

Congress of the United States
House of Representatives
Washington, DC 20515-2104

December 12, 2019

The Honorable Neil Chatterjee
Chairman, Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Dear Chairman Chatterjee,

I am writing to follow up on my November 15 letter regarding the Weymouth Compressor Station. Algonquin Gas Transmission, LLC (Algonquin) was given a Notice to Proceed with Construction on November 27, 2019, and I ask for your immediate issuance of a Stop Work Order for the Weymouth Compressor Station along the Atlantic Bridge Project to address the continued significant concerns with the project.

On January 25, 2017, the Federal Energy Regulatory Commission (FERC) granted the Order Issuing Certificate and Authorizing Abandonment (Certificate Order) for proposed projects by Algonquin and Maritimes & Northeast Pipeline, L.L.C. (Maritimes) to construct several projects along the Atlantic Bridge Project.¹ In addition to many other requirements, the Certificate Order issued nearly three years ago required the project developers submit signed precedent agreements identifying firm contracts for capacity resulting from the project prior to commencing construction.² The Commission specifically cited these agreements as a demonstration of need for the project, and conditioned final approval on the existence of those agreements.³ It is now unclear from the record whether Algonquin has met the conditions Paragraph E, because reports indicate the multiple contracts no longer exist with the developer due to changed market demands.⁴ If those precedent agreements are no longer valid or current, then this Certificate Order condition has not been met.

Pursuant to the Natural Gas Act, FERC is required to determine whether a project is in the public interest. Understandably, the determination is based upon the balancing of several factors, including but not limited to need, environmental implications, cost to ratepayers, and the proposed route and impact on landowners. A key consideration in this process also includes market demand for the project.⁵

¹ 158 FERC ¶ 61,061 2017.

² Id. at (E).

³ Id. at (74).

⁴ <https://www.wbur.org/earthwhile/2019/11/05/weymouth-compressor-natural-gas-pipeline-demand>

⁵ 158 FERC ¶ 61,061 2017 at (74).


Previously, FERC has issued a Stop Work Order when state or federal permits were vacated or withdrawn, and conditions of a Certificate Order are no longer met. FERC has reviewed changed conditions and recognized the need to reconsider previously approved projects.

As is the case regarding the Weymouth Compressor Station, changed circumstances necessitate further FERC review, and the Commission should immediately issue a Stop Work Order to address these outstanding issues related to the precedent agreements. If the Commission conditioned approval of the project and commencement of construction explicitly upon precedent agreements for firm contracts for the gas to be supplied by this project, any change in those contracts should be rigorously reviewed by the Commission prior to allowing Algonquin to commence construction as outlined in the Certificate Order. If these precedent agreements are no longer in place, a primary justification for the need for this project under which FERC conditioned approval no longer exists.

Can you confirm the precedent agreements have been filed with FERC and remain valid for the project today? Did FERC, prior to the issuance of the Notice to Proceed to Construction, review those precedent agreements and confirm they remained in force?

Thank you for your prompt attention to this request. I look forward to your response.

Sincerely,



Joseph P. Kennedy, III
Member of Congress

CC: Commissioners Richard Glick and Bernard L. McNamee