UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Revisions to the Blanket Certificate Program	**Docket No. RM25-12-001**

MOTION TO INTERVENE AND COMMENTS OF WASHINGTON, MASSACHUSETTS, ARIZONA, CALIFORNIA, COLORADO, CONNECTICUT, ILLINOIS, MAINE, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, OREGON, VERMONT, AND THE DISTRICT OF COLUMBIA

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I. Introduction

The Attorneys General of Washington, Massachusetts, Arizona, California, Colorado, Connecticut, Illinois, Maine, Maryland, Michigan, Minnesota, New York, Oregon, Vermont, and the District of Columbia (collectively, "States") respectfully move to intervene and comment in strong opposition to the Federal Energy Regulatory Commission's blanket certificate program proposal. For most Americans, the Commission's proposal to significantly expand the scope and scale of qualifying projects under its blanket certificate program is likely to raise energy bills, increase air pollution, and cause other harms without countervailing benefits. As Americans endure a growing energy affordability crisis and suffer through increasingly frequent extreme heat, wildfires, and other disasters fueled by climate pollution, the Commission must fulfill its responsibility under the Natural Gas Act to ensure that gas infrastructure expansions are consistent with the public interest. As new data centers drive increased demand for new energy generation, potentially including new pipeline infrastructure, the Commission must ensure that new pipelines do not unfairly burden everyday consumers, the air we breathe, and the water we use.

The proposed rule does not enable the Commission to fulfill those responsibilities. The States thus urge the Commission to decline to adopt it and adopt more effective public protections in its blanket certificate program instead. As proposed, the Commission's rule would violate the Natural Gas Act, the Administrative Procedure Act, and the National Environmental Policy Act for at least four reasons:

1. The Commission's cost-based justifications for significantly expanding the scope of the blanket certificate program do not comport with the Commission's existing justification for the program: to allow for expedited review of minor, routine projects that have minimal impacts on ratepayers and the environment.
2. The rationale for doubling the cost threshold for blanket certificates is unsupported – the evidence allegedly showing that the cost of construction for blanket certificate projects has outpaced inflation is incomplete and unreliable.
3. Automatically authorizing mainline expansion projects is inconsistent with the Natural Gas Act's plain language, judicial precedent, and the Commission's current rationale for automatic authorizations. Nor is there a basis to decline to

review new or expanded facilities pursuant to the National Environmental Policy Act.

4. Removing cost limits for compressor expansions is inconsistent with the Natural Gas Act.

The States also make several recommendations. The Commission should reject the suggested restrictions on eligibility to file protests because it would be inconsistent with the Natural Gas Act and Commission policy. The Commission should also adopt a cumulative cost limit on blanket certificate projects a pipeline company may undertake in a three-year period and increase procedural protections for landowners and the public.

II. Motion to Intervene

The States hereby move to intervene and submit comments on the Commission's proposed rule concerning revisions to the blanket certificate program. *See* 18 C.F.R. § 385.214. The proposed rule would expand the scope of projects that developers can undertake without meaningful scrutiny or adequate demonstration of the public need served by the project. As the chief law enforcement officers charged with protecting the environment in their respective jurisdictions, the identified Attorneys General have a substantial interest in ensuring that communities do not face adverse environmental consequences from facilities approved under the blanket certificate program. Some of the identified Attorneys General also have an interest as their state's ratepayer advocate in protecting consumers from unnecessary rate increases from facilities approved under the blanket certificate program.

The proposed rule would allow developers to undertake major investments without adequately assessing impacts to ratepayers, at a time when consumers in the identified states are already facing unaffordable energy costs. The cost to build new natural gas infrastructure is passed on to end-use consumers in the form of higher gas transmission fees. These anticipated cost impacts compound the rising energy prices that consumers already face.

Increasing the scope of the blanket certification program would also subject communities and landowners to potential adverse environmental effects and safety hazards without adequate scrutiny. Natural gas facilities are a significant source of hazardous air pollution that harms human health, and the greenhouse gas emissions associated with gas infrastructure contribute significantly to climate pollution. Expanding compression of pressurized gas can result in fire and explosions, imposing significant safety and property damage risks, especially in low-income, rural, or minority communities. Removing opportunities for individualized review prevents the Commission from assessing the impacts of new facilities upon already burdened communities.

To ensure that unaffordable energy or environmental harms do not further burden residents within their respective states, the States oppose the Commission's proposed rule.

III. The Justifications for the Blanket Certificate Program Do Not Support the Proposed Rule

A. Blanket Certificates Rest on a Specific, Narrow Justification

The Commission created the blanket certificate program in 1982 to serve a narrow administrative purpose—to streamline review of genuinely routine and minor projects, not to exempt significant infrastructure decisions from scrutiny. As the Commission stated, "the blanket certificate program was designed to provide an administratively efficient means to authorize a generic class of routine activities, without subjecting each minor project to a full, case-specific [Natural Gas Act] section 7 certificate proceeding." Revisions to the Blanket Certificate Regulations and Clarification Regarding Rates, Order No. 686, 117 FERC ¶ 61,074, ¶ 7 (Oct. 19, 2006); *see also* Interstate Pipeline Certificates for Routine Transactions, Order No. 234, 47 Fed. Reg. 24,525, 24,255 (June 24, 1982), *cross-referenced at* 19 FERC ¶ 61,216 (stating that the procedures "increase flexibility and reduce regulatory burden").

