162 FERC ¶ 62,068 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Algonquin Gas Transmission, LLC

Docket No. CP18-23-000

ORDER APPROVING ABANDONMENT

(Issued on January 29, 2018)

On December 6, 2017, Algonquin Gas Transmission, LLC (Algonquin), filed an application pursuant to section 7(b) of the Natural Gas Act (NGA)¹ and Part 157 of the Commission's regulations² requesting authorization to abandon two reciprocating compressor units and related appurtenances located in Providence County, Rhode Island referred to as Burrillville Compressor Station Project. Specifically, Algonquin is requesting approval to abandon in place compressor unit Nos. 1 and 2, and to remove related appurtenances, at its Burrillville Compressor Station. As discussed below, this order will grant the requested authorization, subject to certain conditions.

Background and Proposal

Algonquin is a limited liability company organized and existing under the laws of the State of Delaware. Algonquin is an indirect subsidiary of Spectra Energy Partners, LP, an indirect subsidiary of Spectra Energy Corp (Spectra). Spectra is an indirect, wholly owned subsidiary of Enbridge Inc.

Algonquin is a natural gas company as defined in the NGA, engaged in the transportation of natural gas in interstate commerce subject to the jurisdiction of the Commission. Algonquin owns and operates a natural gas pipeline system extending from points near Lambertville and Hanover, New Jersey, through the states of New Jersey, New York, Connecticut, Rhode Island, and Massachusetts, to points near the Boston area.

In December 1962, under Docket No. CP61-220, Algonquin received approval for the installation of the Burrillville Compressor Station in Providence County, Rhode Island, consisting of three 2,700 horsepower (HP) natural gas-fired reciprocating compressor units (Nos. 1-3) for a total of 8,100 HP.³ In July 1990, under Docket No. CP88-185, Algonquin received authorization to construct compressor unit No. 4, a 5,500

³ Algonquin Gas Transmission Co., 28 FERC ¶ 1,035 (1962).

¹ 15 U.S.C. § 717f(c) (2012).

² 18 C.F.R. Part 157 (2017).

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HP natural gas-fired centrifugal unit.⁴ In September 1990, under Docket No. CP88-187, Algonquin received authorization to construct an additional 5,500 HP natural gas-fired centrifugal unit (No. 5) at the Burrillville Compressor Station.⁵ In November 2001, Algonquin received Commission approval to uprate unit Nos. 4 and 5 from 5,500 HP to 6,950 HP.⁶ Compressor unit No. 6, a 15,900 HP natural gas-fired centrifugal unit located in a separate building from the other five compressor units, was approved by the Commission in March 2015.⁷ The current total certificated horsepower at the Burrillville Compressor Station is 37,900 HP.

Algonquin states that the abandonment of compressor units Nos. 1 and 2 will eliminate the need for future operating and maintenance expenditures on outdated facilities that are no longer needed to satisfy current firm service obligations. Following completion of the abandonment activities as described herein, the total certificated horsepower at the Burrillville Compressor Station will be 32,500 HP.

Algonquin seeks approval to abandon in place compressor unit Nos. 1 and 2 and remove related appurtenances at its Burrillville Compressor Station. Specifically, Algonquin proposes to: (i) remove suction and discharge unit valves and install blind flanges to permanently isolate the units from the system; (ii) disconnect fuel gas system and install blind flanges; (iii) disconnect electrical system from the ignition system; and (iv) drain and dispose the jacket water and lube oil systems. Algonquin may use the equipment and various parts from these units on other units at this station or at other compressor units on its system. The removal of the appurtenant facilities will result in minimal earth disturbance and all activities will occur within existing compressor station building on the Burrillville Compressor Station site.

Notice and Interventions

Algonquin's application was noticed by publication in the *Federal Register* on December 27, 2017 (82 Fed. Reg. 61,291). Interventions and protests were due January 10, 2018, as provided in section 154.210 of the Commission's regulations.⁸ The Town of Burrillville, Rhode Island, National Grid Gas Delivery Companies, NJR Energy Services Company, and New Jersey Natural Gas Company filed timely, unopposed motions to intervene. The Town of Burrillville, Rhode Island states that its residents will be directly

⁴ Algonquin Gas Transmission Co., 52 FERC ¶ 61,001 (1990).

⁵ Algonquin Gas Transmission Co., 52 FERC ¶ 61,257 (1990).

⁶ Algonquin Gas Transmission Co., 97 FERC ¶ 62,152 (2001).

⁷ Algonquin Gas Transmission LLC, 150 FERC ¶ 61,163 (2015).

⁸ 18 C.F.R. 154.210 (2016).

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impacted by Algonquin's proposed changes to the Compressor Station and reserved to file comments about several issues but as of the date of this order has not yet done so. Timely, unopposed motions to intervene are granted by operation of Rule 214 of the Commission's Rules of Practice and Procedure.⁹

Environmental Analysis

Environmental review of this proposal under section 380.4 of the Commission's regulations¹⁰ confirms that the abandonment authority requested under Part 157 qualifies as a categorical exclusion under section 380.4(a)(36).

Findings

At a hearing held on the date of issuance noted above, there was received and made a part of the record in this proceeding all evidence, including the application and exhibits thereto, submitted in support of the authorization sought herein.

Since the subject facilities have been or will be used to transport natural gas in interstate commerce subject to the Commission's jurisdiction, the proposed abandonment, construction and operation of the facilities are subject to the requirements of section (b) of section 7 of the NGA.¹¹ Section 7(b) of the NGA provides that an interstate pipeline company may abandon jurisdictional facilities or services only if the Commission finds the abandonment is permitted by the present or future public convenience or necessity.¹²

When an applicant proposes to abandon facilities, the continuity and stability of existing services are the primary consideration in assessing whether the public convenience or necessity permit the abandonment.¹³ If the Commission finds that an applicant's proposed abandonment for particular facilities will not jeopardize continuity of existing gas transportation services, it will defer to the applicant's business judgment.¹⁴

⁹ 18 C.F.R. § 385.214(c) (2015).

¹⁰ 18 C.F.R. § 380.4(a)(36) (2015).

¹¹ 15 U.S.C. § 717f(b), (c) (2012).

¹² *Id.* § 717f(b) (2012).

¹³ See, e.g., El Paso Natural Gas Co., L.L.C., 148 FERC ¶ 61,226, at P 12 (2014).

¹⁴ See, e.g., *Trunkline Gas Co.*, 145 FERC ¶ 61,108 at P 65 (*citing Northern Natural Gas Co.*, 142 FERC ¶ 61,120 (2013)).

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Algonquin has demonstrated that its proposed abandonment will not result in a disruption of service to any customer. The two compressors are outdated and not needed to maintain service on its system. There will be no impact to existing shippers. In addition, no customer has objected to the proposed abandonment. In view of these considerations, this order finds that the public convenience or necessity permits Algonquin's proposed abandonment two reciprocating compressor units and related appurtenances.

This action is taken under 18 C.F.R. § 375.308 and it is ordered that:

(A) Permission and approval of the proposed abandonment by Algonquin is granted, as more fully described in the application and in the body of this order.

(B) Algonquin shall notify the Commission's environmental staff by telephone, e-mail, and/or facsimile of any environmental noncompliance identified by other federal, state, or local agencies on the same day that such agency notifies Algonquin. Algonquin shall file written confirmation of such notification with the Secretary of the Commission within 24 hours.

(C) Algonquin shall notify the Commission within 10 days of the date of the aforementioned abandonment.

(D) This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order pursuant to 18 CFR § 385.713.

Pamela J. Boudreau Acting Director Division of Pipeline Certificates Office of Energy Projects

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