



STATE OF CONNECTICUT

CONNECTICUT SITING COUNCIL

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CERTIFIED MAIL RETURN RECEIPT REQUESTED

September 4, 2015

Marianne Barbino Dubuque, Esq.
Carmody, Torrance, Sandak & Hennessey LLP
50 Leavenworth Street
P.O. Box 1110
Waterbury, CT 06721-1110

RE: PETITION NO. 1168 – 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 City of Danbury, Connecticut; modifications to compressor stations in the towns of Oxford and Chaplin, Connecticut; modifications to an existing metering station in the City of Danbury, Connecticut; construction of a new metering station in the city of Norwich, Connecticut, which will replace an existing metering station in Norwich, all as part of the Atlantic Bridge Project; and for recommendations regarding siting, environmental mitigation measures, and construction procedures to the Federal Energy Regulatory Commission.

Dear Attorney Barbino Dubuque:

At a public meeting held on September 3, 2015, the Connecticut Siting Council (Council) considered and ruled that Federal agencies have exclusive jurisdiction over the Atlantic Bridge Project, and therefore, pursuant to Connecticut General Statutes § 16-50k(d), the Council lacks jurisdiction to issue a Certificate of Environmental Compatibility and Public Need for the Project. The Council also finds that notwithstanding federal preemption, Federal Energy Regulatory Commission (FERC) regulations provide for the participation of interested parties in FERC certification proceedings and State agencies, such as the Council, may intervene as a matter of right.

Consistent with FERC's encouragement to cooperate with state and local officials, Algonquin has filed with the Council detailed information regarding the proposed project to provide the Council with the opportunity to make recommendations to FERC and Algonquin regarding siting, environmental mitigation measures and construction procedures. The Council has reviewed such materials and will be submitting recommendations to FERC as noted in the staff report.

Enclosed for your information is a copy of the staff report on this project.

Very truly yours,

Robert Stein
Chairman

RS/MP/lm

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Enclosure: Staff Report dated September 3, 2015

- c: Secretary of the State (via e-mail service)
 - Honorable George R. Temple, First Selectman, Town of Oxford
 - Steven S. Macary, Zoning Enforcement Official, Town of Oxford
 - Honorable Mark D. Boughton, Mayor, City of Danbury
 - Dennis Elpern, City Planner, City of Danbury
 - Honorable Deb Hinchey, Mayor, City of Norwich
 - Peter Davis, City Planner, City of Norwich
 - Honorable William H. Rose IV, First Selectman, Town of Chaplin
 - Jay Gigliotti, Zoning Enforcement Officer, Town of Chaplin



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Connecticut

Siting

Council

September 3, 2015

Staff Report

Introduction

On July 6, 2015 Algonquin Gas Transmission, LLC (Algonquin), filed a Petition for a Declaratory Ruling (Petition) with the Connecticut Siting Council (Council) pursuant to Conn. Gen. Stat. §4-176(a) and §16-50k(d) and Regs. of Conn. State Agencies §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 in the City of Danbury, modifications to existing compressor stations in Towns of Oxford and Chaplin, modifications to an existing metering station in the City of Danbury, and construction of a new metering station in the City of Norwich, which will replace an existing metering station in Norwich. Collectively, this project is part of the Atlantic Bridge Project (ABP or Project). The Project is designed to provide increased natural gas supplies and enhanced system reliability to Algonquin’s natural gas customers, as well as customers of Algonquin’s affiliated pipeline, Maritimes & Northeast Pipeline Company, LLC. As part of the ABP, Algonquin intends to replace pipelines and to construct modifications to existing compressor and meter stations in New York, Connecticut, and Massachusetts.

Algonquin asserts 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 by the end of 2015. Comments to Algonquin and/or FERC from stakeholders can occur up to the application filing.



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Algonquin received approval from FERC on February 20, 2015 to initiate the Project pre-filing 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 August 3 and 4, 2015 with Algonquin, represented by Marianne Barbino Dubuque, Esq. of Carmody, Torrance, Sandak & Hennessey LLP and Algonquin personnel. Specifically, on August 3, 2015 Council members Philip Ashton, Robert Hannon, and Michael Caron with Council staff members Christina Walsh, and Michael Perrone field reviewed the Oxford gas compressor station (to be upgraded) and the Danbury portion of the gas transmission line project. On August 4, 2015, Council members Robert Hannon, Michael Caron, Daniel Lynch, Jr., and James Murphy, Jr. with Council staff members Christina Walsh, Michael Perrone, and Cymon Holzschuh field reviewed the Chaplin gas compressor station (to be upgraded).

