately probably ten days from the end of
22 this week I would say, okay.

23 Well due to the length of the speaker's list I
24 have I ask you to limit your comments, I'm just kidding by
25 the way. I don't have a speaker's list so at this point
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1 it's up to you guys if you guys want to get up here and ask
2 any questions or say anything on the record it is your time.
3 If you don't want to say anything on the record and you want
4 to talk to FERC's staff I can close the formal part and we
5 can just have a discussion it's up to you guys.

6 I see some discussion going on. The gentleman
7 here won't even look at me, see that. We understand that
8 you may not have prepared statements or prepared questions
9 but if you have anything you want to put on the record as
10 comments, that's totally fine. I understand this beautiful
11 room we are in here tonight is kind of intimidating right,
12 at least you are not on a stage, which that's what they put
13 out sometimes, on a stage that looks great right, the rest
14 of the people are down here.

15 All right guys you got your information what you need, going
16 once, going twice and again we are going to be here, it's
17 not like I'm going to close this and run out of the room. I
18 am a little hungry but I'll stick around for a little bit.
19 Okay, the formal part of this meeting will conclude. On
20 behalf of the Federal Energy Regulatory Commission I would
21 like to thank you for coming tonight. Let the record show
22 that the AIM Project scoping meeting in Norwich, Connecticut
23 concluded at 7:35 p.m. Thanks.

24 (Whereupon at 7:35 p.m. the scoping meeting
25 adjourned.)