

FERC

(Federal Energy Regulatory Commission) (the Commission)

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Resource Reports; DEIS & FEIS

Williams/Transco prepares Resource Reports and Studies through contracted groups and with consultation from Federal & State agencies. There are 12 Resource Reports (listed below). These were presented by Williams/Transco on November 22, 2016 with updates in their Application on March 27, 2017. Subsequent updates by Williams have been provided in June & July, and more are expected in August.

1. General Project Description
2. Water Use & Quality
3. Fish, Wildlife & Vegetation
4. Cultural Resources
5. Socioeconomics
6. Geological Resources
7. Soils
8. Land Use, Recreation & Aesthetics
9. Air Quality & Noise
10. Alternatives
11. Reliability & Safety
12. PCB Contamination

See Resources for links to these documents.

Look for comments that have been submitted on the FERC website under Documents & Filing > eLibrary > Docket Search > CP17-101.

FERC uses the Resource Reports + supplemental filings, and asks for more data from Williams/Transco. Then, FERC prepares a Draft Environmental Impact Statement (DEIS), which is expected in Oct./Nov. 2017, before they issue their Final Environmental Impact Statement (FEIS) which is anticipated to be released in April 2018.

Environmental Impact Statements should account for all possible negative impacts of the Project (NESE) and show how Williams/Transco will minimize (mitigate) these impacts. Impacts from NESE along with those from any other projects in the areas should be considered in determining the overall environmental impact.

Things to consider that are relevant to DEIS and FEIS as well as FERC's Order of Public Convenience & Necessity:

People & groups trying to stop the expansion of pipeline infrastructure have raised issues about dangerous fracked gas & the potential real purpose for the pipeline as being for export.

Things that do not matter to FERC =

- Source of the gas (fracking) – It's not their jurisdiction
- End Use of the transported gas – If the company has an agreement with another company who will distribute the gas, that's enough for FERC. It does not matter to FERC if the gas will later be exported.
- Local Ordinances & Regulations - Local ordinances have no weight in this decision-making process since Federal regulations "trump" them. FERC needs to make sure that the plan shows compliance with specific laws like the Clean Water Act & the Clean Air Act.

FERC does not require an extensive health impact study as part of their permitting process.

- Usually, companies present data that shows emissions and noise will be below Federal standards, so – It's fine for FERC.

**There are many flaws with this reasoning and process,
but we need to focus on what will have an impact.**

FERC's Order: Certificate of Public Convenience and Necessity

Williams wants this by late June 2018 so that they can start construction in the Fall.

According to FERC's Certificate Policy Statement [*Certification of New Interstate Natural Gas Pipeline Facilities*, 88 FERC ¶ 61,227 (1999), *clarified*, 90 FERC ¶ 61,128, *further clarified*, 92 FERC ¶ 61,094 (2000)], the Commission's goal is to give appropriate consideration to:

- the enhancement of competitive transportation alternatives,
- the possibility of overbuilding,
- subsidization by existing customers,
- the applicant's responsibility for unsubscribed capacity,
- the avoidance of unnecessary disruptions of the environment, and
- the unneeded exercise of eminent domain in evaluating new pipeline construction.

Under this policy, the threshold requirement for applicants proposing new projects is:

- The applicant must be prepared to financially support the project without relying on subsidization from its existing customers.
- The next step is to determine whether the applicant has made efforts to eliminate or minimize any adverse effects the project might have on the applicant's existing customers, existing pipelines in the market and their captive customers, or landowners and communities affected by the route of the new facilities.
- If residual adverse effects on these interest groups are identified after efforts have been made to minimize them, the Commission will evaluate the project by balancing the evidence of public benefits to be achieved against the residual adverse effects. This is essentially an economic test.
- Only when the benefits outweigh the adverse effects on economic interests will the Commission proceed to complete the environmental analysis where other interests are considered.

In determining whether a project is required by the public convenience and necessity, the Commission balances the evidence of public benefits to be achieved against potential adverse effects.

NOTE:

FERC has only rejected two pipeline projects in the past 40 years, and this was because the Company did not have enough customer commitment for the gas.

Sample Certificate of Public Convenience and Necessity statement (from the approved Atlantic Sunrise Project) is similar in wording to other FERC-approved pipeline projects:

Based on the benefits that Transco's proposal will provide, the absence of adverse effects on existing customers and other pipelines and their captive customers, and the minimal adverse effects on landowners or surrounding communities, we find, consistent with the Certificate Policy Statement and NGA section 7(c), that the public convenience and necessity requires approval of Transco's proposal, subject to the conditions discussed below.

We have reviewed the information and analysis contained in the final EIS regarding the potential environmental effects of the Atlantic Sunrise Project. Based on our consideration of this information and the discussion above, we agree with the conclusions presented in the final EIS and find that the project, if constructed and operated as described in the application and the final EIS, is an environmentally acceptable action. We are accepting all but one of the environmental recommendations in the final EIS and are including them as conditions in Appendix C to this order.

Note: NGA refers to the Natural Gas Act.