



rethink energy Investments

Exploring Investment Risks of Fossil Fuel Infrastructure

Examining the risks of new pipeline proposals in New Jersey, a battleground state for companies seeking to market gas from the Marcellus Shale in Pennsylvania.

June 2017

Pipelines, Energy Investments Prominent Topics in New Jersey Gubernatorial Race

Both gubernatorial candidates who emerged from the recent New Jersey primary election have spoken critically of the pipelines proposed for the state, as well as the way they're reviewed.

Republican candidate Kim Guadagno alluded to the current haphazard pipeline review system, stating: ³We need a right way of making sure that pipelines are put in the right place in the right way, and it needs to be an overarching, evidence-based program.²

Democratic candidate Phil Murphy took the criticism a step further. At a recent town hall meeting in Lambertville, Murphy spoke out against the building of the PennEast pipeline saying, "I'm against it. Period. Full stop." Murphy fails to see how the self-dealing project benefits the public.

Energy issues were prominent during the primary election and debates with multiple candidates from both parties raising concerns about proposed pipelines and voicing support for moving the state toward clean renewable energy. Murphy and Guadagno both voiced support for developing offshore wind.

Guadagno and Murphy could join a long and growing list of bipartisan state, federal and local elected officials in New Jersey who have expressed grave concerns about PennEast, including U.S. Senators Cory Booker and Bob Menendez (D),

Congresswoman Bonnie Watson Coleman (D), Congressman Leonard Lance (R), and state Sen. Kip Bateman (R-16).

NJDEP June 26 Deadline for Incomplete PennEast Application Looms

In late April, New Jersey Department of Environmental Protection (NJDEP) rejected PennEast's application for a water-quality permit. It gave the company 30 days to revise the application and said it would deem the application withdrawn if it did not receive the information within 60 days.

That 60-day deadline is approaching on June 26.

In a [letter sent to FERC on May 25](#), NJDEP notified FERC that PennEast's application had been deemed incomplete and reiterated the many deficiencies in PennEast's data that they had noted throughout the FERC process. NJDEP said, "The Department has not been presented with information detailing site-specific impacts, mitigation and restoration plans based on completed surveys for the entire proposed pipeline route."²

Today, a bipartisan group of 31 local elected officials [sent a joint letter to NJDEP Commissioner Bob Martin](#), saying they oppose PennEast because of the threats it poses to health, safety, property rights, and natural and historic resources. They urged Martin to reject PennEast's incomplete permit application, reminding Martin that there's no demonstrated need for PennEast, which would create "significant, unacceptable damage."

Enbridge Warns of PennEast Risks at Customer Meeting, Acknowledges "Coalesced" Opposition to Pipelines

In the wake of PSEG's divestiture of its 10 percent stake in the PennEast pipeline to Spectra Energy, Enbridge (Spectra's parent company) recently updated its customers about mounting opposition to the PennEast project. In a regulatory update by Enbridge's manager of rates certificates, the company addressed the impact of the opposition and stated that "various arguments have coalesced into general widespread anti-pipeline sentiment." Enbridge highlighted the following activities:

- Increased stakeholder actions, particularly in populated areas
- Opponents are taking their fight to other federal and state permit proceedings (in addition to opposing FERC's issuance of certificates)
- Celebrities are accelerating the message of opposition via social media channels

The Enbridge presentation included photos of anti-fossil fuel rallies and paraphrased the strong objections of opponents:

Opposition Resulting in FERC Review Delays

During its presentation to customers, Enbridge also underscored that recently "FERC's review times trended longer" and used two Enbridge projects as examples - specifically Texas Eastern OPEN (17-month FERC review) and Algonquin AIM (20-month FERC review). Regarding the Algonquin AIM project, Enbridge stated: "opposition continues to fight the project (even) after certificate issuance and in-service".

About

ReThink Energy Investments is a publication of ReThink Energy NJ. The newsletter looks at the risks facing new pipeline proposals in New Jersey, a battleground state for companies seeking to bring to market natural gas from the Marcellus Shale.

ReThink Energy NJ empowers New Jersey citizens by informing them about the need for reduced use of fossil fuels and pipelines that threaten our state's preserved lands, water, environment, public health, and communities. Our goal is a swift transition to efficient, clean and renewable energy.

ReThink Energy NJ is supported by New Jersey Conservation Foundation, Stony Brook-Millstone Watershed Association and Pinelands Preservation Alliance.

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