



May 9, 2019

Secretary Kimberly Bose  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Re: TGP 261 Upgrade Projects, Docket No. CP19-7-000  
Response to April 30th Comments of Bay State Gas Company**

Dear Secretary Bose:

The Pipe Line Awareness Network for the Northeast, Inc. (“PLAN”) continues to seek to shed light on the issue of *excess capacity* embodied in the above-captioned Tennessee Gas Pipeline Company, LLC (“TGP”) 261 Upgrade Projects (the “Projects”, and in reference to the proposed 2.1-mile pipeline loop in Agawam individually, the “Looping Project”). Bay State Gas Company d/b/a Columbia Gas of Massachusetts (“CMA”) suggests, in its April 30, 2019 comments (the “CMA Comments”), that PLAN’s April 18, 2019 comments contain inaccuracies, although CMA points to no specific statements as incorrect. Inaccuracies, if any, were inadvertent and arise from a lack of transparency from CMA and TGP. The instant comment addresses numbers and assertions supplied in the CMA Comments.

**1) The capacity from the Projects in the CMA Contract is not merely for existing CMA customers.**

Regarding CMA’s contract with TGP (the “CMA Contract”) that is purported to establish “need” for these Projects, CMA states that it “needs the new capacity from the 261 Upgrade Projects *to provide reliable service to its existing customers.*”<sup>1</sup> Yet the Massachusetts Department of Public Utilities (“Mass DPU”) based its approval of the CMA Contract in part on CMA’s claim of a projected 2.2 percent annual growth rate in the Northampton market (the portion of the Springfield Division that is served off of the TGP Northampton Lateral). The City of Northampton has indicated that it *does not want* increased gas supply to meet its future energy needs. “[T]he City Council of Northampton *opposes the building of additional infrastructure*

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<sup>1</sup> *CMA Comments*, at 1 (emphasis in the original).

that will expand the capacity of gas delivery to the area under the pretense of filling Northampton's energy needs"; "increasing natural gas supply to Northampton would slow and *possibly have adverse effects on the progress of our communities' commitments to realizing a 100% renewable energy goal*".<sup>2</sup>

**2) CMA overstates the secondary capacity now serving the Agawam/West Springfield/Springfield portion of CMA's Springfield Division, ignoring firm capacity already provided to that area under the CMA Contract as of November 2018.**

The CMA Comments assert:

[CMA's] base case forecast for that portion of its Greater Springfield, Massachusetts service area served by facilities being upgraded by the 261 Upgrade Projects shows total requirements of 77,500 Dth/day. To serve those requirements, CMA currently holds **15,000 Dth** of primary delivery point pipeline capacity and **18,000 Dth** of aging propane peaking capacity. The remaining **44,500 Dth** is served from secondary delivery point capacity, which is increasingly becoming more costly and less reliable. The 261 Upgrade Projects are needed to replace that secondary capacity with reliable firm primary delivery point capacity.<sup>3</sup>

The CMA Contract totals 96,400 Dekatherms per day ("Dth/d"), but only 40,400 Dth/d pertain to the Projects. On information and belief, and in accordance with the CMA Contract, CMA already began receiving 50,000 Dth/d in the fall of 2018 — **28,000 Dth/d** of that 50,000 Dth/d goes to the Springfield Division. Specifically, per the CMA Contract (which is included in Exhibit I of TGP's Application), as of November 1, 2018, CMA has **18,300 Dth/d** of additional firm capacity at Agawam and **9,700 Dth/d** at the East Longmeadow meter.<sup>4</sup> That leaves only **16,500 Dth/d** of the stated secondary capacity that has not already been replaced with firm

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<sup>2</sup> Unanimous October 2018 Resolution of the Northampton City Council ("Northampton City Council Resolution"), available at [www.northamptonma.gov/DocumentCenter/View/11657/18170-A-Resolution-Opposing-the-Expansion-of-Gas-Infrastructure---certified](http://www.northamptonma.gov/DocumentCenter/View/11657/18170-A-Resolution-Opposing-the-Expansion-of-Gas-Infrastructure---certified)) (emphasis added); *see also Motion To Intervene Filed by the City of Northampton, Massachusetts* in this proceeding (intervening to oppose the Projects and noting the benefits of the CMA moratorium on new gas hookups towards achieving climate policy goals) ([elibrary.ferc.gov/IDMWS/common/opennat.asp?fileID=15099783](http://elibrary.ferc.gov/IDMWS/common/opennat.asp?fileID=15099783)).

<sup>3</sup> *CMA Comments*, 1-2.

<sup>4</sup> CMA has a high pressure line extending from the East Longmeadow meter into the City of Springfield, although it is unspecified what part of the Springfield Division this 9,700 Dth/d is intended to supply. The remaining 22,000 Dth/d of the already-available 50,000 Dth/d is designated for CMA's Lawrence Division. See Exhibit I of the TGP Application.

capacity,<sup>5</sup> yet the contract provides for additional future firm capacity of 46,400 Dth/d — 40,400 Dth/d at Agawam and 6,000 Dth/d at the not-yet-existent Longmeadow meter station.

In other words, while CMA states that the firm capacity it seeks via the Agawam Projects is needed to replace secondary capacity to serve its existing customers, the numbers CMA provided indicate that nearly 25,000 Dth/d is in excess of the secondary capacity that has not yet been replaced, and, after factoring in the 6,000 Dth/d that is scheduled to be available at the new Longmeadow meter in November 2019, the excess capacity (i.e., not replacement of secondary capacity) provided by these Projects is approximately 30,000 Dth/d.

Thus, despite CMA’s protestations, the Agawam Looping Project remains unjustifiable.