The cost limitations in the blanket certificate program are the primary mechanism to ensure blanket authorizations are limited to routine projects with minor effects on ratepayers and the environment. When establishing the blanket certificate program in Order No. 234, the Commission stated that "the per-project cost limitations . . . provide some basis for judging whether a proposed activity is sufficiently routine and will have a sufficiently small impact on ratepayers, so that it should be approved under the streamlined procedures of the blanket certificate regulations." Order No. 234, 47 Fed. Reg. at 24,259. In its 2006 revisions to the blanket certificate program, the Commission declined to permanently double the project cost limits as requested, stating that such an increase would change "the nature of the program . . . such that the Commission could not be confident that far more expensive and extensive projects would not have adverse impacts on existing customers, existing services, competitors, landowners, or the environment." Order No. 686, 117 FERC ¶ 61,074, ¶ 35. The cost limitations thus preserve administrative efficiency while ensuring the projects exempted from case-by-case review are likely to impose negligible impacts.

The Commission has consistently acknowledged that projects with potentially significant impacts require full, case-specific review. The Commission designed the automatic authorization category under the blanket certificate program to encompass "activities performed by interstate pipelines that either have relatively little impact on ratepayers, or little effect on pipeline operations," including "minor investments in facilities which are so well understood as an established industry practice that little scrutiny is required to determine their compatibility with the public convenience and necessity." Order No. 234, 47 Fed. Reg. at 24,255. The Commission designated the category of projects subject to prior notice and protest requirements as those "in which various interested parties might have a concern." *Id.* On the other hand, the Commission excluded "[a]ctivities which may have a major potential impact on ratepayers or which propose . . . important considerations" warranting "close scrutiny and case-specific deliberation by the Commission" from the program. *Id.* And the Commission in 2006 reaffirmed that projects with a "potentially significant impact on rates, services, safety, security, competing natural gas companies or their customers, or on the environment" warrant "closer, case-specific scrutiny." Order No. 686, 117 FERC ¶ 61,074, ¶ 8.

Section 7 review is meant to provide a meaningful opportunity for affected parties to participate in a proceeding where evidence is developed, the public interest is formally weighed, and the Commission makes a case-specific finding to address these important public interests. When a project is authorized under the blanket certificate program, that opportunity is lost. Under the existing blanket certificate program, the Commission has justified the reduced scrutiny on the basis that the eligible projects are minor enough that the loss is acceptable. But here, as next described, because the scope of eligible projects is set to dramatically expand, that justification no longer applies.

B. The Proposed Rule Does Not Comport with the Blanket Certificate Program's Specific and Limited Justification

The Commission continues to acknowledge the need for case-specific review for significant projects in the proposed rule, which acknowledges that activities with a "potentially significant impact on rates, services, safety, security, competing natural gas companies or their customers, or on the environment" merit closer, case-specific scrutiny. Revisions to the Blanket Certificate Program, 195 FERC ¶ 61,128, ¶ 3 (May 21, 2026) ("NOPR"). The proposed rule explains that cost limits ensure blanket authorization "is restricted (1) to projects that are modest in scale and routine in nature . . . and (2) to projects that will not result in unjustified increases in existing customers' rates." *Id*. ¶ 16. Evidently, the Commission recognizes that the cost cap boundary is a foundational feature of the blanket certificate program.

Despite that recognition, the Commission does not provide a reasoned basis for its proposed cost cap changes beyond reliance on a flawed study sponsored by the industry who would benefit from higher cost caps. The proposed rule significantly changes the blanket certificate program, dramatically raising the cost cap thresholds and eliminating cost caps for prior notice compressor station expansions within an existing fence line, among other changes. The Commission characterizes these changes as necessary to address inflation and rising construction costs since the program was last updated in 2006. Specifically, the Commission relies on analysis by a pipeline industry trade association, the Interstate Natural Gas Association of America ("INGAA"). INGAA's analysis represents that the median cost of pipeline and compressor station construction has grown faster than the cost limits under the blanket certificate program. The Commission concludes that those construction cost increases "warrant[] an increase in [the cost] limits in order [] to continue to meet the Commission's goals for the blanket program." *Id.*

The Commission's cost-only justifications for the proposed policy change represent a significant and unjustified departure from the original scope of the blanket certificate program, which the Commission intended to cover projects that were modest in scale and routine in nature. When an agency changes its existing policy, it must "display awareness that it is changing position" and "show that there are good reasons for the new policy." *FCC v. Fox Television Stations, Inc*., 556 U.S. 502, 515 (2009) (emphasis omitted). An "unexplained inconsistency" in agency policy renders agency action arbitrary and capricious. *Encino Motorcars, LLC v. Navarro*, 579 U.S. 211, 222 (2016) (quotation marks omitted).

Here, the Commission has not acknowledged that it is departing from its prior position. The Commission appears to maintain that blanket certificates should authorize only routine and minor projects, but simultaneously proposes blanket authorization for significant, costly projects. Nor has the Commission provided the necessary reasoned basis to support that departure. While the Commission insists that increasing the cost thresholds will "maintain the blanket certificate program's general framework and principles," it fails to explain why $85 million is an appropriate threshold for "projects that are modest in scale and routine in nature." NOPR ¶ 16 (quoting Revisions to the Blanket Certificate Regulations and Clarification Regarding Rates, 115 FERC ¶ 61,338, ¶ 58 (June 26, 2006) (2006 Notice of Proposed Rulemaking)). In its 2006 rule update, which adopted far more modest changes than those now proposed, the Commission stated that when the class of transactions under the blanket certificate program is enlarged, "there must be an assessment, and assurance, that each added class of transactions is similarly required by the public convenience and necessity." 2006 Notice of Proposed Rulemaking, 115 FERC ¶ 61,338, ¶ 16. The Commission's proposal here fails to address that prior position and—based on cost data collected by industry representatives—wholly fails to address whether the facilities swept within the expanded program meet the public convenience and necessity standard.

