January 4, 2016

John F. Pacheco III, President
Town Council
Burrillville Town Hall
105 Harrisville Main Street
Harrisville, RI 02830

RE: Algonquin Gas Transmission, LLC - Access Northeast Project
Initial Draft Resource Reports 1 and 10
Federal Energy Regulatory Commission ("FERC")
Pre-filing Docket No. PF16-1-000

Dear John F. Pacheco III:

Algonquin Gas Transmission, LLC ("Algonquin") is seeking a certificate of public convenience and necessity ("Certificate") from the Federal Energy Regulatory Commission ("FERC" or the "Commission") pursuant to Section 7(c) of the Natural Gas Act 1 ("NGA") to construct, install, own, operate, and maintain the Access Northeast Project 2 ("Access Northeast" or the "Project"). Algonquin also seeks authorization to abandon certain facilities under Section 7(b) of the NGA 3. As part of this Project, Algonquin will upgrade and expand the existing Algonquin pipeline system and construct a liquefied natural gas ("LNG") storage facility in New England to deliver, on peak days, up to an additional 925,000 dekatherms per day ("Dth/d") of natural gas. The Project is designed to meet the capacity needs of natural gas fired electric generating units as coal and nuclear electric generating units retire. Access Northeast will be implemented in phases, with the initial phase currently projected to be in-service by November 1, 2018. Phasing Project construction over several years will allow New England’s natural gas-fired generators to begin acquiring firm transportation capacity as soon as possible while phasing in the full project capacity and associated costs over a longer period.

The Project includes the construction of approximately 123.22 miles of pipeline facilities, modifications at seven existing compressor stations 4, the construction of one new compressor station, associated pipeline facilities including metering and regulating ("M&R") stations and the construction of an LNG liquefaction, storage, and vaporization

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2 The Access Northeast Project is being developed by Algonquin, whose members are Spectra Algonquin Holdings, LLC, Eversource Gas Transmission LLC and National Grid Algonquin LLC.
4 The Weymouth Compressor Station in Norfolk County, Massachusetts, which will be constructed and operational as part of the Atlantic Bridge Project under CP16-9-000, will be modified as part of the Access Northeast Project.

www.spectraenergy.com
facility ("Access Northeast LNG Facility"). These proposed Project facilities will be located in New Jersey, New York, Connecticut, Rhode Island, and Massachusetts.

On November 17, 2015, FERC approved Algonquin’s request to utilize the pre-filing National Environmental Policy Act ("NEPA") review process for the Access Northeast Project under Docket No. PF16-1-000. On December 17, 2015, Algonquin filed its initial draft Resource Report 1 – Project Description and Resource Report 10 – Alternatives with the FERC for the Project. Enclosed for your review on DVD are the initial draft Resource Reports 1 and 10 that were filed with the FERC. These pre-filing documents are also available online at FERC’s web site using the “elibrary” link at www.ferc.gov using the Docket No. PF16-1-000.

Written comments regarding the proposed Access Northeast Project should be sent to:

Federal Energy Regulatory Commission
Office of the Secretary
888 First Street, NE
Washington, D.C. 20426

With a copy to:

Federal Energy Regulatory Commission
Office of Energy Projects
Division of Gas- Environment and Engineering
Gas Branch 1, Office 6J-06
888 First Street, NE
Washington, D.C. 20426
ATTN: John Peconom, FERC Project Manager

We encourage your continued cooperation throughout this process. Please do not hesitate to contact me at (617) 560-1444 if you have any questions.

Sincerely,

[Signature]
John P. Sheridan
Director State Government Affairs
MEMORANDUM

TO: MICHAEL WOOD, TOWN MANAGER, BURRILLVILLE
FROM: LEAH J DONALDSON, ESQ.
SUBJECT: FERC INTERVENTION PROCESS & BURRILLVILLE AS ALTERNATIVE LNG SITE
DATE: JULY 6, 2016

The purpose of this memorandum is to set forth research related to the Town’s options for intervening in the Federal Energy Regulatory Commission (FERC) docket related to Spectra/Algonquin, as well as research related to Spectra investigating Burrillville as an alternative site for its LNG facility, which is currently proposed for Acushnet, Massachusetts.

