

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PennEast Pipeline Company, LLC

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Docket No. CP15-558-000

**MOTION TO INTERVENE AND
COMMENTS IN SUPPORT OF APPLICATION OF
PSEG ENERGY RESOURCES & TRADE LLC**

Pursuant to Sections 212 and 214 of the Federal Energy Regulatory Commission's ("Commission") Rules of Practice and Procedure, 18 C.F.R. §§ 385.212 and 385.214, and the Commission's October 8, 2015 "Notice of Application," PSEG Energy Resources & Trade LLC ("PSEG ER&T")¹ hereby moves to intervene in and offers comments in support in the above-captioned proceeding. In support of the foregoing, PSEG ER&T respectfully states as follows:

I. PENNEAST PIPELINE COMPANY, LLC'S FILING

On September 24, 2015, PennEast Pipeline Company, LLC ("PennEast"), filed an application requesting authorization to construct and operate a new natural gas pipeline system, including pipeline facilities, a compressor station, metering and regulating stations and appurtenant facilities in Pennsylvania and New Jersey. PennEast states that the approximately 100-mile pipeline would transport natural gas from eastern

¹ PSEG ER&T, a direct subsidiary of PSEG Power LLC ("PSEG Power"), is engaged in, among other things, the business of natural gas supply. PSEG ER&T purchases firm transportation capacity and storage services from a number of natural gas interstate pipeline companies and provides gas supply in support of the basic gas service offering of Public Service Electric and Gas Company ("PSE&G"). PSE&G is a public utility operating company, that provides distribution and serves gas to approximately 1.8 million customers in an area having a population in excess of 6 million persons and which extends from the Hudson River opposite New York City, south to the Delaware River at Trenton and west to Camden, New Jersey. PSEG ER&T, PSEG Power and PSE&G are each wholly owned direct or indirect subsidiaries of Public Service Enterprise Group Incorporated. PSEG ER&T's principal and executive offices are located at 80 Park Plaza, Newark, New Jersey 07102-0570.

Pennsylvania to New Jersey, with capacity of up to one billion cubic feet per day, and a target in-service date of November 2017.

II. INTERVENTION

In September 2014, PSEG Power obtained an equity interest in PennEast Pipeline Company, LLC. In addition, PSEG ER&T has announced that it would contract for gas delivery capability of approximately 125 million cubic feet per day on the pipeline.

PSEG ER&T purchases firm transportation capacity and storage services from a number of natural gas interstate pipeline companies, and provides gas supply in support of the basic gas service offering of Public Service Electric and Gas Company (“PSE&G”). In that capacity, and as a direct subsidiary of PSEG Power, PSEG ER&T therefore has direct and substantial interests in this proceeding that will not be represented adequately by any other party. Accordingly, PSEG ER&T should be permitted to intervene in the subject proceeding, and be made a party to the proceeding, with all rights attendant thereto.

III. COMMENTS IN SUPPORT

Natural gas provides residential, commercial, industrial, and electric generation customers with a clean and affordable domestic fuel source notable for its reliability. Advances in natural gas production technologies have made this strategic resource even more valuable, due to the quantities of recoverable natural gas supplies that have become available in close proximity to key energy markets. However, the ability to bring these gas supplies to energy users depends heavily on pipeline infrastructure.

The PennEast project will provide New Jersey with reliable access to lower cost, clean natural gas. Lower natural gas prices, coupled with an increased emphasis on

reducing environmental impacts, have led to significant growth in the demand for natural gas. The PennEast project will help meet that growing demand, by providing New Jersey with greater and more reliable access to affordable natural gas.

If the Commission timely approves PennEast's application, we expect these benefits to follow:

- a) Facilitating much-needed, year-round firm transportation capacity from abundant shale gas reserves to premium value markets;
- b) Alleviating transportation constraints that currently limit the ability of low-cost gas supplies to reach homes and businesses in Pennsylvania, New Jersey, New York, and surrounding states; and
- c) Providing economic and reliability enhancements to end users of natural gas, with minimal impact on the environment and other stakeholders.

PennEast has carefully sized its proposed project, designing a virtually fully-subscribed project capable of delivering a billion cubic feet per day of natural gas to serve as many as 4.7 million homes. The result is a firm market base with the assurance of long-term contractual commitments.

PennEast has also worked diligently with landowners, environmental advocates, and other stakeholders, to be attentive to the needs of the communities within which it will operate. To the extent possible, PennEast has sought to plan its route through existing rights-of-way, modifying over a third of its route to satisfy this goal.

Recognizing first-hand the growing need for additional supplies of natural gas, PennEast's equity sponsors took the initiative to create a stand-alone solution to help meet the infrastructure need. The equity sponsors are assuming the full market risk for this project.

Specific benefits associated with PennEast project include:

- Jobs, both temporary and permanent, will be created in surrounding communities, improving the local economies.
- Increasing the extent to which natural gas displaces other fossil fuels will reduce emissions of carbon dioxide and other pollutants.
- The addition of another large source of natural gas will enhance diversity of gas supplies.
- Flexibility will also be enhanced, since PennEast will provide another tool for operators of local natural gas transportation systems as they make day-to-day operational dispatch decisions regarding how they will utilize their pipeline capacity.
- Access to a substantial local source of natural gas supplies supports increasing reliability of the electric grid, especially as generating facilities rely more heavily on natural gas to generate electricity.

Swift action by the Commission to approve the project would make it possible for the project to go into service in 2017, enabling natural gas cost savings to begin accruing as soon as possible. Lower gas prices will also lead to lower regional electric prices, and since both forms of energy are key components of producing goods and services, the result of lower gas and electric prices will be a more economically competitive New Jersey and Pennsylvania.

PSEG ER&T therefore respectfully requests that the Commission promptly approve the proposed PennEast project.

IV. COMMUNICATIONS

Correspondence or communication with respect to this Motion may be addressed to the following:

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V. CONCLUSION

WHEREFORE, PSEG Energy Resources & Trade LLC respectfully requests that it be permitted to intervene in, and be made a party to, the subject proceedings with all rights attendant thereto, and respectfully requests that the Commission consider its comments in support as hereinabove set forth.

Respectfully submitted,

PSEG Energy Resources & Trade LLC

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Dated: October 29, 2015
Newark, New Jersey

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the official service list in accordance with the requirement of Rule 2010 of the Commission's Rules of Practice and Procedure.

Dated at Newark, New Jersey, this 29th day of October, 2015.

James E. Wrynn

James E. Wrynn
Paralegal