



Tennessee Gas Pipeline  
Company, L.L.C.  
a Kinder Morgan company

February 5, 2020

Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Room 1A  
Washington, DC 20426

**Re: Tennessee Gas Pipeline Company, L.L.C., Docket No. CP19-7-000  
261 Upgrade Project  
Response to Opposition to Request for Partial Waiver of Ordering Paragraph (C)**

Dear Ms. Bose:

The Federal Energy Regulatory Commission (“Commission”) issued its Order Issuing Certificate and Approving Abandonment in the captioned proceeding on December 19, 2019. The Order granted Tennessee Gas Pipeline Company, L.L.C. (“Tennessee”) authorization to construct and operate the 261 Upgrade Project, located in Hampden County, Massachusetts (“Project”). On January 21, 2020, Tennessee filed a Request for Partial Waiver of Ordering (C) of the December 19 Order, which requires Tennessee to file a written statement affirming that it has executed firm contracts for the capacity levels and terms of service represented in the signed precedent agreements prior to commencing construction (“Partial Waiver Request”). As Tennessee explained in the Partial Waiver Request, one of the two Project shippers, Holyoke Gas and Electric Department (“Holyoke”), exercised its option to terminate its signed, long-term FT-A Gas Transportation Agreement for 5,000 dekatherms (“Dth”) per day (“Agreement”) after issuance of the certificate. Holyoke’s Agreement represents only 11 percent of the total capacity that was under contract. As explained in the Partial Waiver Request, the remaining 89 percent (40,400 Dth per day) is still under contract and required by Bay State Gas Company d/b/a Columbia Gas of Massachusetts (“CMA”).

On January 22, 2020, the Pipe Line Awareness Network for the Northeast (“PLAN”) filed an objection to Tennessee’s Partial Waiver Request (“PLAN Objection”). PLAN’s arguments essentially are two-fold: (1) termination of the Holyoke Agreement should allow for a greater reduction in scope of the Project looping facilities, and (2) the looping pipeline is unnecessary because CMA might not need the facilities. PLAN requests the Commission deny Tennessee’s Partial Waiver Request and withhold any further approvals until the Massachusetts Department of Public Utilities has completed review of CMA’s future plans. PLAN’s request should be rejected.

As approved by the Commission, the Project is comprised of two components: a 2.1-mile-long, 12-inch-diameter pipeline loop located on Tennessee’s 261B-100 lateral (“Looping Project”) and the replacement of two compressor units at Compressor Station 261 (“HR Replacement Project”). Both components are necessary parts of the Project. As Tennessee explained in the Partial Waiver Request, after receiving Holyoke’s notice of termination, Tennessee evaluated whether it could reasonably revise the scope of the 261 Upgrade Project’s facilities. Tennessee focused on reductions to the length of the Looping Project, which is the only part of the Project

potentially affected by Holyoke's termination. Tennessee determined that while it was possible to reduce the length of the Looping Project by approximately 0.3 miles, this would result in a relocation of a block valve and pig receiver site into a wetlands area. In addition, the reduction would have only *de minimus* cost savings. Based on these considerations, Tennessee determined that it would proceed with the 261 Upgrade Project as approved by the Commission. Nothing offered by PLAN contradicts Tennessee's conclusions.

PLAN also argues the Project is not needed because CMA might not need the Project. This ignores the plain evidence relied upon by the Commission and amounts to a collateral attack on the certificate (and not a rational opposition to Tennessee's Partial Waiver Request). The Commission explained that "Tennessee entered into a 20-year binding precedent agreement for firm transportation service with [CMA] for 96,400 Dth/day, of which 40,400 Dth/day will be served by capacity created by the 261 Upgrade Project." December 19 Order at P 7. The Commission has firmly established that "precedent agreements are the significant evidence of demand for a project." *Id.* at P 19. CMA's "substantial financial commitment required" by the precedent agreement, the Commission found, "are the best evidence that the service to be provided by the project is needed in the markets to be served." *Id.*

PLAN's speculation that CMA no longer needs the capacity created by the Project also was addressed by the Commission in the certificate. *Id.* at PP 22-23. The Commission explained that "[l]ooking behind the precedent agreements entered into by state-regulated utilities, such as CMA, would infringe upon the role of state regulators in determining the prudence of expenditures by the utilities they regulate" and noted that the "Massachusetts Department of Public Utilities approved CMA's precedent agreement with Tennessee for this project based on demonstrated need." *Id.* at P 26. Addressing PLAN's comments that CMA did not need the Project, the Commission explained that it would "not speculate on the conclusion of the Massachusetts Department of Public Utilities' upcoming review of CMA's new long-range forecast and supply plan." *Id.* Unsatisfied with the Commission's conclusions, PLAN revives its speculation in its opposition to the Partial Waiver Request. This amounts to a patent collateral attack on the certificate. PLAN, having failed to seek rehearing of the December 19 Order, now impermissibly attacks the Commission's findings in opposing Tennessee Partial Waiver Request. Therefore, PLAN's opposition should be summarily rejected.

For the foregoing reasons, Tennessee respectfully renews its request that the Commission grant its request for a partial waiver of the December 19 Order's Ordering Paragraph (C) as it pertains to the Holyoke Agreement and deny the PLAN Objection. Any questions concerning this filing should be addressed to the undersigned at (713) 420-5535.

Respectfully submitted,

TENNESSEE GAS PIPELINE COMPANY, L.L.C.

By: /s/ Ben J. Carranza

Ben J. Carranza, P.E.  
Director of Regulatory



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**CERTIFICATE OF SERVICE**

I hereby certify that I have served the foregoing document by electronic mail upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Houston, Texas this 5th day of February, 2020.

*/s/ Shannon M. Miller*

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