FERC INTERVENTION PROCESS

With regard to the Access Northeast Project, it is currently too early to file as an intervenor. We expect to be permitted to intervene, if the Town chooses to do so, in November or December 2016.

The Access Northeast Project presently has only pre-filing (PF) status. There is no mechanism for intervention into a PF docket because there is no application officially before FERC. Nevertheless, the Town took advantage of the opportunity to submit written comments to FERC in the PF docket. The Town’s written comments raised issues we are asking Spectra/Algonquin to resolve during the pendency of the PF docket.¹

Algonquin intends to file its formal application for the Access Northeast Project in November 2016. When the formal application filing is made, FERC will evaluate progress made during the pre-filing process, based in part on Algonquin’s success in resolving issues raised during the pre-filing process. Only then will FERC open a certificate proceeding (CP) docket for the project.

Once a CP docket has been opened, the Town has the option to intervene in the docket. The deadline to intervene is usually 21 days after the FERC’s notice of the application in the Federal Register.

Late intervention may be permitted for good cause, but interested parties may not hold back awaiting the outcome of the proceeding or intervene only when events take a turn not to their liking. FERC is more liberal in granting late intervention at the early stages of a proceeding, but it is FERC policy to generally deny late intervention after the issuance of a final order in a proceeding.

Intervention is discussed in detail within Rule 214 of FERC’s Rules of Practice and Procedure. (CFR §385.214). In part, Rule 214 requires any person seeking to intervene, other than certain designated exempt entities, to file a motion to intervene.

¹ Attached please find the Town’s letter to FERC, dated May 31, 2016.

Confidential // Attorney Work Product
Such a motion must state:

- movant’s position, if known, and the basis in fact and law for that position;
- movant’s interest in sufficient detail to demonstrate that:
  - the movant has a right to participate conferred by statute or rule;
  - the movant represents an interest which may be directly affected by the outcome of the proceeding; or
  - the movant’s participation is in the public interest.

If no opposition is filed within 15 days after a timely filed motion to intervene is submitted, the movant becomes a party. If an opposition is filed within 15 days, the movant becomes a party only when the motion is expressly granted.

Once a party, the Town would be included on the official service list for the docket, could participate in discovery, would be permitted to file motions, and would have the right to request a rehearing from FERC orders and seek relief of final agency actions in the U.S. Circuit Court of Appeals.

BURRILLVILLE AS POSSIBLE ALTERNATIVE TO ACUSHNET LNG SITE

Spectra is proposing a new liquid natural gas (LNG) storage facility as part of the Access Northeast Project. Spectra has selected Acushnet as the proposed location for the LNG site. However, part of the requirements for LNG project authorization includes identifying alternative sites considered for the location of any major new aboveground facilities and providing sufficient comparative data to FERC to justify the selection of the proposed Acushnet site.

In its draft Resource Report 10 submitted to FERC in December 2015, Spectra set forth a detailed comparison of Burrillville as an alternative site for the LNG facility, including a chart comparing Burrillville to Acushnet. Starting on page 10-42 of the draft report, Spectra acknowledges that Burrillville would be preferable to Acushnet in a few select factors, including: site size, rural location, distance from nearest schools, and number of property owners within ½ mile. However, Spectra lists many additional factors where Burrillville is less preferable than Acushnet, including: distance to nearest highway, distance to nearest public recreation site, acres of site in floodplain, and streams on edge of the site (Acushnet) rather than crossing center of the site, requiring relocation of the stream (Burrillville). Additionally, making the Burrillville LNG site viable would cost approximately $244 million more than the Acushnet location. This is due to the amount of additional new looping pipeline and compressor facility improvements that would be required to make the Burrillville location viable.

In its April 2016 Supplemental Project Information Filing for the Access Northeast Project, Spectra/Algonquin set forth the areas that were studied as possible alternative sites, as well as its site selection criteria.