Moreover, the Commission has previously rejected cost increases as the sole basis for expanding the scope of blanket certificates. In considering whether to increase the cost threshold for eligible projects in its 2006 rule modifications, the Commission identified the pertinent question as "not the extent to which construction costs may have changed over the last quarter century, but whether blanket certificate activities can be expanded without compromising the program's premise that there be no significant adverse impacts on existing ratepayers, services, or the environment." *Id.* ¶ 60. The currently proposed rule reverses that framing entirely: it treats inflation, and particularly inflation associated with construction costs, as the primary and sufficient justification for the increase of the cost cap. The Commission's proposed reliance on an industry index of construction costs to annually increase the cost caps, NOPR ¶ 26, exacerbates that problem and will likely result in projects with even more significant rate impacts going forward.

Additionally, the Commission has previously warned that "increasing the scope and scale of the blanket certificate program increases the odds that projects authorized under the expanded blanket certificate program could have significant adverse impacts on the quality of the human environment." Order No. 686, 117 FERC ¶ 61,074, ¶ 43. Where the Commission previously expanded the types of projects eligible for blanket certificate treatment and approved (minor) increases to the cost cap, it has adopted "additional procedures and mitigation measures to adequately ensure against the potential for adverse environmental impacts." *Id*. Here, too, the Commission neither addresses that prior position nor provides any reasoned basis or explanation as to why expanding the pool of projects that receive blanket approval without project-specific scrutiny is unlikely to adversely impact the environment.

Because the Commission has proposed significant changes to its existing policy without a reasoned basis for those changes, adoption of the proposed rule would be arbitrary and capricious.

C. Allowing Incremental Rates Reveals the Commission's Lack of Compliance with the Blanket Certificate Program's Specific and Limited Justification

The existing framework provides that blanket certificate project costs receive a presumption of rolled-in rate treatment in future rate proceedings. This presumption has always rested on the expectation that projects meeting the criteria for this program will have a de minimis rate impact. As the Environmental Defense Fund ("EDF") noted in their initial comments, the Commission has "applied a presumption in favor of rolled-in rate treatment for the costs of blanket certificate projects because of the expected de minimis impact on a pipeline system's overall rates, i.e., the expectation that blanket certificate projects will not be subsidized by existing customers." Initial Comments of the Environmental Defense Fund in Docket No. RM25-12, at 17 (Sep. 24, 2025), eLibrary No. 20250924-5114 ("EDF Comments").

The proposed rule allows pipeline companies to charge incremental rates for projects constructed under prior notice procedures. NOPR ¶ 36. Through this proposal, the Commission implicitly acknowledges that some of the projects will have more than a de minimis rate impact. The Commission explains that allowing incremental rates maintains "the Commission's overall policy goal of ensuring that only those customers who benefit from a project bear its cost." *Id*. That policy goal is invoked when a project's costs are significant enough that rolling them in would constitute an unjustifiable subsidy. The Commission's acknowledgement that some blanket certificate projects under the proposed rule would generate significant impacts highlights how the proposed rule diverges from the purpose of blanket certificates (to allow for expedited review of projects with only minimal and routine impacts on ratepayers).

IV. The Commission's Proposal to Increase the Cost Caps for Blanket Certificate Projects Is Unsupported

The Commission's proposed increase to the cost limits for blanket certificate projects is unsupported. First, the record evidence is insufficient to find that construction costs for blanket certificate projects have significantly outpaced inflation. The Commission relies solely on a 2018 study by a trade association representing pipeline companies, INGAA. That industry study is outdated, relies on a project's estimated rather than actual cost, and incorporates cost data for project types that are not representative of blanket certificate projects. Second, even if accurate data showed construction costs have outpaced inflation (which it does not), the Commission has not shown that projects falling within the updated cost caps are unlikely to significantly impact rates. Should the Commission move forward with adjusting cost caps, it must first obtain and evaluate more accurate cost information to inform its decision.

As EDF emphasized in its initial comments, the Commission lacks a sufficient evidentiary basis for raising the blanket certificate cost thresholds. *See* EDF Comments at 13-16. EDF engaged an industry expert to analyze recent pipeline construction costs, using annual blanket certificate reports from 2022 through 2024. According to that analysis, "[f]or all pipelines analyzed, annual average per pipeline spend per blanket certificate project was $1,694,546 in 2022; $1,428,401 in 2023; and $3,316,497 in 2024." EDF Comments, Lander Aff. at 5. EDF's analysis also noted that average project costs fall "far below the prior notice cost threshold the Commission adopted in the June 2025 Order of $61,650,000 and demonstrate that the Commission had no rational basis for increasing the cost limits." EDF Comments at 16.

The Commission's proposed rule adopts and solely relies on INGAA's analysis to find that construction cost increases since 2006 support doubling the threshold. NOPR ¶ 16 (citing the INGAA Foundation, Inc., *North America Midstream Infrastructure through 2035* app. F (2018), ("Pipeline Industry Study")).[1] The Commission does not even attempt to reconcile the discrepancies between EDF's and INGAA's analyses. Indeed, the Pipeline Industry Study has several flaws, rendering it unreliable and insufficient as a basis for the proposed cost cap increases.