The purpose of the ABP is to economically provide the pipeline capacity necessary for the transportation of significant and diverse natural gas supplies from a receipt point in Mahwah, New Jersey to the project shippers' delivery points in Massachusetts, Maine, and at the United States/Canadian border. The Project would provide additional capacity on the Algonquin system and facilitate south to north flows on the Maritimes system to provide additional gas supply to New England and the Maritime provinces of Canada.

The initial scope of the ABP was based on capacity of up to 222,000 dekatherms per day (Dth/d). However, Algonquin subsequently reduced the project capacity from 222,000 Dth/d to 153,000 Dth/d in response to customer need. The ABP was further modified to a capacity of 132,705 Dth/d in response to further reduced customer need. This filing with the Council takes into account the most up to date need of 132,705 Dth/d. Algonquin anticipates receiving all permits and approvals by November/December 2016 so that winter clearing operations can be conducted between January and March 2017 for the Project. Construction is anticipated to begin in March 2017 and end in October 2017.

Proposed Project

Gas pipeline work in Connecticut includes a total of 2.3 miles, as described below;

- a) Danbury – replacement of a 26-inch diameter mainline pipeline with a new 42-inch diameter mainline pipeline for 2.3 miles within an existing right-of-way. The pipeline replacement work would begin at Algonquin's mainline valve located approximately 180 feet east of Route 39. From there, the pipeline would extend to the east through residential areas along Maple Ridge Road and Berkshire Drive before crossing Padanaram Brook and Route 37 (Padanaram Road). Following the Route 37 crossing, the pipeline would extend through parking lots associated with a commercial shopping development and additional residential areas along Oak Lane and Haddy Lane before intersecting with the existing Danbury metering and regulating station (Danbury M&R Station) at East Pembroke Road. The pipeline would continue east across East Hayestown Road before heading southeast through another residential (condominium) area off of Glen Hill Road. As the pipeline approaches Interstate 84, it changes direction to the east maintaining a parallel configuration with the northern shoulder of the highway along Apple Blossom Lane and Carolyn Avenue. The take-up and relay segment then crosses Great Plain Road and Rockwell Road before terminating at the 2.3 mile location in Danbury. The maximum allowable operating pressure of the proposed pipeline would be 850 pounds per square inch gauge pressure (psig).

The pipeline construction process would commence with surveying and staking the limits of the construction work areas, centerline locations of the pipeline, and any temporary extra workspaces such as laydown areas. Any clearing limits would be identified and flagged. Clearing would be minimized since existing right-of-ways would be utilized.

The cleared width within the ROW and temporary construction workspace will be kept to a minimum. Following clearing and before grading activities, erosion controls would be installed at the required locations as noted in Algonquin's Erosion and Sedimentation Control Plan.

The trench would be excavated, and the existing 26-inch diameter pipe would be removed from the trench. The removed pipe would be properly disposed of. The trench would be widened as necessary to accommodate the new, larger diameter pipe installation. The trench would be at least seven feet deep to provide for at least three feet of cover per U.S. Department of Transportation regulations. Algonquin anticipates that rock removal would be required at certain points along the ABP facilities. Algonquin would use mechanical means to remove rock wherever possible. If blasting is required, Algonquin would utilize blasting mats and comply with applicable regulations.

All suitable material excavated during the trenching would be re-deposited in the trench. Where excavated material is unsuitable for backfilling, additional select fill may be required. The right-of-way would be restored and re-vegetated where necessary. Re-vegetation and seeding would be in accordance with Algonquin's Erosion and Sedimentation Control Plan.

According to the Department of Energy and Environmental Protection (DEEP), the bog turtle (*Glyptemys mublenbergii*), a federal and State-designated endangered species, and the *Carex trichocarpa* (sedge), a State-designated special concern species, may be found in the vicinity of the pipeline right-of-way near White Turkey Road and Route 7 in Danbury. Staff suggests that Algonquin provide and implement a turtle protection program for the bog turtle that includes daily turtle sweeps during active construction. Staff also suggests that Algonquin utilizes proper erosion and sedimentation controls when working in the vicinity of sedge.

