



August 26, 2015

Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Committee  
888 First Street NE  
Washington, DC 20426

Re: Docket CP15-558-000 Request of PennEast Pipeline Company

Dear Secretary Bose:

On behalf of the Greater Lehigh Valley Chamber of Commerce policy I am writing in support of the PennEast Pipeline project. The Greater Lehigh Valley Chamber of Commerce's (The Chamber) mission is to improve the economy and quality of life in the Lehigh Valley Metropolitan Statistical Area. With nearly 5,000 members who employ more than 200,000, the Chamber is the largest in Pennsylvania and New Jersey, and in the top ten nationwide.

The Chamber's Energy and Environment Committee was tasked to determine if the Pipeline will improve the economy and quality of life for Lehigh Valley businesses. The findings included in the attached policy have been discussed and vetted through the full Chamber. The Chamber believes that the proposed 114-mile pipeline will be a critical piece of this region's infrastructure.

As the policy notes, the PennEast Pipeline would provide long-term development opportunities, increase short- and long-term employment, have a strong economic impact, and contribute to keeping energy costs reasonable.

The Chamber encourages you to approve the PennEast Pipeline. If you have any questions, or would like additional information, please contact Michelle Griffin Young, The Chamber's Executive VP for Government and External Affairs; at 610.739.1514 or [michelley@lehighvalleychamber.org](mailto:michelley@lehighvalleychamber.org). Thank you for your consideration.

Sincerely,

T. Anthony Iannelli  
President and Chief Executive Officer  
The Greater Lehigh Valley Chamber of Commerce

Encl.

cc: Governor Tom Wolf  
Secretary John Quigley  
Senator Bob Casey  
Senator Pat Toomey  
Representative Lou Barletta  
Representative Matt Cartwright  
Representative Costello  
Representative Charlie Dent  
Representative Leonard Lance

### **Greater Lehigh Valley Chamber of Commerce Policy Statement PennEast Pipeline Project**

The Greater Lehigh Valley Chamber of Commerce's (The Chamber) mission is to improve the economy and quality of life in the Lehigh Valley Metropolitan Statistical Area<sup>1</sup>. As such, it is very concerned about retaining (and preserving) energy supplies that are reliable, economical and environmentally friendly. This is essential both for the competitiveness of our members and the well-being of residents.

In February, The Chamber Public Policy Committee's Energy and Environment Committee participated in an interactive forum to educate and engage members (representing each of the 15 regional partner chambers) about the proposed PennEast Pipeline. The Energy and Environment Committee was tasked to determine if the Pipeline will improve the economy and quality of life for Lehigh Valley businesses. The Committee's findings have been discussed and vetted through the full Chamber.

The Chamber believes that the proposed 114-mile pipeline is a critical piece of this region's infrastructure. A recent Drexel University study projected many economic benefits from the pipeline:<sup>2</sup>

- PennEast will spend \$1.9 billion on easement purchases, design and construction in a short period of time, through 2017
- This results in \$1.6 billion in additional wages, revenues and investments in PA and NJ
- Design, construction and support of the pipeline will create 12,600 construction jobs in an industry segment that is projecting significant growth and opportunity
- Workforce will contribute estimated \$17.5 million in personal income taxes during construction<sup>2</sup>
- After construction, an ongoing approx. \$23 million in annual economic impact will be felt and 98 permanent jobs supported

PennEast Pipeline estimates that residents and businesses in Eastern PA and NJ would have saved close to \$800 million in energy costs if the pipeline had been in operation for the winter of 2013-2014.<sup>3</sup>

In addition to the economic benefits resulting from construction and operation, the Penn East Pipeline will provide clean, abundant, low-cost natural gas to our greater region as well as to major manufacturers and high energy users along the pipeline route. The pipeline will carry one

billion cubic feet of natural gas per day, enough to serve approximately 4.7 million homes. It will provide natural gas to power plants in the PJM ISO, offering stability to the price of electricity across the entire grid.

