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September 21, 2015

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 02426

Re: **Tennessee Gas Pipeline Company, L.L.C., Docket No. PF 14-22-000
Northeast Energy Direct Project; Consideration of AGO study prior to
advancement of pipeline project**

Dear Secretary Bose:

I write to provide the Federal Energy Regulatory Commission (“Commission”) with a status update on the Massachusetts regulatory review of the precedent agreements between Boston Gas Company d/b/a National Grid; Bay State Gas Company d/b/a Columbia Gas of Massachusetts; and The Berkshire Gas Company (collectively the “Companies”) and Tennessee Gas Pipeline Company (“Tennessee”) for transportation service on Tennessee’s Northeast Energy Direct (“NED”) project—a 188 mile, 30-inch pipeline designed to provide up to 1.3 billion cubic feet per day (“Bcf/day”) of transportation service from Wright, New York, to Dracut, Massachusetts.¹

As you are aware, in April 2015, the Companies filed petitions with the Massachusetts Department of Public Utilities (“Department”) seeking approval of their precedent agreements. Since the beginning of these cases, the Attorney General’s Office (“AGO”) has urged the Department not to make decisions without knowing all the facts. We asked for a transparent process and a procedural schedule that would have allowed time for the parties and the public to meaningfully consider, analyze, and testify about the Companies’ petitions. Instead, the Department expedited the procedural schedule in a manner that did not reflect the precedent agreement’s lasting consequences for Massachusetts ratepayers.² The Department also limited

¹ On July 16, 2015, Tennessee’s parent company, Kinder Morgan, announced that the NED project would be scaled back to provide up to 1.3 Bcf/day, rather than the 2.2 Bcf/day originally proposed and presented to the Department.

² For example, in D.P.U. 15-48, the Department approved the Attorney General’s request to hire an expert on May 26, but required the Attorney General to file expert testimony on June 5, only eight business days later. Eight days simply was not sufficient for the Attorney General to comply with reasonable procurement practices and have the selected expert review case materials and draft testimony. The Department provided other intervenors with even less time to file testimony. Indeed, one intervenor was required to submit testimony before receiving a confidential

the evidence presented in the case by denying full intervention status to two entities whose members include legislators, municipalities and landowners.

The AGO urged the Department, in these proceedings and other related Department proceedings, to consider the interrelationship of gas and electric markets in Massachusetts and to conduct a factual analysis of future demand and cost-effective energy and efficiency resources before making any decisions regarding additional gas capacity investments. Consistent with this request, the AGO asked the Department for a stay in the proceedings to allow the Department the opportunity to consider evidence presented in related Department proceedings concerning gas capacity. The Department rejected the AGO's stay request and continued its accelerated schedule.

As you are also aware, in July, the AGO commissioned a regional study by The Analysis Group. That study is underway and will be completed by October 31, 2015. A key focus of the study is whether more natural gas capacity is needed to maintain electric reliability. In light of the pending study and its relevancy to the precedent agreements, the AGO asked the Department to reconsider and stay the precedent agreement proceedings to allow consideration of the study results. The Department denied this request.

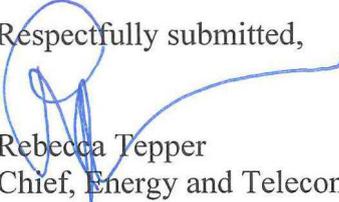
On August 31, 2015, over the AGO's objection, the Department approved all three precedent agreements. The AGO believes the Department and Massachusetts ratepayers would have benefited from a more thorough process and we are considering how to best participate in the state court appeals of the Department's approvals filed by the Conservation Law Foundation and Pipe Line Awareness Network for the Northeast.

As the state's Ratepayer Advocate, the AGO believes the Department's decision makes it more important than ever that the Commission conduct a comprehensive and meaningful examination of the need for and alternatives to the NED project. It is imperative that the Commission consider these issues, as well as the results of our study, before allowing the project to move forward. This letter provides notice to the Commission that the AGO will continue to actively participate in Docket No. PF 14-22-000, including filing detailed scoping comments by the October 16, 2015 deadline, and will file the AGO's study when released, together with commentary on the study's implications for the Commission's decision.

copy of the full petition or answers to its discovery. Despite two requests to extend the deadline from June 5 to June 12, the Department declined to amend the schedule.

The Office of the Attorney General thanks the Commission for its efforts thus far to listen to the concerns of Massachusetts residents and we urge the Commission to continue to reach out to the public and Massachusetts stakeholders. It is vitally important that any decision about the NED project be the product of a thorough and transparent process and be based on accurate data and a realistic assessment of need.

Respectfully submitted,



Rebecca Tepper
Chief, Energy and Telecommunications Division
Office of Massachusetts Attorney General