The ABP includes modifications to the existing Oxford and Chaplin gas compressor stations as well as modifications to an existing metering station in Danbury and replacement of an existing metering station in Norwich. Specifically, the Oxford gas compressor station is located on a 77-acre parcel located off of Woodruff Hill Road in Oxford. The site is heavily wooded on all sides. To the north is the existing Algonquin natural gas pipeline right of way. To the west is the site of the approved CPV Towantic, LLC (CPV) combined cycle natural gas-fueled power plant. To the south is Woodruff Hill Road. To the east is wooded and undeveloped. For the ABP, Algonquin proposes to install one new gas-fueled compressor unit to provide an additional 10,915 horsepower (HP) in a stand-alone building. While some limited tree clearing to the west is required for the proposed expansion for the compressor building, a substantial wooded buffer between the Oxford compressor station and the CPV power plant site would remain. The nearest home is located in the Town of Middlebury, over 1,200 feet to the northwest of the gas compressor station. Heavy tree cover as well as the existing Eversource electric transmission right of way exist between the gas compressor station and the nearest residence. The gas compressor station upgrade is expected to meet applicable noise standards.

According to DEEP, the eastern box turtle (*Terrapene carolina carolina*) may be found in the vicinity of the Oxford compressor station. Staff recommends that Algonquin provide and implement an eastern box turtle protection program including daily turtle sweeps during active construction to protect such species.

The Chaplin compressor station is located on an 104-acre parcel located off of Tower Hill Road in Chaplin. The surrounding area is wooded and sparsely residential in nature. The nearest residential structure is located roughly 900 feet to the northeast of the compressor station. However, the site is heavily wooded with substantial tree cover on all sides. For the ABP, Algonquin proposes to install one new natural gas-fired compressor unit to provide an additional 6,300 HP and replace two existing 42 parts per million (ppm) nitrogen oxides (NO_x) gas compressor units of 6,950 HP each with two new 9 ppm NO_x gas compressor units of 7,700 HP each. In total, there would be a 7,800 HP increase in compression capacity at the Chaplin gas compressor station as a result of ABP. The gas compressor station upgrade is expected to meet applicable noise standards.

The Danbury metering and regulation station modifications would include the installation of over-pressure protection facilities at the existing station within the existing fenced site footprint and would not require an expansion of the site. The nearest residence is abutting directly to the southeast. However, from a visual standpoint, the proposed equipment would fit in with the existing equipment at the metering station site.

The existing Salem Pike metering and regulation station located in Norwich would be replaced and relocated as part of the ABP. The existing station directly abuts Salem Turnpike (Route 82) and is located in a residential area. The nearest residential structure directly abuts the existing station and is located to the east. The station would be relocated about 230 feet to the northeast to an already cleared site owned by Norwich Public Utilities. This new site would increase the distance from the existing residential properties and increase the distance from Route 82, thus reducing the visual impact.

Four scoping meetings were held by FERC in the project area from May 11 through May 14, 2015, and the scoping period closed on June 11, 2015. On June 25, 2015, Algonquin filed responses to the public comments during the scoping period. Algonquin plans to file its Certificate Application with FERC by the end of 2015.

Recommendations

1. Reduce the use of curbing to keep drainage flow from pooling at the Oxford compressor site;
2. Provide and implement an eastern box turtle protection program including daily turtle sweeps during any construction at the Oxford compressor site;
3. Any new fencing should be less than 2-inch mesh as an anti-climbing measure;
4. Consider using less asphalt and more rock to make the compressor stations less impervious with respect to drainage;
5. Provide and implement a bog turtle protection program including daily turtle sweeps during any construction in the vicinity of the Natural Diversity Database locations of the Danbury pipeline construction areas;
6. Utilize proper erosion and sedimentation controls in the vicinity of sedge in the Danbury portion of the right-of-way within the Natural Diversity Database areas; and
7. Monitor re-vegetated right-of-way areas for invasive species for up to three years post-construction.