

NEXT STEPS

We are currently conducting our environmental analysis of the Project based on the current information filed in PennEast's application on September 24, 2015, and the comments we have received from stakeholders. When we have all of the information necessary to complete our analysis and write the EIS, we will issue a Notice of Schedule for Environmental Review that will identify the date for issuing the Final EIS. See the Environmental Review Process Chart for more details on next steps.

HOW TO STAY INFORMED

Go to the FERC website at <http://www.ferc.gov>. Click on the eLibrary link, click on "General Search" and enter the docket number (i.e., PF15-1; CP15-558). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-866-208-3676. For TTY, contact 202-502-8659.

In addition, the FERC offers a free service called eSubscription that allows you to keep track of all issuances and submittals in specific dockets. Using this service can reduce the amount of time you spend monitoring our website by automatically providing you with electronic notification when new items are posted and providing direct links to the documents. To register for this service, go to: <http://www.ferc.gov/docs-filing/esubscription.asp>

PennEast also maintains a Project web page that can be viewed at: <http://penneastpipeline.com/>.

While we believe that the Internet is the best way to stay informed of the Project, we realize that not everyone has Internet access. From this point forward on this Project, issuances by the environmental staff, including the EIS document, will be mailed to the environmental mailing list in either hard copy or compact disc format.

**FEDERAL ENERGY
REGULATORY
COMMISSION**
Washington, DC
20426



**Federal Energy
Regulatory
Commission**

**Office of Energy
Projects**

PROJECT UPDATE FOR THE PENNEAST PIPELINE PROJECT

December 2015



PURPOSE

The purpose of this mailing is to provide you with an update on the environmental review of the proposed PennEast Pipeline Project (Project), explain the Federal Energy Regulatory Commission's (FERC or Commission) environmental review process, identify the issues raised, and give you an idea of what's next in our review process.

PROJECT DESCRIPTION

PennEast Pipeline Company, LLC (PennEast) proposes to construct and operate approximately 114 miles of new 36-inch-diameter natural gas pipeline and a compressor station near Blakeslee, in Kidder Township, Carbon County, Pennsylvania. The pipeline would originate near Dallas, Luzerne County, Pennsylvania and terminate near Pennington, Mercer County, New Jersey. The pipeline route would cross Luzerne, Carbon, Northampton, and Bucks Counties, Pennsylvania and Hunterdon and Mercer Counties, New Jersey. In addition, three laterals would be constructed: Hellertown Lateral (2.1-mile-long, 24-inch-diameter) in Pennsylvania; Lambertville Lateral (1.4-mile-long, 36-inch-diameter) and Gilbert Lateral (0.6-mile-long, 12-inch-diameter lateral), both in New Jersey. Associated aboveground infrastructure would include interconnect meter stations, mainline block valves, and related appurtenant facilities and equipment.

The Project would provide approximately 1.1 billion cubic feet per day of year-round transportation service from northern Pennsylvania to markets in eastern and southeastern Pennsylvania and surrounding states. The Project would extend from various receipt point interconnections, including interconnections with Transcontinental Gas Pipeline Company, LLC (Transco) and gathering systems operated by Williams Partners L.P., Energy Transfer Partners, L.P., and UGI Energy Services, LLC, all in Luzerne County, Pennsylvania to various delivery point interconnections including UGI Central Penn Gas, Inc. (Blue Mountain) in Carbon County, Pennsylvania, UGI Utilities, Inc. and Columbia Pipeline Group (CPG) in Northampton County, Pennsylvania, and Elizabethtown Gas, NRG REMA, LLC, Texas Eastern Transmission, LP (Texas Eastern), and Algonquin Gas Transmission, LLC (Algonquin), all in Hunterdon County, New Jersey. The terminus of the proposed PennEast system will be located at a delivery point with Transco in Mercer County, New Jersey.

WHERE WE ARE IN THE ENVIRONMENTAL REVIEW PROCESS

The FERC is the lead federal agency responsible for conducting the Project's environmental review. Local, state, and federal agencies have been invited to participate as cooperating agencies in the preparation of the environmental impact statement (EIS). We approved PennEast's request to use the FERC's pre-filing process on October 10, 2014. Since the August 2015 Project Update, FERC sent an additional scoping letter on August 19, 2015 to landowners due to significant route modifications and opened a 30-day comment period. FERC issued information requests on August 24, 2015 on PennEast's revised draft Resource Reports (RRs) which were submitted in July 2015. As of the filing of PennEast's application on September 24, 2015, the pre-filing process for this project has ended. On October 8, 2015, FERC issued a Notice of Application and assigned CP Docket No. CP15-558 to the Project. FERC issued environmental information requests on November 25, 2015 on the final RRs filed with PennEast's application.

We are currently conducting our environmental analysis of the proposed Project. The results of this analysis will be presented in the EIS. The EIS will describe the potential environmental effects of the Project and alternatives. It will also describe PennEast's proposed construction procedures and mitigation measures, and make recommendations for additional mitigation and/or conservation measures to avoid or further reduce effects on the environment. Staff continue to review comments submitted to the FERC eLibrary.

ISSUES IDENTIFIED

The following environmental and socioeconomic concerns have been raised during the pre-filing process of the Project:

- Purpose and need for the Project
- Impacts on forested areas including fragmentation
- Impacts on agricultural areas and soils
- Impacts on residential areas and use of eminent domain
- Impacts on recreational and public use areas including parks and nature preserves including Appalachian Trail, Sourland Conservancy, and other state-managed and preserved lands
- Impacts on preservation easements on private lands or conservation easements and property values
- Impacts on water including wells and springs, groundwater, potable water and C1 streams
- Impacts on surface waters including Susquehanna, Lehigh, and Delaware Rivers
- Impacts on wildlife and vegetation
- Impacts on federal and state-listed threatened, endangered, and sensitive species
- Geologic hazards including karst and seismic areas, and mines
- Cultural resources including historic structures
- Impacts on air quality
- Impacts related to noise during construction and operation
- Assessment of alternative pipeline routes and compressor station locations
- Cumulative impacts

FERC's Environmental Review Process (dates of completed activities are noted)

Approved Company's pre-filing request and assigned PF Docket No. PF15-1 (10/10/14)

Participated in Company's open houses to identify stakeholder concerns (11/10-13, 18/14)

Issued Notice of Intent to Prepare an EIS and opened the scoping period to seek public comments (01/13/15)

Public Input Opportunities

Conducted public scoping meeting. Consulted with interested stakeholders (02/10-12 and 02/25-26, 2015)

Conducted site review and flyover (7/27-29/15)
Review draft Resource Reports

Issued Notice of Application and assigned CP Docket No. CP15-558 after Applicant filed formal application (10/8/15)

We are here

Analyze data and prepare draft EIS

Public Input Opportunities

Issue draft EIS and open public comment period
Hold public comment meetings in the Project area to gather comments on the draft EIS

Respond to comments, revise draft EIS, and issue final EIS

Commission issues Order approving or denying the application

Public Input Opportunities

Parties can request rehearing of FERC decision

If approved and once certain conditions are met, FERC issues Notice to Proceed with construction