STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350

www.NYPSC.ny.gov

October 31, 2012

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

Re: Constitution Pipeline Company, LLC
Docket No. PF12-9-000

Dear Ms. Bose:

Attached please find the Comments of the New York Public Service Commission in the pre-filing proceeding of the Constitution Pipeline Company, LLC.

Should you have any questions, please contact me at (518) 474-1585.

Very truly yours,

Alan T. Michaels
Assistant Counsel

Attachment

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Constitution Pipeline Company, LLC	))	Docket No. PF12-9-000

COMMENTS OF THE
NEW YORK PUBLIC SERVICE COMMISSION

The following are comments from the New York Public Service Commission ("NYPSC") regarding the proposed Constitution pipeline and associated facilities to be constructed and operated in New York State. Our comments seek to address areas of interest to NYPSC, including: co-location of pipeline facilities with other utility facilities; protection of critical utility infrastructure; pipeline integrity; potential expansion of gas service in Chenango, Delaware and Otsego County areas; and potential construction impacts on public water supply and other resources.

INTRODUCTION

NYPSC has oversight responsibilities for the safe and reliable operation of utility infrastructure in New York State, including acting as the agent for United States Department of Transportation ("USDOT"), Pipeline and Hazardous Materials Safety Administration, for fuel gas transmission pipeline and hazardous liquids safety requirements. NYPSC also has extensive experience in siting, construction, operation and long-term

maintenance aspects of utility infrastructure, including gas and electric transmission facilities, co-location issues, and environmental impact evaluation, avoidance and mitigation. NYPSC and its Departmental Staff have direct responsibilities for utility siting and construction for intra-state gas transmission pipelines pursuant to New York State Public Service Law under Article VII. NYPSC offers the following comments on the proposed scope of studies for the Environmental Impact Statement ("EIS") for the Constitution Pipeline, to be developed pursuant to the National Environmental Policy Act.

BACKGROUND

On September 7, 2012, the Federal Energy Regulatory Commission ("FERC" or the "Commission") issued a Notice of Intent to Prepare an Environmental Impact Statement for the Planned Constitution Pipeline Project, Request for Comments on Environmental Issues, and Notice of Public Scoping Meetings (the Notice and Request). The Notice provides basic information about the Constitution Pipeline proposal, which includes the proposed development of: a 120 mile long, 30-inch diameter pipeline from Susquehanna County, Pennsylvania, to Schoharie County, New York; a new compressor station with two 16,000-horsepower turbines at a station in Schoharie County; a pig receiver in Schoharie County; and proposed eight main line valve assemblies, including six at various locations in New York State. The proposed scope invites comments on routing

alternatives, and also identifies broad categories of impact issues that would be addressed in the Environmental Impact Statement (EIS), including: geology and soils; land use; water resources, fisheries and wetlands; vegetation and wildlife; endangered and threatened species; cultural resources; air quality and noise; socioeconomics; cumulative impacts; and public safety.

DISCUSSION

Land Use Impacts, and Co-location with Utility Infrastructure

The analysis of land use impacts should take special consideration where the pipeline is proposed to be co-located on utility rights-of-way. NYPSC acknowledges that with proper planning and coordination with utility owners-operators, co-location of major gas transmission facilities in close proximity to electric transmission facilities can accommodate the unique operating characteristics of both facilities. However, with the designation of electric transmission lines as critical infrastructure, and the reliance on the safe and continued operation of electric transmission lines for providing public utility service, full consideration of utility rights-of-way as an important land use must be provided in the EIS analysis.

The analysis of land use should not be equivalent to the analysis of land cover type, as is frequently done in environmental analyses. Utility right-of-way ("ROW") is not

"vacant land" as it has been characterized in other EIS documents.[1] Electric transmission facilities on a right-of-way include features other than the above-ground structures easily observed. For example, in areas prone to lightning strikes, as on ridge-top locations, electric facility protection equipment includes buried grounding systems (counterpoise) that may extend considerable distances away from the above-ground structures. This is particularly the case in areas of shallow depth to bedrock, as are notably common along the proposed route of the Constitution Pipeline. While underground and overhead transmission facilities, including gas transmission lines, generally support a limited range of other surface land uses,[2] rights-of-way for major overhead electric transmission facilities are generally fully-occupied with infrastructure that represents the primary land use of that corridor.