Within the study area, Spectra identified 30 potential alternative sites (including Burrillville and Spectra’s preferred Acushnet location). Spectra conducted a “desktop environmental analysis” on all

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2 Attached please find relevant excerpts from Spectra’s December 2015 filing.
30 sites to reduce the number of sites and focus on sites that have “the fewest environmental and stakeholder impacts.” The following constraints were considered in this analysis:

- Whether the site was predominantly Article 97/Designated Open Space Land;
- Whether the site is designated an Area of Critical Environmental Concern;
- Whether the site is a FEMA Special Flood Hazard area;
- Number of property parcels/landowners;
- Private versus municipal ownership;
- Presence of certified vernal pools/ponds;
- Presence of streams;
- Surface Water Protection Zones;
- MassDEP Wetlands;
- Outstanding Resource Waters;
- NHESP Priority Habitat;
- Zoning and land use;
- Recreational and protected open space restrictions;
- Site access between major highway and site;
- Site topography; and
- Distance of site from existing pipeline.

After the initial environmental screening, only five sites remained. Burrillville was one of the five sites remaining.

Spectra wrote the following about the Burrillville site:

“Algonquin began evaluating alternative sites as far west as its Burrillville Compressor Station, which offers a large site already owned by Algonquin. The Burrillville, Rhode Island alternative site is located adjacent to Algonquin’s existing Burrillville Compressor Station. Due to its location, any LNG service that would be pulled into on the G-System and Algonquin’s mainline pipelines from the proposed LNG facility site would have to be pushed from the alternative site at Burrillville using Algonquin’s mainline pipelines that, to this point in the Project development, have been designed to carry 195,000 Dth/d. The location of the LNG site at Burrillville would require that Algonquin’s mainline pipelines carry an additional 225,000 Dth/d for a total of 420,000 Dth/d. To render the same service as that provided by the proposed [Acushnet site], additional upgrades would be required including: the installation of a total of approximately 17.7 miles of new pipeline […] plus additional horsepower at the proposed Rehoboth Compressor Station.

See Access Northeast April 2016 Supplemental Project Information Filing, FERC Docket No PF16-1-000 (pg 8)

At this time, we understand – via contacts at Spectra – that all of the Rhode Island LNG storage site options are off the table. We expect Spectra’s written filing that confirms this (including their qualitative analysis that supports their choice of Acushnet) to be filed with FERC on July 22, 2016.
Town's Letter to FERC
Dated May 31, 2016
By electronic filing

May 31, 2016

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

Re: Access Northeast Project – Docket No. PF-16-1-000

Dear Secretary Bose:

We are writing with regard to the Access Northeast Project (“ANE Project”) proposed by Algonquin Transmission, LLC (“Algonquin”). As members of the Town Council of Burrillville, Rhode Island (“the Town”), we represent approximately 16,000 Rhode Island residents who will be impacted by this project, specifically by Algonquin’s proposal to install additional compression and cooling at the existing Burrillville Compressor Station.

The Town Council is obligated to protect the health and welfare of all Town residents. We are especially concerned about (1) noise levels (and related vibration), (2) air emissions during operations, (3) site security during construction and operations, (4) blast radius surrounding the facility, (5) formal process to inform abutters and the Town of events, and (6) additional financial burdens on the Town.

The Burrillville Compressor Station currently consists of two compressor buildings, along with associated office/warehouse, auxiliary, fuel gas, garage, and products storage buildings.

- An original building housing five (5) compressor units:
  - Three (3) Clark TLA-8 gas engines installed in 1961,
  - Two (2) Solar T-7000 gas turbines installed in 1991

- A newer compressor building housing one (1) compressor unit:
  - A Solar Mars 100 gas turbine installed in 2015 during AIM project.

It is our understanding that Algonquin’s ANE project, as proposed, includes:

- Constructing a 9,800 square foot extension to the new compressor building, for a total of 17,000 square feet;

1 See Algonquin Response to Staff Environmental Data Request Dated April 28, 2014, Response 14, Docket Nos PF13-16-000 / CP14-96-000 (FERC PDF 20140519-5232).
2 Id.
• Installing a new Solar Taurus 60 gas turbine compressor unit in the new building (in addition to the existing Solar Mars 100 compressor unit);
• Demolishing part of the older compressor building;
• Removing three (3) existing Clark TLA-8 reciprocating engines from the older building; and
• Installing a new Solar Taurus 70 gas turbine compressor unit in the old building (in addition to two (2) existing compressor units).

