



CONSTITUTION PIPELINE

MEDIA STATEMENT

April 29, 2015

NYS DEC Section 401 WQC Permit Request

“During the past several years we have been working very closely with the New York State Department of Environmental Conservation (NYS DEC) to satisfy the conditions necessary for the issuance of the State’s 401 Water Quality Certification (WQC) permit – one of the last major authorizations needed prior to commencing with pipeline construction.

At the request of NYS DEC, Constitution Pipeline has withdrawn and resubmitted its 401 WQC application with no changes or modifications to allow the agency sufficient time to complete its review of potential impacts on wetlands and water quality. This is an administrative procedural action which we do not expect to delay the timing of the agency's final determination.”

We remain optimistic that we will receive final clearances so that we can begin construction of this critical piece of pipeline infrastructure in the next few months in order to help meet growing natural gas demand in New York and New England by the second half of 2016. Once complete, the pipeline will immediately become a key piece of natural gas pipeline infrastructure in the Northeast, creating an important connection between consumers and reliable supplies of lower-cost energy.”

Project Background

The Constitution Pipeline project is a 125-mile long natural gas pipeline originating in Susquehanna County, Pa., and terminating in the Town of Wright in Schoharie County, N.Y. Constitution will connect to two existing interstate natural gas pipelines at Wright: Iroquois Gas Transmission (which extends to the NYC metropolitan area) and the Tennessee Gas Pipeline (which serves markets in New England). Localities along the Constitution route, notably in Delaware and Chenango counties, also plan local distribution from the Constitution Pipeline which will lower energy costs for homeowners and businesses in those areas.

FERC Approval

The Federal Energy Regulatory Commission (FERC) on Dec. 2, 2014 issued its certificate of public convenience and necessity for the Constitution Pipeline. In its final environmental review of the proposed Constitution Pipeline, FERC concluded that environmental impacts would be reduced to “*less than significant levels*” with the implementation of proposed mitigation measures by the company and recommendations by FERC.

Water Quality & Wetlands Impacts

Constitution has worked closely with the US Army Corps of Engineers (USACOE) and the NYS DEC to insure water quality standards are met both during and after construction. Constitution has worked closely with NYS DEC and USACOE staff to insure that specific plans are in place for each stream crossing and that water quality and aquatic life are protected. In addition, Constitution will initiate six different mitigation projects (one in Pennsylvania and five in New York) located along the corridor of the pipeline route which together result in a net gain in wetland area rather than a net loss. The different mitigation types included in the mitigation plan are wetland enhancement, wetland establishment, wetland preservation and upland buffer establishment.

Job/Economic Creation

The availability of local gas service from the proposed delivery taps represents one of many direct benefits presented by the Constitution Pipeline project. A study developed by a third-party research firm found that of the \$700 million Constitution Pipeline would spend during the initial three-year planning and building process, approximately \$166 million will directly benefit the five-county region of Susquehanna, Broome, Delaware, Otsego and Schoharie counties. Once operational, the pipeline’s economic impact is anticipated to result in about \$13 million in annual property tax revenue. Property taxes, which accrue to different levels of government in different proportions, are paid to school districts and local governments. Approximately 60 percent of taxes paid by this project will benefit local school districts along the pipeline route.

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