The analysis of land use of the proposed Constitution Pipeline should include consideration of the specific characteristics of the electric transmission lines where co-location is proposed. The extent of co-location includes several miles of facilities coincident with transmission lines operating at 115, 230 or 345 kV, which are all considered critical infrastructure for New York State grid operation. With proper planning and coordination with operating utilities,

---

[1] *See, e.g.*, the Millennium Pipeline Company, L.L.C., Docket No. CP98-150-000 et. al.)

[2] These additional surface land uses include: agricultural activities, "open space", some recreational, and surface transportation uses.

identification of additional opportunities for co-location along electric transmission lines within the broader study corridor may address other routing constraints. NYPSC will closely review potential impacts of co-location in the EIS that will be developed in this proceeding.

The analysis of land use should also address the potential location of main-line valve facilities, which typically further limit the secondary surface land uses that may occur over the underground pipeline components. Valve locations near high voltage overhead electric transmission lines present additional engineering considerations: appropriate offset distances to resolve co-location problems may involve increased separation of valve facilities from high voltage electric lines, and thus involve additional land use considerations.

Pipeline Integrity and Public Safety

Proposed co-location of gas transmission facilities along electric transmission facilities warrant further engineering analysis and consideration of induced voltages on the gas pipeline from the electric facilities. Effects on overhead electric lines counterpoise, as discussed above in Land Use comments, also need to be addressed in the EIS.

Proposed primary and alternative routing throughout central and northeastern Schoharie County potentially involves areas of karst terrain including potential for solution caves, sinkholes and similar features. These terrain features should be

addressed as potential issues in evaluation of pipeline integrity and public safety. Karst terrain also warrants further evaluation in the Geology and Soils heading of the EIS.

The location of Alternate route C along the Enterprise Products Operating LLC ("EPCO") propane pipeline for a distance of approximately 16 miles in Schoharie County presents significant concerns for the integrity of that facility. Construction disturbances for an additional major pipeline in the vicinity of the existing pipeline must be carefully evaluated, given the constraints along that right-of-way, and the operating and maintenance history of the propane pipeline. Efforts should be made to avoid any non-essential disturbance of the EPCO pipeline. If any construction is planned to take place in the vicinity of the propane pipeline, EPCO must be notified of any plans, and should have an opportunity to consult and provide input.

Co-Location with other proposed infrastructure

The proposed entry point from Pennsylvania into New York State corresponds precisely with the location proposed by the Bluestone Pipeline Project.[3] The location of the Bluestone Pipeline Project has been under evaluation and modification with input from landowners and New York State agencies; it has been carefully sited to minimize impacts on natural resources, land

[3] The Bluestone Pipeline Project was recently certificated by the NYPSC in Case 11-T-0401.

uses, and to avoid significant visual contrasts with the forested slopes along New York State Route 17/Interstate-86. The Bluestone Pipeline Project and its siting should be taken into consideration in the development of the Constitution Pipeline and its EIS.

Specifically, the Constitution preferred route and alternate Route B enter New York State adjacent to the Bluestone Pipeline Project's sited location. After entry into New York, the Constitution preferred route would then cross the Bluestone Pipeline three times within three miles. The location of both lines is further illustrated on an attached map, noted as Exhibit A. Should co-location take place with the Bluestone Pipeline and any other facilities, consideration must be given to all cathodic protection systems to ensure the protection of both facilities.

The primary and alternate routing proposed by Constitution Pipeline within the Town of Sanford, Broome County, does not appear to take into consideration steep slope avoidance or visual effects of forest clearing. An evaluation of co-location of all or part of the pipeline should be performed in the analysis of routing and environmental impacts.

