



# 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.*

---

## November 2017

---

### On the Heels of a Murphy Win in New Jersey

*New Governor Committed to 100% Clean Energy for State*

"I'm against it. There is just no business case." -Governor-elect Phil Murphy [said of PennEast pipeline](#)

As New Jersey's Governor-elect Philip Murphy, prepares to take office in January, still ringing in the ears of PennEast oil and gas executives and energy investors are Murphy's words at a town hall meeting in Lambertville, NJ, earlier this year. Then-gubernatorial candidate Murphy voiced strong reservations about the proposed PennEast pipeline. Murphy told the audience he cannot see how the self-dealing project benefits the public. <sup>3</sup>I've met with these folks [PennEast]. There is just no business case,<sup>2</sup> Murphy said.

#### **Murphy Touts Jobs Tied to Clean Energy Economy**

As Murphy shared his positions with constituents on various important issues, he also expressed his frustration over what he referred to as Chris Christie's mismanagement of growing the state's economy and failure to create good jobs. Murphy said: <sup>3</sup>I am going to be the governor that says, "Listen we're not going to build that, but let me tell you about the five other things we are going to do with jobs."

#### **Murphy Sets Goal of 100% Clean Energy by 2050**

Whatever the purported benefits PennEast pipeline attempts to tout, Governor Murphy, who has pledged to adopt a State Energy Master Plan that will help the state achieve

100% clean energy by 2050, will ensure that such empty rhetoric is not used as a justification for approvals nor as a basis for policy.

Some highlights of his clean energy plan include:

- powering 1.5 million homes through offshore wind by 2030,
- prioritizing the expansion of solar energy,
- increasing funding and incentives for energy efficiency, and
- restoring New Jersey's place in the Regional Greenhouse Gas Initiative (RGGI).

The Murphy Administration will certainly bring an abrupt shift on energy issues to the state, with a plan that stands in stark contrast to the Christie Administration's pro-gas agenda.

---

## **PennEast Delayed Again, Still in Limbo Despite Full FERC Commission**

*Delay and Uncertainty Mount as PennEast Missing from Agency's Short List*

PennEast's previously stated in-service date of late 2018 just moved back into 2019, marking the fourth major delay for the project. In a [November 10 Q4 UGI earnings call](#), CEO John Walsh admitted that construction on PennEast could not start until at least <sup>3</sup>the end of 2018<sup>2</sup>, making it clear that there is no way the project would be able come online until at least 2019.

At FERC, the agency's house is once again in order. FERC restored its quorum back in August when Neil Chatterjee and Robert Powelson were sworn in as Commissioners. On November 2, the Senate also confirmed the nominations of Kevin McIntyre (who will serve as FERC Chairman) and Richard Glick. Yet at the time of this publication, PennEast has not been approved.

The prolonged delays spell further risk, especially given that the NJ Department of Environmental Protection closed PennEast's deficient application for permits earlier this year due to incomplete information, and PennEast still does not have survey access for much of the proposed route in New Jersey due to stalwart landowner opposition.

---

## **NJ Pipeline Opposition Gains Strength Post-Election**

With Election Day in the proverbial rearview mirror, pipeline opponents and renewable energy supporters are focused on dissuading PennEast and other pipeline developers from development in their state.

To that end, five major New Jersey environmental organizations have collaborated to put forth policy recommendations to heighten the state's review of proposed pipelines. They are calling for Governor-elect Murphy's action in three critical areas:

1. Reinstating the integrity of the Pinelands Commission and Highlands Council that are responsible for protecting these environmentally important regions in the state;
2. Enhancing the process for evaluating public need and alternatives for proposed pipelines; and
3. Fully applying New Jersey's authority under the Clean Water Act in reviewing proposed pipelines.

On the cusp of Murphy's win, Tom Gilbert, campaign director for ReThink Energy NJ, encouraged the organization's impressive following in an [OpEd for the Courier News](#):<sup>3</sup>It's critical that New Jerseyans speak up after the election. The new governor and legislators must hear from the people who put them in office by continuing to speak out against unjustified fossil fuel pipelines proposed for our state and advocate for clean and efficient energy.<sup>2</sup>

"Moving to clean, renewable energy benefits both our environment and economy," Gilbert added. "By doing so, we not only protect our air and water but also create thousands of new jobs through offshore wind, solar and energy efficiency."

---

## 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.

**For more information**, visit [rethinkenergynj.org](http://rethinkenergynj.org) and find ReThink Energy NJ on [Facebook](#) and Twitter [@rethinkenergynj](#).

Contact: Tom Gilbert, campaign director, [tom@njconservation.org](mailto:tom@njconservation.org).



ReThink Energy NJ  
<http://rethinkenergynj.org>

[Unsubscribe](#)