

NESE is not in the Public Interest.

The NJDEP's determination of "public interest" must consider the **"relative extent of the public and private need for the proposed regulated activity."** [N.J.S.A. 13:9B-11(b) and N.J.A.C. 7:7A-10.2(b)12ii]

NJDEP may only issue a Freshwater Wetlands Individual Permit if the agency determines that the regulated activity is **in the public interest** after considering the **"economic value, both public and private, of the proposed regulated activity to the general area."** [N.J.A.C. 7:7A-10.2(b)12vi]

Additionally, according to the **Coastal Zone Management Rules, N.J.A.C. 7:7-15.4 - Energy facility:**

(c) Coastal energy facilities construction and operation shall not directly or indirectly result in net loss of employment in the State for any single year.

1. Coastal energy facility construction and operation which results in loss of 200 or more person-years of employment in jobs in New Jersey directly or indirectly related to the State's coastal tourism industry in any single year is prohibited.

2. Rationale: Coastal energy facilities provide social and economic benefits to New Jersey and the nation by contributing to provision of energy, by purchasing materials and equipment, and by providing employment through facility construction and operation. However, energy facilities also can have an impact on the environment. Certain facility related environmental changes are perceived by travelers as reduced recreational resources. When travelers respond to loss of recreational resources by leaving the New Jersey shorefront for alternative recreational opportunities, their expenditures are lost from the New Jersey economy. The Coastal Zone Management Rules are intended to assure that the net employment and economic impact for New Jersey of coastal energy facility development will not be negative and that energy facilities will be located such that impacts on the local tourism industry will not be excessive.

If NESE's Compressor Station 206 and pipeline near and by the Raritan Bay are constructed, we and future generations will be subjected to risks from air and water pollution, potential explosions, and extreme weather events. Exposure to pollutants, carcinogens and poisons, and safety risks for the profits of the fossil fuel industry should not be acceptable to elected and appointed officials of New Jersey.

The NESE Project does not meet the standards for "public interest" noted in N.J.S.A. 13:9B-11, the Freshwater Wetlands Protection Act when one looks at the need to preserve natural resources; the relative extent of the public and private need for the regulated activity; the practicability of using reasonable alternative locations and methods (e.g., renewable energy sources and energy efficiency initiatives); the economic value, both public and private, of the proposed regulated activity to the general area; and the ecological value of the freshwater wetlands and probable impact on public health and fish and wildlife.

The "public interest in preservation of natural resources" would not be served by the NESE Project.

- There is no public safety and health benefit for people in New Jersey from NESE.
- The NESE Project would not deliver an energy supply to New Jersey.
- The legally guaranteed 14% rate of return on equity will make NESE profitable for Williams/Transco regardless of demand for gas, while passing much of its \$926.5 million construction price tag onto ratepayers.
- Approval of the NESE Project would ensure decades of increased greenhouse gas emissions, cancer-causing airborne emissions, and risks from aging pipelines that are supposed to be overseen by agencies that are short-staffed.
- Approval of the NESE Project without a recognition of plans of Williams/Transco to rapidly expand their infrastructure to move fracked gas from the Marcellus Shale region in Pennsylvania through New Jersey is an irresponsible action that neglects to consider (a) compound and cumulative impacts that threaten the health, safety and economic security of our State, as well as (b) increase of our long-term dependence on fossil fuels at a time when we have the commitment to transition to clean and renewable sources of energy.
- Williams/Transco expands compressor stations within a few years after they are initially built, yet they initially do not divulge their expansion plans. Thus, added environmental damages and risks are not considered when

reviewing permit applications for one project at a time. Examples of the expansions of Williams/Transco’s compressor stations in New Jersey are shown below, and a log of expansions of their compressor stations in other states can be provided if requested.

Compressor Station	Town	FERC Application Date		Change in horsepower
STA 205	Lawrenceville		-	Station opened in 1981
		5-21-98	add	15,000
		6-19-01	add	Uprate 1,000
		4-9-13	add	Uprate 5,000
		12-18-14	add	Uprate 2,000
		2-18-15	add	Uprate 14,600
STA 207	Old Bridge	10-20-06	new	10,000
		4-9-13	add	5,400
		7-8-15	add	New unit: 11,000
STA 303	Roseland	12-14-11	new	25,000
		7-8-15	add	Uprate 2,500
		11-16-17	add	New unit: 33,000

- **Expansion plans** of Williams/ Transco in Pennsylvania and New Jersey should not be ignored since there is the possibility that new infrastructure will affect New Jersey via future expansions through our state as well as generate risky impact from increased compression and velocity through older pipeline in NJ that is part of this delivery system.