Construction Considerations

While a full evaluation of the routing proposals has not been made, a general observation is that the proposed Constitution Pipeline route involves extensive areas of steep

slopes, side slopes and areas of shallow depth to bedrock, and significant soils limitations. Construction in these conditions will involve the need for wide construction rights-of-way, and much additional access from off-ROW to the pipeline route. Side-slope conditions require extensive grading to provide stable work surfaces, generally requiring additional ROW width, additional areas of construction disturbance, forest clearing, and habitat loss.

The proposed pipeline alignment is located in reasonably close proximity to public water supply sources, including both sub-surface and surface water supplies. The EIS should specifically address potential impacts to these water supply sources, including appropriate protection mechanisms for assuring water quality during and following construction activities. Surface water supply sources located downslope of the proposed construction zone in areas of steep slopes, areas of shallow depth to bedrock, and wet or highly erodible soils present significant constraints to maintaining integrity of those water supply sources, and should be carefully analyzed.

Geology and Soils

The evaluation of geology and soils should provide more than the typical EIS listing of bedrock and soils types in the project area, or along the proposed pipeline route. Specific evaluation of characteristics and limitations, such as depth to bedrock, soils wetness and depth to saturated zones, areas of

highly-erodible soils, hydric soils, prime soils, and similar characteristics, should be performed in both graphic and written analyses. Maps showing all soils types are generally overwhelming (and may not reveal much useful information). However, maps showing specific characteristics, such as areas of shallow depth to bedrock, or areas of seasonally saturated soils, can be used to provide useful analytic information and characterization of impacts from siting or construction. They also may indicate areas where special construction methods or scheduling would be appropriate mitigation measures, or even areas that should be avoided when factored into comparisons or assessed in relation to other resources.

As indicated above in the Pipeline Integrity section, the proposed primary and alternative routing throughout central and northeastern Schoharie County potentially involves areas of karst terrain including potential for solution caves, sinkholes and similar features. These terrain features should be addressed as potential issues in siting, and in identification of appropriate construction and restoration requirements, as well as evaluation of pipeline integrity and public safety.

Gas Supply Considerations

The proposed Constitution Pipeline presents an opportunity to expand natural gas service franchises in areas currently not served by gas utilities. Analysis of routing alternatives should address the potential to provide gas to unserved municipalities,

and the extent of secondary pipeline spurs needed to reach areas of potential use, such as villages or industrial areas not presently served by natural gas utilities.

Additional impacts from the potential increased gas supply in the region should be addressed within the EIS. These considerations include the environmental benefits in the nature of reduced greenhouse gas emissions related to fuel switching from oil to gas. The EIS should also consider the economic benefits in the nature of lower prices for heating or industrial process fuels by switching from oil to gas. Economic development opportunities related to expansion of potential gas service areas should also be identified in the EIS.