First, the Pipeline Industry Study does not use the best available data:

- The Pipeline Industry study uses estimated costs listed in any Section 7 certificate application through 2018, so it is already six years out of date. In contrast, the EDF analysis used more recent price estimates, analyzing project costs for a representative sample of blanket certificate projects from 2022 to 2024.
- The Pipeline Industry Study inexplicably relies on the *estimated* cost submitted with the project application, rather than the actual, final reported

[1] Available at: https://ingaa.org/foundation/resources/north-america-midstream-infrastructure-through-2035-significant-development-continues/.

costs of construction. *See* NOPR ¶ 9. Final cost reports from recent certificate projects provide multiple examples where the pipeline company's estimated costs proved inaccurate, and actual costs were significantly lower. *See* Exhibit A, Comparison of Estimated and Actual Costs. The Commission has not, and cannot, reasonably explain its decision to rely on estimated costs when actual costs are readily available.

- The Pipeline Industry Study lumps in estimated costs from a wide variety of projects that are not reflective of blanket certificate projects. A large, complex project that undergoes Section 7 review has different types of costs, and may see its costs change at rates different from a minor, routine project. For instance, costs for land, management, environmental/regulatory, and specialized labor will likely be higher for a more complex project. Additionally, as EDF emphasized in its comments, a large portion of the study's predicted cost increases come from gathering pipelines, but those pipelines generally fall outside of Commission jurisdiction. *See* EDF Comments at 14 (citing 15 U.S.C. § 717(b)). The Commission has not adequately explained why rising cost figures for large projects subject to Section 7 review or gathering pipelines necessitate an increase in the cost threshold for minor, routine projects subject to blanket certificate approval. That is especially true considering that the average cost of a blanket project falls well below the current cost threshold.

Second, as the EDF analysis explained, INGAA's inch-mile cost metric "can be misleading because high-cost segments disproportionately raise the average [cost]." EDF Comments, Lander Aff. at 3. A more accurate approach would be to classify the cost per inch-mile across different classes of construction environments, allowing the Commission to gain a clearer picture of costs across rural, suburban, and urban construction environments. *Id.* Costs may have increased in certain regions or environments, but that would not justify a universal increase in cost thresholds.

In sum, EDF's study of a more recent and representative set of pipeline data indicates that the Commission's proposed cost increases are not justified by increased pipeline construction costs. The Pipeline Industry Study, which does not rely on the best available data and uses a flawed methodology, is insufficient to support the Commission's proposed cost cap increases. Accordingly, the Commission should not raise the cost caps without considering additional and more accurate information on cost increases for the existing categories of blanket certificate projects.

Should the Commission wish to further examine the issue, it should issue data requests to pipeline companies seeking more accurate and contemporaneous cost information, as EDF previously proposed. *See* EDF Comments at 14-15. The Commission should then offer public comment on that data. Based on that fully developed record, the Commission could determine whether the cost of building blanket certificate projects has outpaced inflation. The Commission would nevertheless still be required to demonstrate that raising the cost threshold is likely to apply only to routine projects with minimal ratepayer or environmental impacts.

V. Automatically Authorizing Mainline Projects is Inconsistent with the Natural Gas Act and the National Environmental Policy Act.

Neither the Natural Gas Act's plain language, judicial precedent, nor the Commission's asserted rationale for automatic authorizations support automatically approving new or expanded mainline facilities (principal interstate transmission pipelines).

Currently, mainline facilities are eligible only for prior notice authorization. *See* 18 C.F.R. § 157.210. "Eligible facilities" for automatic authorization include only those "necessary to provide service within existing certificated levels" which "will result in an incidental increase" in capacity, but not those whose "primary purpose" is "creating additional main line capacity." 18 C.F.R. §§ 157.202(b)(2)(i); 157.208(a). The Commission here requests comment on whether mainline facilities that expand pipeline capacity should be eligible for automatic authorization. NOPR ¶ 67.

Automatic approval of new or expanded mainline facilities would violate Section 7 of the Natural Gas Act. Except in cases of emergency, the Commission "shall set the matter for hearing" on a certificate application and give "reasonable notice of the hearing . . . to all interested persons." 15 U.S.C. § 717f(c)(1)(B). After notice and a hearing, the Commission may issue a certificate approving the facilities "covered by the application," so long as it finds that the "proposed service, sale, operation, construction, extension, or acquisition, to the extent authorized by the certificate, is or will be required by the present or future public convenience and necessity." *Id.* § 717f(e).

These provisions plainly require the Commission to individually review and specifically authorize expanded or new facilities. The Commission may only issue certificates for "proposed" activities "covered by the application." *Id.* Thus, the Commission cannot automatically authorize facilities that are not "proposed" or "covered" in the original certificate application. Nor could the Commission provide notice to "interested persons" for an automatic authorization project, *id.* § 717f(c)(1)(B), since the Commission and the public only learn of the project after construction is complete. The Natural Gas Act's requirement for a hearing further signifies Congress's command that each project receive individualized review. *Id.* Federal courts have also interpreted the Natural Gas Act to require specific authorization for expanded or new facilities. *See, e.g.*, *Williston Basin Interstate Pipeline Co. v. An Exclusive Gas Storage Leasehold*, 524 F.3d 1090, 1097 (9th Cir. 2008) (holding "the structure of the NGA and its implementing regulations indicate that § 717f(c)(1)(A) applies in every case where a natural gas company acquires additional property, even for operation and maintenance purposes").