For example, in November 2018, Williams/Transco applied to FERC for the Leidy South Project (PF19-1) to transport 582,400 million cubic feet per day (MMcf/d) of Marcellus gas from northeast and southwest PA to “growing demand centers along the Atlantic Seaboard.” In Pennsylvania, they plan to replace 6 miles of 24” pipeline with 36” pipeline, add 3.55 miles of 42” pipeline, uprate two electric compressor units from 15,000 HP to 21,000 HP and another two from 20,000 HP to 21,000 HP, add a 31,871 HP gas-fired turbine-driven compressor unit to a station with 42,000 HP already, and add two new compressor stations – one with two 23,465 HP gas-fired turbine-driven compressor units, and the other with one 31,871 HP gas-fired turbine-driven compressor unit. Impacts to the Leidy Line that is in New Jersey should be of concern.

Williams/Transco recently opened a bidding period for a new project that they propose – Regional Energy Access. From press releases, the project would “connect Marcellus supply from points along the Transco pipeline’s Leidy Line in Luzerne County, Pa., to delivery points in Pennsylvania and New Jersey, including the Station 210 Zone 6 Pool in Mercer County, NJ, the Lower Mud Run Road interconnect in Northampton County, Pa., and along Transco’s mainline to Station 200, Marcus Hook lateral, and Trenton Woodbury lateral.”

References:

For rates of return on pipeline construction:

Phil McKenna. (3 August 2017). Pipeline payday: how builders win big, whether more gas is needed or not, Inside Climate News. Accessed at: <https://insideclimatenews.org/news/02082017/natural-gas-pipeline-boom-corporate-profitbubble-limited-demand-climate-emissions>

For National Grid’s ability to pass costs on to customers:

“National Grid Annual Report and Accounts, 2016/17 (UK). Page 176. Accessed at: <http://investors.nationalgrid.com/~media/Files/N/National-Grid-IR/reports/ara-2016-17-plc-0606-2017.pdf>

- New Jersey’s Bayshore community relies on income from recreational and commercial fishing, tourism, and the ancillary businesses that support and benefit from this industry. This includes, among other things, recreational fishing and boating, whale-watching, scuba diving, commercial cruises, and commercial fishing with its network of wholesale and retail purchasers.
- Nowhere in any document provided to the NJDEP or to FERC could I find an accurate and comprehensive analysis comparing the anticipated number of jobs and revenue for the nine month in-water construction

period of the NESE Project in this area to the revenue that would be lost by those who rely on access to New Jersey’s seashore and to clean water.

- According to the May 14, 2018 Goodman Group Ltd. report for the Eastern Environmental Law Center (EELC), the estimates that the NESE Project would support more than 2,400 New Jersey jobs (direct construction, other direct jobs & indirect jobs - onsite and offsite) that was stated in the May 24, 2017 report by people at Rutgers’ Edward J. Bloustein School of Planning and Public Policy is overstated by approximately 40-60%. It would actually result in only about 980 to 1,450 such jobs according to The Goodman Group Ltd.
- Indirect offsite jobs anticipated to benefit from the NESE construction (retail / wholesale trade, manufacturing, financial activities and services such as engineering, architect, accounting, legal services, education & health services, leisure & hospitality, and information sectors) were projected by the Rutgers report to total 1,427 job-years, while the Goodman Group Ltd. found it would likely be 760 to 1,160 jobs.
- The Goodman Group Ltd. used Williams/Transco’s Construction Workforce Data and converted it to Job-Years. Below is their report of the projected construction jobs in New Jersey for the NESE Project.

New Jersey		Construction Job-Years	
Construction Duration	NESE component	Local Workers	Non-Local Workers
5 months	Madison Loop	49 - 88	26 - 47
9 months	Raritan Bay Loop (offshore)	20 - 52	177 - 210
10 months	Compressor Station 206	22 - 20	51 - 46
TOTALS:		90 - 160	255 - 303

- As shown above and according to Williams/Transco’s Application to FERC (03/27/2017, Supplement (06/06/2017), and their contracted report from Rutgers (05/24/2017), the construction jobs would not totally be for local workers.
- Of the jobs, the most highly paid are the offshore workers for the Raritan Bay Loop which would hire 10% to 20% of the needed workforce from local workers. The next highest paid workers would be those constructing the compressor station, and these would be 30% local workers. The lowest paid workers would construct the Madison Loop, and 65% of that workforce would be local hires.