Gas Quality Considerations

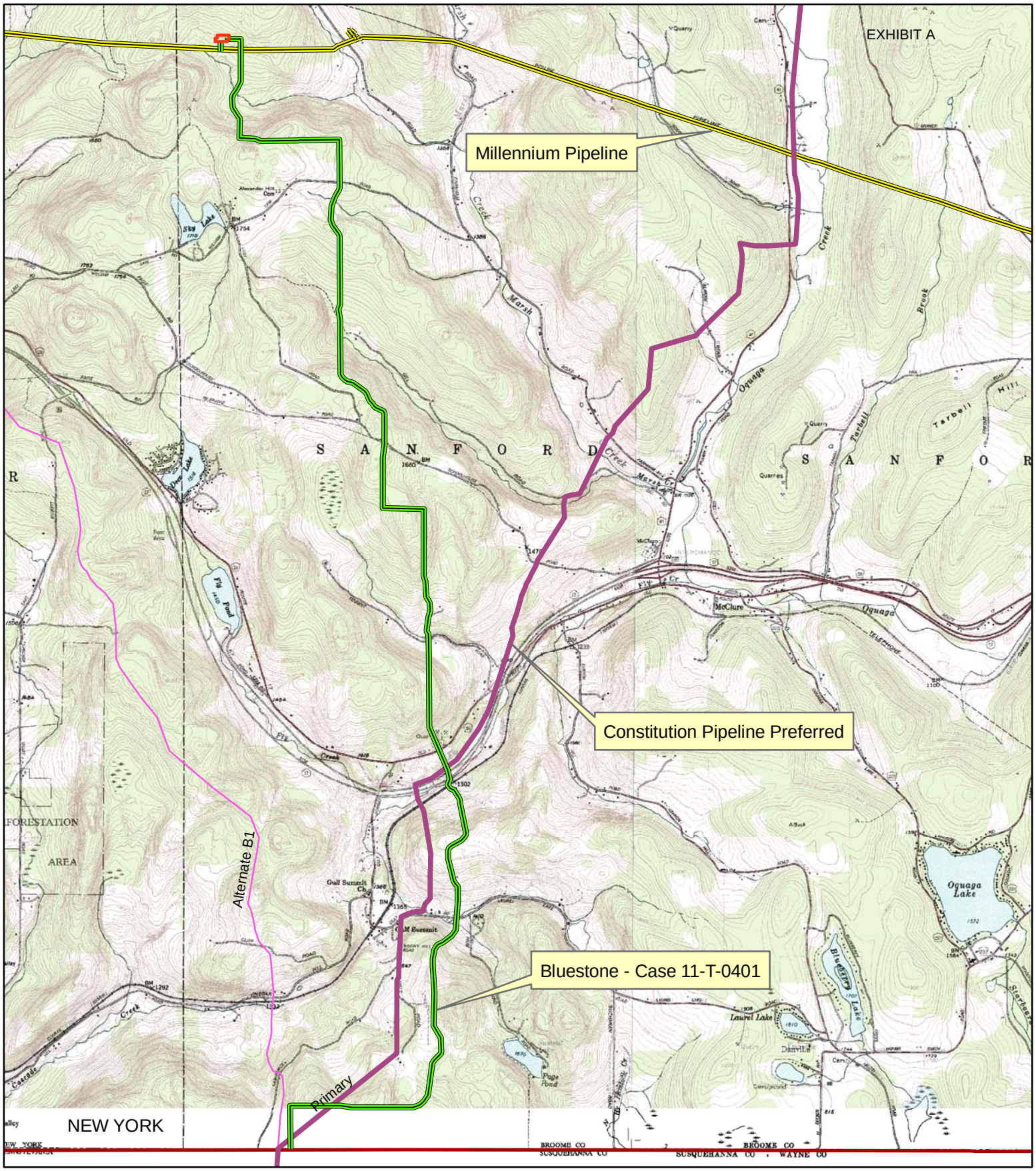
Experience in New York State has shown that there are risks to end-use equipment associated with moisture content in Marcellus Shale gas. The EIS should address how the transmission facility will be protected from well-field moisture; identify where dehydration and separation equipment will be located; identify how pipelines will be monitored for moisture content; and identify content, volumes, and disposal methods of any emissions or waste products generated by operation of gas treatment or dehydration facilities.

CONCLUSION

Based on the foregoing, the NYPSC respectfully requests that the Commission take into consideration all of the concerns and potential issues noted above, and those concerns addressed in other submitted public comments, during the pre-filing review and when addressing the Environmental Impact Statement for the proposed pipeline.

Respectfully submitted,

Alan T. Michaels
Assistant Counsel
Public Service Commission
of the State of New York
3 Empire State Plaza
Albany, NY 12223
(518) 474-1585



Proposed Constitution Pipeline
in Relation to
Route of Bluestone Pipeline
Town of Sanford
Broome County, New York

N
W E
S

0 0.25 0.5 1 Miles