Low cost energy/reasonable power costs are key factors that companies analyze when making decisions to either stay here or relocate to or from this region. The proposed pipeline is a crucial component of our ability to address that concern. In addition, PennEast has no facilities designed to export natural gas and the company has committed to use the gas in PA and NJ where there are ample local opportunities for sales.

The Committee has also weighed environmental, economic and safety concerns raised by pipeline opponents. We believe that these concerns are being addressed in a comprehensive and fair manner.

Some groups have questioned the potential environmental impact of the project. Several agencies, including the Delaware River Basin Commission, Pennsylvania and New Jersey's Departments of Environmental Protection and the Federal Energy Regulatory Commission (FERC), have the authority and responsibility to review the environmental impact and make changes to the route or stop construction entirely. PennEast has stated it will restore any displaced vegetation along the pipeline route.<sup>4</sup>

Specifically, concerns were raised by the Bethlehem Water Authority regarding potential impacts to its watershed. The pipeline's initial proposed route crossed a major water main at a point where the water main was buried at a depth of five feet, putting the pipeline and water main in close proximity. PennEast responded to this concern by relocating the pipeline crossing to a site where the water main is buried at a depth of 200 feet.<sup>5</sup>

PennEast plans to minimize disruption to farming lands by returning any stripped topsoil to its original grade so that farming activities can resume as before construction. This restoration is monitored through the FERC process and state regulatory agencies. We encourage PennEast to continue to work with businesses and individuals to resolve environmental and other issues.

According to the United States Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA), pipelines remain the safest and most reliable way to transport natural gas. Less than .01 percent of all transportation accidents in the United States are related to pipelines.<sup>6</sup> Road transport had the highest rate of incidents, with 19.95 incidents per billion ton miles per year. This was followed by rail, with 2.08 incidents per billion ton miles per year. Natural gas transmission came next, with 0.89 incidents per billion ton miles.<sup>7</sup> The PennEast Pipeline will be monitored round-the-clock through a combination of on-the-ground, aerial and computerized resources.<sup>4</sup> Data shows that while natural gas demand has increased, the frequency of serious pipeline incidents has decreased by 90 percent over the last three decades alone, primarily as a result of significant efforts by pipeline companies to upgrade and modernize infrastructure.

Therefore, in consideration of the foregoing, the Greater Lehigh Valley Chamber is in support of the proposed PennEast Pipeline Project.

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<sup>1</sup>The Lehigh Valley Metropolitan Area includes the cities of Allentown, Bethlehem and Easton, PA, Phillipsburg, NJ, and surrounding areas.

<sup>2</sup>*PennEast Pipeline Project Economic Analysis*, Drexel University and Econsult Solutions, February 2015

<sup>3&4</sup> [www.penneastpipeline.com](http://www.penneastpipeline.com)

<sup>5</sup> PennEast Moves Portion of Pipeline on Bethlehem Authority's Land, April 2, 2015

<sup>6</sup>PHMSA.dot.gov/pipeline

<sup>7</sup> *Pipelines are Safest for Oil and Gas*, Diane Furchgott-Roth, Senior Fellow, Manhattan Institute

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February 2, 2015 Energy & Environment Committee Meeting--discussed need for PennEast Pipeline Policy

February 23, 2015 PennEast Pipeline Educational Forum

March 10, 2015 Energy & Environment Committee Meeting—presentation by Stephanie Wissman of API on Pipeline

April 13, 2015 Chamber Executive Committee discussed the pros and cons of pipeline

April 14, 2015 Energy & Environment Committee reviewed first policy draft

May 12, 2015 Energy and Environment Committee approved policy statement unanimously with 1 abstention

May 20, 2015 Public Policy Committee reviewed and approved by majority vote

June 2, 2015 Distributed to Executive Committee for review

June 8, 2015 Executive Committee discussed and voted with unanimous approval

June 11, 2015 Distributed to Board of Governors for review

June 22, 2015 Board of Governors discussed and voted with unanimous approval

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