See: The Goodman Group Ltd. Report for EELC (May 14, 2018). Expert Report on the Northeast Supply Enhancement (NESE) Project Economic Impact for New Jersey, New York and Pennsylvania. Published in FERC Docket # CP-17-101 in Accession No. 20180514-6168.

- Risks to loss of jobs from construction of the NESE Project in and near the Raritan Bay are not just from loss of immediate access to the **14,165.5 acre workspace** of the offshore Raritan Bay Loop that would occur from longer transit times, rerouting, or lacked access to waters that are relied upon for economic and recreational activity.
- Threats to jobs would likely persist for years from damage and pollution caused by construction that will unearth and redistribute toxins from beneath the seafloor that will be ingested by bottom feeders, bury benthic communities, and impact the food chain and habits for an undetermined period of time. According to FERC’s FEIS, the NESE Project would **directly disturb 87.8 acres of seafloor** from excavations, pipelay, anchoring systems, and backfilling, and it would **indirectly affect 947.4 acres of seafloor** by suspension and redeposition of at least 0.12” of sediment. **Excavation of 1,091,734 cubic yards of sediment** is projected to happen for the trenching operations alone.

Source: FERC’s Final Environmental Impact Statement (01/25/2019) on pages ES-10, ES-11 and 2-45 in NESE’s FERC Docket No. CP17-101, Accession No. 20190125-3001(33359066).

- Threats to the shore economy were also not calculated to account for impacts from climate change driven events. For New Jersey’s coastal communities to be sustainable and resilient, a review of the applications for the NESE Project needs to consider climate change impacts such as ocean acidification and warming as well as sea level rise vulnerabilities seen in risks from flooding, storm surges, shoreline erosion, increases in floodplains, and saltwater intrusion.

According to the New Jersey Coastal Management Program Section 309 Assessment & Strategy 2016 – 2020 (August 31, 2015), **accessed at** <https://www.state.nj.us/dep/cmp/docs/new-309-strategy-assessment-%202016-2020.pdf> -

Coastal erosion can result in significant economic loss through the destruction of buildings, roads, infrastructure, natural resources, and wildlife habitats. Damage often results from an episodic event with the combination of severe storm waves and dune or coastal bluff erosion.

Sea levels along the New Jersey coastline have been rising faster than the global average. Flooding events associated with storm surge caused by hurricanes and tropical storms could therefore also increase.

- Risks to jobs in the Bayside community would also come from the addition of air pollutants from the construction in and by the Raritan Bay. There was no calculation provided regarding the lost wages from impacts of this added air pollution while in-water construction would persist 24/7 for seven to eight months (an increased construction intensity from a compressed schedule). There are ways to calculate the Social Cost of Carbon that could estimate costs from lost time at work, lost time at school, and costs of increased medical issues from being exposed to this air pollution for nine months straight.
- There was no assessment of the costs to New Jersey's aquaculture industry from the unearthing and spreading of toxins in the water and on the seafloor from construction of the NESE Project in Raritan Bay.

According to the New Jersey Coastal Management Program Section 309 Assessment & Strategy 2016 – 2020(August 31, 2015), information compiled by the New Jersey Department of Agriculture indicated that New Jersey's hard clam and oyster aquaculture industry suffered nearly \$1,347,500 in damages to property, buildings, gear, structures and product as a result of Superstorm Sandy.

accessed at: <https://www.state.nj.us/dep/cmp/docs/new-309-strategy-assessment-%202016-2020.pdf>

Specifically, it is estimated that the hard clam aquaculture industry, which is the largest aquaculture sector and valued at \$3.5 million, suffered approximately \$1,118,000 in property damage, with an estimated \$130,000 in lost hard clams. New Jersey's second largest aquaculture sector, oysters, incurred approximately \$33,000 in property damage and \$66,500 in oyster loss. According to the 2012 Hurricane Sandy Fishery Disaster Declaration the total shellfish industry losses amounted to \$3,632,264.

- Basing decisions upon modeling that only looks at the short-term direct impacts by estimating the length of time and spread of turbidity plumes does not account for the compounded, cumulative and long-term direct and indirect impacts from unearthing, suspending and spreading toxins that have been buried beneath the seabed for years. Without truly knowing the **long-term cumulative and secondary impacts** of suspending and re-depositing buried toxins on the seafloor, taking into account the fact that there was no study or modeling of synergistic impacts from combinations of toxins to different habitats and sea life that are intertwined in the food chain, the impact from construction in the Raritan Bay should be considered to be permanent until proven otherwise.