NOISE LEVELS:

Burrillville residents who live in the vicinity of the compressor station have expressed concerns about the noise and vibration attributable to the Burrillville compressor station. Algonquin admitted that – as of April 28, 2014 – the noise level attributable to the Burrillville compressor station exceeded 55 dB(A) average day-night sound level at the nearest noise-sensitive area.\(^3\) It is likely that installation of additional gas turbine compressor units, as proposed, will only increase the noise and emissions unless properly mitigated.

The Town’s noise ordinance sets a maximum single level equivalent of 53 dB(A) during the day and 43 dB(A) for all other times in residential use districts.\(^4\) The Town requests that – as part of the ANE project – Algonquin be required to modify the existing Burrillville Compressor Station such that it fully complies with the Town’s noise ordinance.

Mitigation alternatives could include replacement of older compression units, sound absorbing insulation, equipping engine exhaust and air intake systems with extra silencers, and reducing gas velocity with larger piping. The Town requests that a full site assessment be completed for the purposes of identifying and evaluating methods to reduce and/or eliminate noise emanating from the compressor station and related facilities. The Town would like to conduct, or fully participate in, such a study. This study should be funded by Algonquin.

We understand that Algonquin is required to submit a noise survey to FERC within 60 days of placing a new or modified facility into service. The Town requests that Algonquin be required to provide the Town with copies of all noise survey results related to the Burrillville Compressor Station, including the AIM project and the ANE project, as soon as the results are available.

AIR EMISSIONS:

We understand that the Commission has already identified air quality and emissions as issues to review and evaluate within the EIS, including alternatives to limit emissions. The Commission should ensure that it considers the aggregate (existing and proposed) cumulative emissions from compressor stations, pipelines and other Algonquin infrastructure within the Town and surrounding areas.

The Town requests that an independent air emissions baseline assessment, funded by Algonquin, be conducted by an independent expert in the areas directly impacted by the existing and proposed compressor stations. The Town further requests that continuous emissions monitoring be conducted and the results of such monitoring be made available to the Town and the public in a transparent manner.

\(^3\) See Algonquin Response to Staff Environmental Data Request Dated April 28, 2014, Response 14, Docket Nos PF13-16-000 / CP14-96-000 (FERC PDF 20140519-5232).
\(^4\) Burrillville Code of Ordinances, Article II, Section 16-31 et seq.
The Town further requests that the best available mitigation technologies and practices be required to be installed on all components of the existing and proposed expansion of the Burrillville Compressor Station, including electronic compressor engines, zero emission dehydrators, blowdown prevention, vapor recovery units, and methane capturing equipment and practices outlined by the U.S. Environmental Protection Agency.

Algonquin reports that it is in the process of evaluating the feasibility of installing electric driven compressor units for the ANE Project at the Burrillville Compressor Station. The Town requests that as part of the ANE project – Algonquin be required to replace all existing compressor units (except the newly installed Mars 100 unit) at the Burrillville Compressor Station with electric-driven compressor units. If gas driven engines are used instead of the preferred electric engines, the Town requests that selective catalytic reduction be installed.

SITE SECURITY:

The security of the compressor station, related equipment, and pipeline located in the Town are of utmost importance to the safety of our residents. According to the U.S. Department of Homeland Security, oil and gas pipelines have been a favored target of terrorists outside the United States. While there is no specific credible reporting indicating that similar attacks will occur in the United States, the fact that such attacks have occurred abroad raises the possibility that similar attacks could occur here.

In addition, any person(s) having unauthorized access to the site could create unintended catastrophic consequences – whether done maliciously or inadvertently. A security plan should implement measures to enhance deterrence (e.g. fences and on-site security personnel) and mitigate vulnerabilities against any manmade or natural disruptions (e.g. visual monitoring via cameras, emergency shutdown, and fire protection systems).

The Town requests that Algonquin create a comprehensive security plan that ensures the prevention and/or quick detection of any physical or cyber intrusion or attack, as well as the mitigation of consequences of such an event.