Until now, the Commission has recognized that Section 7 limits its authority to automatically authorize projects that expand capacity. In the past, the Commission has justified narrow automatic authorizations where the subject "activities" are fairly characterized as those "that natural gas pipeline operators must undertake in maintaining and operating facilities for which they have already received a certificate of public convenience and necessity." *Mountain Valley Pipeline,* 163 FERC ¶ 61,197, ¶ 86 (2018). Blanket certificates only "enable a company to make certain relatively minor, cost-constrained modifications to a larger system that has been separately scrutinized and approved under case-specific certificate authorization." *Atl. Coast Pipeline LLC*, 164 FERC ¶ 61,100, ¶ 100 (2018).

Automatically authorizing mainline facilities also eliminates environmental review. Because automatic authorization projects typically intend to replace or repair existing facilities, the Commission completes its National Environmental Policy Act (NEPA) review when first authorizing a category of automatic authorization facilities. 18 C.F.R. § 380.4(a)(21). The Commission does not individually review automatic authorization projects pursuant to NEPA and indeed, the Commission is only informed of those projects after-the-fact in the pipeline company's annual report. Unlike the types of projects currently eligible for automatic authorization, expansions do not replace or repair existing facilities for which the Commission has already granted a certificate. *See* 18 C.F.R. § 157.208(a) (automatic authorization for an "eligible facility"); *id.* § 157.209(a) (automatic authorization of temporary compression facilities that do not increase volume); *id.* § 157.213(a) (automatic authorization of existing underground storage field facilities that comply with certificated parameters). There also is no rationale for skipping project-specific NEPA review of new or expanded facilities. These are not mere replacements with incidental increases in capacity but involve new ground-disturbing activities with direct environmental impacts.

The Commission also cannot fulfill its statutory obligation to protect consumers, balance benefits with adverse impacts, or set initial rates in the public interest if it only learns of projects after-the-fact. Nor can the Commission determine that mainline expansions categorically satisfy the public convenience and necessity standard. As the D.C. Circuit has explained, the Natural Gas Act requires the Commission to balance adverse impacts with public benefits based on the *specifics* of an applicant's proposal, not generalities. *See N.J. Conservation Found. v. FERC*, 111 F.4th 42, 62-63 (D.C. Cir. 2024); *Environmental Defense Fund v. FERC*, 2 F.4th 953, 975-76 (D.C. Cir. 2021). Expansion facilities generally serve new customers and therefore present the risk that existing captive customers are subsidizing expansion capacity, raising important questions of market need that the Commission must address on an individualized basis. *See Certification of New Interstate Natural Gas Pipeline Facilities*, 88 FERC ¶ 61,227 (Sep. 15, 1999), *clarified,* 90 FERC ¶ 61,128 (2000), *further clarified,* 92 FERC ¶ 61,094 (2000) ("1999 Policy Statement"). Additionally, because a certificate confers the right of eminent domain, the Commission must determine that the specific proposal serves a public use. *See* 15 U.S.C. § 717f(h).

The Commission must also ensure the initial rates for new capacity are "supported by evidence" and adequately protect the public interest. *Atl. Refin. Co. v. Pub. Serv. Comm'n of N.Y.*, 360 U.S. 378, 391 (1959); *see also Mo. Pub. Serv. Comm'n v. FERC*, 601 F.3d 581, 583 (D.C. Cir. 2010). The Commission cannot fulfill that obligation if it allows pipelines to set initial rates for new capacity themselves without the Commission's specific review or approval. *See id*. The Commission has not explained how expanding capacity will have a de minimis impact on ratepayers when the proposed cap is $36 million per project (adjusted annually based on the costs of construction) and there is no cap on the number of automatic projects a pipeline may undertake in a given time period.

For these reasons, the Commission should not adopt INGAA's proposed changes to its automatic authorization provisions because doing so would be inconsistent with the Natural Gas, National Environmental Policy, and Administrative Procedure Acts.

VI. Removing Cost Limits for Expansions of Existing Compressor Stations Would be Arbitrary, Capricious, and Contrary to Law

The proposed rule allows pipeline companies to expand compressor stations at any cost, subject only to the 60-day notice requirement, so long as the new or uprated compressor units are within the fence line of an existing station. NOPR ¶¶ 68-72. The States urge the Commission to reject this proposal as arbitrary and inconsistent with the Natural Gas Act because:

- There is no evidence that compression expansions costing more than the prior notice cost threshold will have only minimal environmental or ratepayer impacts;
- categorical approval of compressor expansions at any cost unlawfully abandons the Commission's duty to consider less harmful alternatives and protect consumers; and
- the Commission has not acknowledged or adequately explained its departure from its longstanding policy of requiring cost thresholds to ensure blanket certificate projects are only for routine, minor projects.

A. Expanding Compressor Facilities, Even If Within the Fenceline, Can Have Significant Environmental, Safety, and Ratepayer Impacts

The proposed rule eliminates the cost threshold for prior notice projects that expand existing compressor stations within the fence line of the station. The Commission justifies this proposal because expansions within the fence line have minimal impacts on the environment and landowners and notice and protest procedures provide adequate transparency and oversight. To the contrary, multiple potential impacts will likely escape Commission review if these projects receive blanket approval. Further, because the Natural Gas Act requires the Commission to explicitly balance those adverse effects against a project's benefits, *see N.J. Conservation Found.*, 111 F.4th at 62-63, the Commission cannot lawfully approve projects of this scale under a blanket certificate.