### **3) CMA cannot utilize approximately 12,000 Dth/d of the CMA Contract without the “Alternate Backfeed” and capacity exchange with Holyoke.**

Another statement in the CMA Comments that does not withstand scrutiny is that “CMA’s need for service from the 261 Upgrade Projects was based solely upon the needs of its own customers, and is independent of – and unaffected by – any service that may or may not be provided to Holyoke in the future.”<sup>6</sup> The fatal flaw in this statement is that, in order for CMA to make use of approximately 12,000 Dth/d of the capacity under the CMA Contract, CMA must build its proposed pipeline through West Springfield and follow through on its proposed arrangement with Holyoke Gas & Electric (“HG&E”).<sup>7</sup>

CMA has stated before state regulators:

A significant reliability benefit of the Agawam Reliability Project ... ties directly to the *interchangeability of capacity between Northampton and*

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<sup>5</sup> CMA does not suggest that the propane peaking plant is to be replaced by firm pipeline capacity. In fact, CMA’s “1950s vintage plant systems” have been “targeted for major capital updates over the next few years.” CMA Forecast & Supply Plan initial filing (“CMA F&SP”), Mass DPU Docket No. 17-166, October 30, 2017, 106-07 (available at [fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/9172434](http://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/9172434)).

<sup>6</sup> CMA Comments, at 3.

<sup>7</sup> As originally conceived, the West Springfield pipeline would displace HG&E’s existing 11,800 Dth/day firm supply from the Northampton Lateral and provide an additional 5,500 Dth/day of supply, totaling 17,300 Dth/day”. See CMA F&SP at 111. Given that HG&E’s new contract with TGP is for 5,000 Dth/d, CMA’s portion of that capacity is understood to be 12,300 Dth/d.

*Agawam* through enabling the Company to fully manage a supply disruption in the event of a mechanical failure of its Northampton propane-air facility and 93 percent of its firm capacity entitlements should it experience a complete failure of the Southwick compressor.<sup>8</sup>

What CMA is saying is that if it couldn't get gas up the Northampton Lateral due to a failure at the Southwick compressor station (which was just build seven years ago), or if there were an operational issue at the propane facility that CMA is about to upgrade,<sup>9</sup> CMA would be able to **“backfeed” into the Northampton market area by pumping gas from Agawam through both West Springfield and Holyoke.** This trial balloon floated by CMA has been popped by local municipal officials.

**4) The Projects, as proposed, would violate the Commission’s long-standing policy on certification of new interstate natural gas pipeline facilities.**

The Commission’s long-standing certificate policy statement declares:

In considering the impact of new construction projects on existing pipelines, the Commission's goal is to *appropriately consider* the enhancement of competitive transportation alternatives, the *possibility of overbuilding*, the *avoidance of unnecessary disruption of the environment*, and the *unneeded exercise of eminent domain*.<sup>10</sup>

As has been indicated on this docket, most recently by the Mayor of Holyoke, the proposition of the “Alternate Backfeed” is politically untenable.<sup>11</sup> Thus TGP’s contract with HG&E, for 5,000 Dth/d, and approximately 12,000 Dth/d of the CMA Contract, are illusory “needs” premised on

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<sup>8</sup> Testimony of Michael D. Anderson, Nov. 2, 2017, Mass. DPU Docket No. 17-172, at 51 (available at <https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/9172262>) (emphasis added).

<sup>9</sup> See fn. 5, *supra*.

<sup>10</sup> *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) (Policy Statement).

<sup>11</sup> See Northampton City Council Resolution, *supra* (“[T]he City Council of Northampton opposes the building of additional infrastructure that will expand the capacity of gas delivery to the area under the pretense of filling Northampton's energy needs.”); May 22, 2019 statement of Holyoke Mayor Alex Morse (“I cannot in good conscience support the building of this pipeline ... and will use my position to advocate against it.”) ([www.holyoke.org/news/earth-day-statement-from-mayor-alex-morse/](http://www.holyoke.org/news/earth-day-statement-from-mayor-alex-morse/)).

outdated information,<sup>12</sup> rather than viable “competitive transportation alternatives”. Moreover, as demonstrated above, this 12,000 Dth/d is only a portion of the excess capacity that these Projects, as proposed, would provide to CMA.

PLAN reiterates our call for the Looping Project to be rejected because the environmental impacts and potential exercise of eminent domain<sup>13</sup> in Agawam are harms that significantly outweigh any alleged benefit of the Looping Project.

CMA, the lead shipper for the instant Projects, is due to file a new long-range forecast and supply plan with the Mass DPU approximately five months from now. **PLAN does not object to the replacement of two outdated gas turbines at the Agawam 261 compressor station with an electric turbine** that provides additional horsepower while reducing greenhouse gas emissions. While PLAN urges the Commission to reject the Looping Project outright, in the alternative, PLAN requests that evaluation of the Looping Project be suspended until CMA’s 2019 forecast and supply plan has undergone review at the the Mass DPU. To approve the Looping Project based on an outdated supply plan would be irrational, unjust, and, given the facts on the ground, in violation of the Commission’s certificate policy.

Respectfully submitted,



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<sup>12</sup> As Mayor Morse’s May 3, 2019 filing states: “HG&E cannot receive gas at the Agawam meter unless Columbia Gas builds its West Springfield pipeline, and HG&E could not use this capacity on the Northampton Lateral because that pipeline is already at capacity at times of peak demand.” See <https://elibrary.ferc.gov/IDMWS/common/opennat.asp?fileID=15238429>.

<sup>13</sup> See the filing made on behalf of the Cecchi family farm November 27, 2018 (available at <https://elibrary.ferc.gov/IDMWS/common/opennat.asp?fileID=15241640>).

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