BLAST RADIUS:

Because of the flammability of methane, the compressor station and surrounding pipeline are at risk of an explosion. The Town requests that a comprehensive, independent risk assessment of a potentially catastrophic explosion at the compressor stations in the Town be conducted and made publicly available. The assessment should determine the potential blast radius and identify all property within the blast zone. The assessment should also examine the capacity for local first responders and hospitals to respond should there be an explosion at the compressor stations, or along pipeline in the Town. Such an assessment should be funded by Algonquin.

NOTIFICATION PROCESS:

There is currently no formal notification process in effect for planned compressor station and other infrastructure blowdowns. The Town requests that Algonquin provide adequate advance notification to all nearby landowners and the Town of all planned full or partial blowdowns and releases of facilities within or near the Town. We suggest at least 48-hours-notice via phone, email and/or text message. The Town further requests notification within 30 minutes to all nearby landowners and

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the Town following any unplanned release. Electronic notification systems exist which would make such group notifications possible with very little effort on behalf of Algonquin.

Currently, neither the Town nor nearby residents are notified in advance of blowdowns and similar events. This results in unnecessary calls to 911 when residents hear explosions, and the unnecessary expense to the Town responding to these calls. Advance notice would allow the Town to alert all police, fire departments and municipal officials and prepare for and respond to such events in an informed manner. Similarly, advance notice would prevent nearby landowners from reacting fearfully to such events.

FINANCIAL BURDENS:

Algonquin should not be permitted to impose additional financial burdens on the Town as a result of the ANE project, including, but not limited to: infrastructure damage to roads, bridges, culverts, water mains, utilities; cost increases necessary for emergency response enhancements; and loss of tax revenues associated with decreases in property values and/or usage.

The Town requests that Algonquin provide a full, independent cost analysis of the procurement of emergency supplies, equipment and training for local first response teams to respond to events related to the ANE project, including potential fires, spills, leaks, explosions, blowdowns and evacuations. The Town further requests that Algonquin provide proof of adequate insurance from an A-rated carrier or self-insurance represented by adequate segregated cash reserves for all potential costs and expenses involved with mitigating damages resulting from any ongoing negative effects, damage, or incident related to the ANE Project.

Thank you for your consideration on this important matter. If the Town can be of assistance, please do not hesitate to contact us.

Sincerely,

John F. Pacheco III
President, Burrillville Town Council

Cc: Michael Wood
    Oleg Nikolyszyn
    Michael McElroy
    Leah Donaldson
Excerpt from Spectra’s Resource Report 10
Dated December 2015
Because of the lack of storage, lack of on-demand response capability, and dependence on imported LNG, the deep water ports do not meet the Project’s Purpose and Need and were eliminated from consideration.

10.10.2 Alternative LNG Storage Sites

Algonquin considered an alternative site in Burrillville, Rhode Island, as a potential alternative site for development of a new LNG peaking facility. Algonquin owns a large parcel of land at the site of its existing Burrillville Compressor Station. The site was considered viable given its size and its proximity to Algonquin’s pipeline system.

Figure 10.10-1 shows the location and boundaries of the Burrillville Site. Table 10.10-1 provides summary comparison of the Burrillville Site with the proposed Access Northeast LNG Facility in Acushnet ("Acushnet Site").

As shown in Table 10.10-1, approximately 78 percent of the Burrillville Site is forested, over 48 acres (about 10 percent) are floodplain and 92 acres (20 percent) are wetland. The floodplain and wetlands occur primarily in the northeastern portion of the site. Although a large portion of the site is upland, construction and operation of the proposed LNG facility on this site would be likely to impact four streams. Given the location of Algonquin’s existing pipeline, which bisects the upland portion of the Burrillville Site, and a 345 kilovolt electric transmission line across the northwest corner, it is likely that at least one of the streams would need to be relocated and that some LNG facilities would have to be sited in the site’s wetlands and floodplain. In contrast, although a larger proportion of the Acushnet Site (approximately 35 percent) is wetland, the wetlands occur primarily on the east and west sides of the site, which will allow for some avoidance with careful siting of facility components. Further, there are no floodplains on the Acushnet Site and the only stream is located along the site’s northern border and is outside of the area that would be affected by either construction or operation of the LNG facilities.