First, new compression projects can cost a hundred million dollars or more.[2] They are therefore likely to significantly impact rates, making them inappropriate for blanket treatment. As explained above, full Commission review and approval is required to ensure the public necessity and convenience require expanded facilities. *See supra* § V. The Commission also evaluates whether the project's benefits justify its costs and whether the proposed rate treatment will result in existing customers subsidizing new service. *See* 1999 Policy Statement at 18-19. The Commission must also determine that the project's initial rates serve the public interest. *See Atl. Refin. Co.*, 360 U.S. at 390. The prior notice process does not permit this analysis.

The Natural Gas Act also does not permit the Commission to categorically defer analysis of rate impacts to a future ratemaking proceeding, as this would not afford the full consumer protection that Congress envisioned. Deferring those issues to a ratemaking proceeding risks consumers paying unjust and unreasonable rates for a significant period of time, potentially without the opportunity for a refund, which is precisely why the Natural Gas Act mandates Commission approval *before* construction begins. *See id.*; *Mo. Pub. Serv. Comm'n v. FERC*, 601 F.3d at 587.

Second, the Commission's determination that projects within the fence line do not cause environmental harm is wrong. Compressor stations are a significant source of hazardous and toxic air pollution that harms human health. *See Compressor Stations*, Environmental Health Project, https://www.environmentalhealthproject.org/compressor-stations (last visited July 5, 2026); *see also* Curtis D. Davis et al., *Community Health Impacts From Natural Gas Pipeline Compressor Stations*, GeoHealth, Nov. 2023, at 1. The Commission's proposal to require compressor expansion applicants to submit the information that 18 C.F.R. § 380.12(k) requires does not necessarily capture all the relevant emissions. *See* NOPR ¶ 71. For instance, "blowdown events," when compressed methane gas is vented to the atmosphere, can cause large spikes in emissions and temporary violations of air quality standards meant to protect human health. Those events are rarely captured in air quality monitoring and are not clearly reflected in the filing requirements. *See* 18 C.F.R. § 380.12(k).

[2] *See, e.g.*, Application for Southeast Supply Enhancement Project, CP25-10-000, Accession No. 20241029-5076 at 64 (estimating compressor replacements at an individual station to cost $192 million); Advance Notification of Natural Gas Facilities Replacement pursuant to 18 C.F.R. 2.55(b)(1)(iii), CP20-86, Accession No. 20200310-5169 (estimating cost to replace a single compressor unit at $90 million).

Moreover, compressor stations "are often placed in rural areas with higher levels of poverty and/or minority populations, contributing to environmental concerns." Davis et al., GeoHealth, Nov. 2023 at 1. The air quality, noise, and other environmental impacts will likely disproportionately harm environmental justice communities, which is another adverse factor the Commission must explicitly balance in deciding whether to approve a compressor station project. *See Vecinos para el Bienestar de la Comunidad Costera v. FERC*, 6 F.4th 1321, 1331 (D.C. Cir. 2021); Jennifer Danis, *The Scope of FERC's Review: Compounding Community Impacts and Gas Infrastructure under the Natural Gas Act*, Institute for Policy Integrity (April 2026)[3].

Compressors also emit significant amounts of greenhouse gases and, for large projects, may be inconsistent with state clean energy and climate laws. The D.C. Circuit has held that the Commission must acknowledge the significance of greenhouse gas emissions and consider the impact of state climate and clean energy laws on market need. *See N.J. Conservation Found.*, 111 F.4th at 54-57, 62-63.

Further, there are various compressor expansion alternatives to increase pipeline capacity with less pollution that should be evaluated before approving a project—alternatives that would not be analyzed in a blanket process. Instead of using compressors powered by gas turbines, pipelines can use compressors powered by electric motor drives or hybrid compressors that alternate between gas and electric power. Pipelines can also use looping pipe to reduce air quality impacts. The Commission has considered those options before approving new compression expansions.[4] Pipeline companies have also installed electric or hybrid compression, noting that these alternatives "considerably reduce methane and nitrogen oxides (NOx) emissions" while "improving equipment efficiency and reliability."[5]

Third, compressor stations can pose "legitimate health and safety concerns," especially when located near populated areas. *Algonquin Gas Transmission, LLC Maritimes & Ne. Pipeline,*

[3] Available at: https://policyintegrity.org/publications/detail/the-scope-of-fercs-review.

[4] *See, e.g.*, GTN Xpress, Final Environmental Impact Statement, Docket No. CP22-2, Accession No. 20221118-3019, pp. 3-4 – 3-6 (Nov. 2022); *see also* 18 C.F.R. § 380.12(*l*) (requiring all Section 7 applicants to describe alternatives to the project and compare the environmental impacts of such alternatives).

[5] *New technology reduces emissions while improving efficiency*, Williams Cos., https://www.williams.com/2024/05/13/new-technology-reduces-emissions-while-improving-efficiency/ (last visited Jul. 24, 2026); *see also Reducing Greenhouse Gas Emissions at Our Compressor Stations*, TC Energy, https://www.tcenergy.com/about/explore-energy/creating-our-energy-future/reducing-greenhouse-gas-emissions-at-our-compressor-stations/.

