

RECEIVED

By Docket Room at

From: [REDACTED]
To: [FERGAS](#)
Cc: [REDACTED]
Subject: FE Docket No. 14-179-LNG
Date: **Monday, February 09, 2015 4:21:00 PM**

Dear Department of Energy,

For just about a year now I have been working with concerned citizen groups to raise awareness of the Kinder Morgan/TGP Northeast Energy Direct greenfield pipeline project. It is clear upon reading the Pieridae application (page 20 & Appendix E) that its export plans would likely depend on the completion of the Kinder Morgan Northeast Energy Direct ("NED") project and/or the alternative plan, the Access Northeast and Atlantic Bridge by Spectra Energy. These projects pose significant risk to the local environment, increase our dependency on fossil fuels when we should be transitioning to alternative energy source, assess ratepayers for the costs of pipeline construction, and send natural gas overseas instead of using it for domestic purposes, thus subjecting U.S. consumers to the volatility of the world market.

Pipeline capacity from the Marcellus shale to Goldboro sufficient to accommodate

Pieridae's plan does not currently exist. Under the National Environmental Policy Act ("NEPA") the environmental impact of a new pipeline construction must be considered. In particular, NED is not the expansion of an existing pipeline on an existing right of way; it is a greenfield project with a proposed capacity of up to 2.2 billion cubic feet per day. The new route for this project announced on December 8, 2014 would create a brand new pipeline right of way that would impinge upon the rights of thousands of homeowners and landowners to enjoy their properties. It would impact numerous private businesses such as small farms and recreation areas. It would cross conservation lands and forests. The residents of several towns in this area are dependent on either private or municipal wells for their water supply.

Approval of the Pieridae export plan would not only drive the development of large pipelines, but it could result in the depletion of natural gas winter storage and peak supply that are critical to all of New England. In 2014, natural gas "inventories fell 1,000 Bcf below the five-year average in mid-April," according to EIA

(<http://www.eia.gov/forecasts/steo/report/natgas.cfm>, accessed 2/8/15). That reduction in inventory was largely responsible for high spot prices for gas in January through October of 2014. Exporting 292 billion cubic feet of natural gas from this region would result in lower inventories of gas and thus, would contribute to higher New England gas prices than if these exports are not allowed.

A report prepared by [J. David Hughes](#) on behalf of [Post Carbon Institute](#) uses the Department of Energy's own data, but reaches a cautionary conclusion.

"Drilling Deeper: A Reality Check on U.S. Government Forecasts for a Lasting Tight Oil & Shale Gas Boom investigates whether the Department of Energy's expectation of long-term domestic oil and natural gas abundance is founded. It aims to gauge the likely future of U.S. tight oil

and shale gas production based on an in-depth assessment of all drilling and production data from the major shale plays, current through early- to mid-2014. The report determined future production profiles given assumed rates of drilling, average well quality by area, well- and field-decline rates, and the estimated number of available drilling locations."

You can find the entire report at <http://shalebubble.org/drilling-deeper/>

Here are perhaps the most significant paragraphs.

From page 4, under EXECUTIVE SUMMARY:

"This report provides an extensive analysis of actual production data from the top seven tight oil and seven shale gas plays in the U.S. (These plays account for 89% of current tight oil production and 88% of current shale gas production, and serve as the primary sources of future production in the EIA's forecasts—82% of forecast tight oil and 88% of forecast shale gas production through 2040.) It concludes that the current boom in domestic oil and gas production is unsustainable at the rates projected by the EIA, and that the EIA's tight oil and shale gas forecasts to 2040 are extremely optimistic. What this means is that the country's current energy policy—which is largely based on the expectation of domestic oil and natural gas abundance far into the future—is badly misguided and is setting the country up for a painful, costly, and unexpected shock when the boom ends."

(Note: The EIA is the Department of Energy's Energy Information Administration.)

From page 302, under SUMMARY AND IMPLICATIONS:

"The EIA's forecast strains credibility, given the known decline rates, well quality by area, available drilling locations, and the number of wells that would need to be drilled to make the forecast a reality. Given this report's "Most Likely" scenario estimate for the seven major plays analyzed, the remaining significant U.S. shale gas plays would need to produce 198.2 trillion cubic feet, or nearly 4 times the EIA's own estimate for "other" plays, by 2040. Failing to do this would jeopardize many current and future investments made on the assumption of a cheap, abundant, and long-term domestic gas supply. Most troubling from an energy security point of view is that much of the shale gas production will occur in the early years of this period, when decisions about long-term investment in exports and domestic infrastructure are being made—making any supply constraints later even more problematic.

"The consequences of getting it wrong on future shale gas production are immense. The EIA projects that the U.S. will be a significant LNG exporter in 2040 (15% of total production—see Figure 3-2). Although the flush of shale gas production is likely to peak by 2020 and decline thereafter, there are 4 approved, 13 proposed, and 13 potential 183 LNG export facilities under consideration. The wisdom of liquidating as quickly as possible what will likely turn out to be a short-term bonanza should be questioned. A sensible energy policy would be based on this prospect."

I am writing to protest the Pieridae export plan because it creates

increased demand for fracked gas and burdens the residents of New Hampshire with surrendering private property and conservation lands to eminent domain for corporate gain. Moreover it is deceptive since the construction of the NED pipeline is being promoted as being necessary to fulfill a regional need for Natural Gas in New England and even suggests that New England ratepayers should pay a tariff to construct the pipeline.

Sincerely,
Douglas Whitbeck

[REDACTED]

Mason, NH 03048

[REDACTED]