From a land use perspective, the Burrillville Site is in a more rural area than the Acushnet Site and further away from the nearest school and residences.

A benefit of the Acushnet Site is its proximity to the existing Eversource LNG storage facility (immediately adjacent to the proposed site), which indicates that first responders in the local community understand and are familiar with LNG. The Acushnet Site is also farther away from major recreation areas than the Burrillville Site, which abuts Rhode Island’s George Washington Wildlife Management Area along its southern boundary. The management area contains numerous hiking trails, two of which, the Munyon and Richardson Trails, run close to the southern site border. The Wildlife Management Area also contains a campground about 2 miles south of the Burrillville Site. The nearest state-owned recreation area to the Acushnet Site, Acushnet Cedar Swamp, is more than 2.5 miles southwest of the site. Pulaski Park, a neighborhood park, is approximately 0.5 mile southwest of the Acushnet Site.

From an access perspective, the Acushnet Site is superior to the Burrillville Site. By road, Interstate 295 around Providence, Rhode Island, is the closest divided, limited access highway from the Burrillville Site. To get from the highway to the Burrillville Site, construction materials and equipment deliveries would have to travel over more than 15 miles of local roads through residential and commercial areas, adversely impacting local communities through which the trucks would travel and potentially damage the roads.

Route 140, a divided, limited access highway also referred to as the Taunton-New Bedford Expressway, is only about 1.4 miles west of the Acushnet Site (by road) and, although construction traffic will affect communities through which it travels, the impacted area will be significantly smaller (1.4 miles for Acushnet versus 15 plus miles for Burrillville).
While Algonquin’s existing pipeline crosses through the Burrillville Site, engineering investigations found that existing system constraints in other parts of Algonquin’s system would need to be overcome to ensure that an LNG facility at this site could provide the needed natural gas to all of the power plants currently targeted to be served by the proposed Access Northeast Project. To address these constraints and meet the peak demand requirements, a larger compressor (increased size from a Taunton 70 to Mars 100) would be required at the proposed Rehoboth Compressor Station than is currently planned and about 17.7 miles of new pipeline (looping) would need to be added to the Access Northeast Project. In addition to the greater environmental impacts that would occur as the result of construction of the additional 17.7 miles of looping pipeline, the cost impact of constructing these added facilities would be approximately $294 million. In contrast, the Acushnet Site location minimizes the amount of additional system upgrades and construction that would be required to meet the peaking demand requirements of all of the power plants to be served by the Access Northeast Project. From the Acushnet Site, natural gas would be able to be delivered to all currently identified power plants with only the construction of about 2.86 miles of new pipeline (the Acushnet 24-inch Connector). The cost for development of the Acushnet 24-inch Connector is anticipated to be about $50 million.
Based on a comparison of Burrillville and Acushnet Site attributes, the Acushnet Site was identified as the preferred site for LNG facility development for the following primary reasons:

- There will be no impact on streams or floodplains from development of an LNG storage facility at the Acushnet Site.

- The Acushnet Site is consistent with and adjacent to an existing LNG facility that has operated in this location for more than 40 years – first responders are already educated about and familiar with LNG.

- Construction of the approximate 2.86 mile-long Acushnet 24-inch Connector required to connect the Acushnet Site with the Algonquin system will cause significantly less environmental impact than would result from construction of 17.7 miles of the new pipeline looping that would be required for the Burrillville Site, and be completed at significantly less cost.

- Site access for delivery of construction equipment and materials will be more direct and will cause less off-site impact to local communities (1.4 miles to highway from Acushnet versus more than 15 miles for Burrillville).

10.11 Future Considerations Regarding Alternatives

Algonquin understands that as the Access Northeast Project moves forward through the FERC Pre-filing review process and Certificate proceeding, the proposed Project facilities will be examined more closely by affected parties. Those parties may raise some additional concerns and issues and, as a result, Algonquin may propose additional alignment changes and adjustments to facility layouts. Algonquin remains open to the consideration of such alternatives and will continue to investigate and evaluate viable alternatives.