L.L.C., 178 FERC ¶ 61,029, ¶ 22 (2022). For instance, blowdowns release large quantities of pressurized natural gas into the atmosphere, which "carries a substantial risk of fire, explosion, and personal injury or death." *Id*. ¶ 18 n.56. Increasing pressure in aging pipelines can also heighten the risk of leaks or rupture on the pipeline, which similarly can cause fires, explosions, or other damage to property near the compressor station or elsewhere to property along the pipeline. *See* Exhibit B, Declaration of Richard Kuprewicz. In the NEPA review component of a certificate proceeding, the Commission must consider "a project's impact on public safety," such as the risk of accidents. *See, e.g.*, *City of Oberlin v. FERC*, 937 F.3d 599, 602 (D.C. Cir. 2019); *Citizens for Clean Air & Water in Brazoria Cnty. v. U.S. Dep't of Transp.*, 98 F.4th 178, 191 (5th Cir. 2024) (agency must consider "reasonably foreseeable significant adverse effects" like oil spills); *Standing Rock Sioux Tribe v. U.S. Army Corps of Eng'rs*, 985 F.3d 1032, 1047 (D.C. Cir. 2021) (holding similar agency must consider pipeline's safety record and risk of accidents).

Accordingly, the Commission must assess how expanding compressor stations increases the risk of blowdowns, fires, or other safety hazards near adjacent communities. Although the Pipeline Hazardous Materials Safety Administration sets relevant safety standards, it recently relaxed enforcement of those safety regulations. *See* U.S. Dep't of Transp., *Notice of Limited Enforcement Discretion and Statement of Policy for Issuing Special Permits in Response to National Energy Emergency*.[6] The existence of safety standards also does not relieve the Commission of its obligation to assess the safety and potential risks of each jurisdictional project.

Fourth, compressor projects may pose reliability risks. A pipeline company replacing several compressor units with a single, larger unit could lose the reliability benefit of having multiple compressor units available in the event one unit breaks down. Compressor outages are relatively common. *See Compressor Station Blowdowns*, U.S. Environmental Protection Agency (Jun. 18, 2026)[7]. Increasing pressure to serve new customers may also affect the spare compressor capacity available to preserve reliability for existing customers.

Finally, because there is no cost limit, the Commission will be unable to analyze cumulative impacts from multiple compression expansions at different stations in the same

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[6] Available at: https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/2026-01/Notice%20of%20Limited%20Enforcement%20Discretion%20and%20Statement%20of%20Policy%20for%20Issuing%20Special%20Permits%20in%20Response%20to%20National%20Energy%20Emergency.pdf.
[7] Available at: https://www.epa.gov/natural-gas-star-program/compressor-station-blowdowns.

region.[8] Current regulations only prohibit pipeline companies from dividing up a project in order to meet cost limits for prior notice or automatic authorization under a blanket certificate when the entire project, considered together, would not meet those limits. *See* 18 C.F.R. § 157.208(b). Without a cost limit, there is nothing to prohibit a pipeline from segmenting a large expansion to escape review of the project's full implications for the environment and neighboring communities. Under the proposed rule, pipelines could submit, in sequential fashion, notices for multiple expansions at the same station, or for multiple stations along the same pipeline, avoiding scrutiny and obscuring the adverse environmental effects of a project.

In sum, allowing prior notice approval of compressor expansions at any cost is inconsistent with the purpose of the blanket certificate program, which is to approve only routine, minor projects without significant environmental or ratepayer impacts. The types of projects the Commission would include here are likely to significantly impact rates, air quality, our climate, environmental justice, public health, reliability, and safety. Simply increasing disclosure of some, but not all, of these impacts under 18 C.F.R. § 380.12(k) is no substitute for full Commission review and scrutiny. These projects should not be eligible for blanket authorization.

B. Removing Cost Limits for Compressor Stations is Inconsistent with the Natural Gas Act

The public convenience and necessity determination requires the Commission to weigh the benefits of a proposed activity against its adverse consequences — including effects on rates, landowners, and the environment. *See* 15 U.S.C. § 717f(e). Accordingly, for a categorical class authorization to be lawful, "there must be an assessment, and assurance, that each added class of transactions is similarly required by the public convenience and necessity." 2006 Proposed Notice of Rulemaking, 115 FERC ¶ 61,338, ¶ 16. As discussed above in Part III, the Commission has previously tied the expansion of the blanket program's scope to enhanced environmental mitigation and review, recognizing that larger and more complex projects require stronger, not weaker, safeguards. Order No. 686, 117 FERC ¶ 61,074, ¶ 43. Removing cost limits for compressor expansions inverts that principle.

[8] While the Commission has stated it will no longer consider cumulative effects as a separate category, NEPA still requires that assessment in appropriate cases. *See Eastern Gas Transmission*, 195 FERC ¶ 61,218, ¶¶ 25-26 (June 18, 2026); *see also id*. ¶¶ 1-11 (Comm'r Chang, Concurring).

For example, a "prior notice" blanket certificate for a $200 million compressor station expansion would have categorically distinct impacts from the average $3.3 million blanket project,[9] yet both will receive minimal scrutiny to determine necessity. Given the range of impacts, the Commission simply cannot make a defensible blanket determination without, at minimum, cost-based safeguards.

In addition, the Natural Gas Act requires the Commission to weigh adverse impacts against projected benefits before determining a project serves the public interest. As discussed above, large-scale compressor expansion projects can pose significant air quality, climate, public health and safety, and environmental justice concerns. Automatically approving a project under a blanket certificate without balancing these adverse impacts against projected benefits would violate the Natural Gas Act. *See N.J. Conservation Found.*, 111 F.4th at 62-63. Absent a regulatory imperative, e.g. tying blanket eligibility to inclusion of feasible, less polluting alternatives, pipeline companies have little incentive to decrease those adverse impacts.

