PETITION NO. 1072 – Algonquin Gas Transmission, LLC Petition for a Declaratory Ruling Regarding the Jurisdiction of the Connecticut Siting Council over the construction or replacement of natural gas pipeline facilities in the towns of Danbury, Cromwell/Rocky Hill, Lebanon/Franklin/Norwich and Montville, Connecticut; modifications to compressor stations in the towns of Oxford, Cromwell and Chaplin Connecticut; modifications to metering stations in the towns of Berlin, Danbury, Farmington, Glastonbury, Guilford, Middletown, Montville, North Haven, Norwich, Plainville, Pomfret, Putnam, Southbury, Vernon and Windham, Connecticut; and for recommendations regarding siting, environmental mitigation measures, and construction procedures to the Federal Energy Regulatory Commission.	}	Connecticut Siting Council October 24, 2013

Staff Report

Introduction

On July 1, 2013, Algonquin Gas Transmission, LLC (Algonquin), filed a Petition for Declaratory Ruling (Petition) with the Connecticut Siting Council (Council) pursuant to Conn. Gen. Stat. §4-176(a) and Conn. Agencies Regs. §16-50j-38 *et. seq.* In the petition, Algonquin seeks a ruling that the Council does not have jurisdiction over the installation or replacement of natural gas pipelines, modifications to existing compressor stations and existing meter stations within the State of Connecticut, all as part of the Algonquin Incremental Market Project (Project). The Project involves the expansion of its existing pipeline systems located in New York, Connecticut, Massachusetts and Rhode Island.

Algonquin claims that under the Natural Gas pipeline Safety Act, 49 U.S.C. §1671 *et. seq*., and the Natural Gas act, 15 U.S.C. §717 *et. seq*., the Federal Energy Regulatory Commission ("FERC") has exclusive jurisdiction over the Project, except with respect to safety of Project facilities, which is within the exclusive jurisdiction of the Federal Department of Transportation, and that the Council is therefore preempted under the Supremacy Clause of the United States Constitution, U. S. Const. art. VI, cl. 2, from regulating the Project under the Public Utility Environmental Standards Act ("PUESA") Conn. Gen. Stat. §16-50g *et. seq.* PUESA provides at Conn. Gen. Stat. §16-50k(d) that it "shall not apply to any matter over which any agency, department or instrumentality of the Federal Government has exclusive jurisdiction." Although Algonquin is seeking the Council's acknowledgement that the FERC has exclusive jurisdiction over the project, Algonquin would provide the Council with detailed information regarding the proposed modifications as Algonquin's application to FERC is filed and progresses. Algonquin is presently in the pre-application stage with FERC. Algonquin anticipates filing with FERC for a Certificate of Public Convenience and Necessity under the Natural Gas Act on February 14, 2014. Comments to Algonquin and/or FERC from stakeholders can occur up to the application filing.

Algonquin received approval from FERC on June 18, 2013 to initiate the Project Pre-filing National Environmental Policy Act Review Process. The pre-file process allows for active participation by interested stakeholders early in the application development process to resolve potential project concerns, thus facilitating timely review of the application. As part of this process, representatives of the Council conducted two field reviews of the proposed Connecticut portion of the project on September 24, and 25, 2013 with Algonquin, represented by Marianne Barbino Dubuque, Esq. of Carmody and Torrance and Algonquin personnel. On September 24, Council members Philip Ashton and Dr. Barbara Bell with Council staff members Robert Mercier and Christina Walsh toured the western Connecticut segment of the project. On September 25, Council members Daniel Lynch Jr., James Murphy Jr., Philip Ashton and Dr. Barbara Bell with Council staff members Robert Mercier and Christina Walsh toured the eastern Connecticut portion of the project.

The Project will create up to 342,000 dekatherms per day of firm pipeline capacity to deliver natural gas to the Northeast market area to meet immediate and future supply and load growth requirements. Specifically, the Project will create additional capacity from the Ramapo, New York and Mahwah New Jersey points of the Algonquin system to various delivery points in Connecticut, Massachusetts, and Rhode Island. Part of this anticipated load growth is in Connecticut where the Department of Energy and Environmental Protection's Comprehensive Energy Strategy recommended an increased use of natural gas `for as many as 300,000 homes and businesses. Construction is anticipated to begin in Spring 2015 with Project completion in the Fall 2016.

Proposed Project

Gas pipeline work in Connecticut includes a total of 16.9 miles and includes four separate segments, as described below;

a) Danbury – replacement of a 26-inch diameter mainline pipeline with a new 42-inch diameter mainline pipeline for 4.3 miles within an existing right-of-way. The right-of-way includes two separate pipelines. Work would occur on the north pipeline. From the state-line heading east, the right-of-way crosses through wooded and lawn areas of a business park, a rest stop on the south side of Interstate 84, a commercial area on the north side of Interstate 84, residential areas, and a golf course. The right of way the travels directly under Ridgewood Road before work ends at a meter station on the east side of Clapboard Ridge Road. This section features a 0.5 mile horizontal drill segment to allow for the pipeline to cross Interstate 84 and an adjacent wetland. The 26-inch diameter pipeline in this area would be abandoned in place. The permanent right-of-way pre- and post-construction would be 75 feet wide. An additional 25 feet would be required as temporary work space adjacent to the north side of the right-of-way.

b) Cromwell – extension of Algonquin's existing Line-36A Loop pipeline for 2.1 miles with 36-inch diameter pipeline. The extension would begin at the existing Cromwell Compressor Station and terminate downstream 740 feet from the Connecticut River. The extension would require the expansion of the existing right-of-way to accommodate the new pipeline. The width of the existing permanent right-of-way for this segment would be expanded from 75 feet to 95 to 105 feet, depending on the location. No temporary work space would be required.

c) Norwich, Franklin, Lebanon – replacement of 6-inch diameter pipeline with 16-inch diameter pipeline along 9.1 miles on the north side of an existing right-of-way. The replacement segment would be along Route 289 in Lebanon and extend southeast over several hills and along the Susquetonscut Brook Valley in Lebanon and Franklin, then extending over hilly terrain, crossing Route 32 in Franklin, then terminating in the northwest area of Norwich, near Dodd Stadium. The right-of-way in this area consists mostly of woodland and farmland, with little development. The width of the existing permanent right-of-way for this segment would be expanded from 50 feet to 60 feet. An additional 15 feet on the north side of the right-of-way would be required for temporary work space.

d) Montville – replacement of 6-inch diameter pipeline with 16-inch diameter pipeline on the east side of an existing right-of-way. The route extends 1.4 miles from Fitch Hill Road to Raymond Hill Road. With the exception of several residences near Fitch Hill Road, the right-of-way is in a wooded area. The width of the existing permanent right-of-way for this segment would be expanded from 30 feet to 50 feet. An additional 25 feet of temporary work space would be required.

With exception of the horizontal drill segment in Danbury, Algonquin would install the new pipeline segments by removing the old pipeline, then covering the open work trench as Algonquin progresses down the right-of-way. Once all of the old piping is removed from the entire segment, Algonquin would re-excavate the work trench to the desired width and depth, and install the wider gas piping. This sequence of excavation, covering and re-excavation is necessary due to the different types of equipment used in removal of the old pipeline and installation of the new pipeline. The lag time between excavations is estimated at two to four weeks.

Algonquin is in the process of obtaining landowner consent and conducting field surveys of various structures within the temporary work space such as walls, fences, sheds, driveways, etc. Restoration of the temporary right-of-way would include replacement of structures, special tree specimens, and planting appropriate seed mix.

Once the pipeline portion of the project is complete, Algonquin would maintain the right-of-way by clearing all vegetation every three years, except for areas with steep slopes or within wetlands where clearing would occur when vegetation reaches 15 feet tall. Clearing would not occur between April 15 and August 1 of any year to avoid impacts to ground nesting birds. The clearing cycle is advantageous as it allows for proper demarcation of right-of-way boundaries and facilitates access to the pipeline, if necessary.

The Project includes modifications to the existing Cromwell and Chaplin Compressor stations. Modifications include the installation of a gas-fired compression unit (15,900 horsepower and 7,700 horse power units respectively) and an associated gas cooler at each facility. The gas coolers are used to lower the temperature of the natural gas within the pipeline exiting the compression station to eliminate potential delamination of the exterior pipeline coating. All work would be within the compressor station fenced area.

The Cromwell Compressor station is located on an approximate 30-acre parcel off Route 3 in Cromwell, abutting the Rocky Hill town line. Land use in the area is commercial, including a fuel oil distribution station, office parks, and wooded land.

The Chaplin compressor station is located on an approximate 152-acre parcel off Tower Hill Road in Chaplin. The surrounding area is heavily wooded with a few residences on Tower Hill Road. Noise from the facilities would not exceed applicable criteria and must be demonstrated as part of the FERC application.

The Project includes modifications to 16 meter stations located on the Algonquin system in Connecticut. Modifications range from piping replacement, installation of pipeline inspection launcher/receiver stations, to rebuilding of the entire station. The meter stations are typically small fenced areas (1,000-3,000 square feet) with piping/valves extending above the ground.

Algonquin is currently performing field survey work to incorporate into the Draft Resource Reports. These reports are expected to be filed with FERC on October 31, 2013. The reports would contain details regarding the exact layout of the pipeline segments including the cultural, recreational, environmental, and physical features impacted along the route. As of October 24, 2013, Algonquin completed 90% of the initial field assessments. Algonquin is consulting with various state agencies and local entities regarding Project impacts. Open house forums were held in Connecticut on October 1, 2013 in Danbury and October 2, 2013 in Norwich.