C. The Commission Has Not Adequately Explained Its Change in Position that Cost Thresholds for Compressor Projects are Unnecessary

As discussed in Part III.A, the Commission established the blanket certificate program to expedite review of routine projects with minimal impacts. It has historically viewed cost limits as a key mechanism to identify such projects and ensure the appropriate level of scrutiny. The proposal to remove cost limits altogether for compressor projects unreasonably departs from that precedent, and the Commission has not adequately explained its change in position. *See Fox Television Stations, Inc.*, 556 U.S. at 515. As discussed above, compressor projects costing hundreds of millions of dollars are likely to pose significant safety, environmental, and ratepayer impacts. The Commission must explain and support its conclusion that these projects are appropriate for blanket authorization.

The notice-and-protest procedure is inadequate on its own to protect against improper use of blanket certificates to authorize environmentally significant projects. The public will have just sixty days' notice to learn about a project, understand its impacts, and prepare objections in the

[9] *See* EDF Comments, Lander Aff. at 3 (describing average cost of prior notice projects).

form of a protest. During this time, they likely will not have the benefit of the Commission's environmental analysis, as that is prepared concurrently during the 60-day notice period.[10]

Because the Commission has not adequately explained how removing the cost cap for prior notice authorization of certain compressor facilities would comport with the intended scope of the blanket certificate program, its proposal is arbitrary and capricious. *See Encino Motorcars, LLC*, 579 U.S. at 222.

VII. The Commission Correctly Rejected the Suggested Limitations on Public Participation

The States strongly support the Commission's proposal to retain its current regulations permitting any person to protest a prior notice application under a blanket certificate and to decline to restrict protest eligibility to those with a "substantial economic interest," Commission staff, and affected landowners. NOPR ¶ 44-46. Because blanket certificate projects receive minimal scrutiny, public participation provides an important check on potential abuse. As the Commission has acknowledged, blanket certificates "depend[] on the Commission's confidence that a natural gas company will not act contrary to the Commission's regulations and other environmental statutes." *See, e.g., Rover Pipeline LLC*, 158 FERC ¶ 61,109, ¶ 253 (2017). Retaining opportunities for public scrutiny is even more important in light of the Commission's planned expansion of the program.

A. Restricting Protests to Those with a Substantial Economic Interest is Inconsistent with the Natural Gas Act

The Natural Gas Act requires notice and an opportunity for hearing "to all interested persons," not simply those with an economic interest. 15 U.S.C. § 717f(c)(1)(B). INGAA's proposed limitation could exclude state regulators, neighboring communities, environmental groups, or other persons who have a statutory right to participate. *See* NOPR ¶ 44. Further, a finding of public convenience and necessity requires the Commission to weigh a project's environmental, safety, and community impacts as part of its assessment of whether a project serves the public interest. *See Atl. Refin. Co.*, 360 U.S. at 391 (stating that section 7(e) "requires the Commission to evaluate all factors bearing on the public interest"). Restricting protests to economic concerns would be inconsistent with the Commission's statutory charge and eliminate

[10] *See, e.g*, Environmental Assessment Report for Northwest Pipeline's Prior Notice Application, Docket No. CP26-94 (May 1, 2026) (published on the 60th day of prior notice period).

opportunities to raise specific, documented concerns tied to issues such as the project location, emissions profile, or other host community impacts. Additionally, a "substantial economic interest" test is vague and invites litigation when the Commission should instead be focusing on the merits of an application.

B. The Commission Should Not Import Intervention Criteria or Other Curbs on Public Participation

Restricting protest eligibility in other ways, such as by adopting an intervention standard for protestors or requiring membership organizations to demonstrate effects on specific members, *see* NOPR ¶ 45, is not legally required and would unduly exclude or burden potential protestors. The 60-day prior notice time limit is already an abbreviated timeframe for the public to learn of the project, understand its potential impacts, and prepare objections. This is especially true for affected landowners or members of the public who have not previously participated in Commission proceedings and may need additional time and support to prepare objections to a complex project filing. In some cases, protesters may have valid objections but insufficient information to detail precise impacts to a protected interest at that early stage of proceedings. In other cases, the harm from a project approved under the blanket certificate may not be readily apparent until the company files a future rate case or certificate proceeding.

INGAA has not adequately explained, and indeed cannot explain, why the Commission should focus its limited resources on determining protest eligibility rather than resolving meritorious issues raised in the protests. The Commission's procedures already address concerns about unwarranted delay and "generic or irrelevant" issues being raised in protests. NOPR ¶ 45. Commission regulations direct the Director of the Office of Energy Projects to dismiss a protest within ten days if it does not raise a "substantive issue" and fails to provide "any specific detailed reason or rationale for the objection." 18 C.F.R. § 157.205(g). That content-based standard appropriately focuses the Commission's attention on the quality and relevance of the protest rather than on the characteristics of the protestor. And it supports participation by those with project-specific concerns such as environmental impacts, rate effects, pipeline safety, or community health burdens.[11]

[11] Limiting protests to a certain class of persons would depart from the Commission's longstanding approach of allowing "any person" to participate. 18 C.F.R. § 385.211(a)(1). As such, the Commission would need to provide a reasoned explanation for its action, acknowledging and explaining the departure.

C. The Designated Timeline for Protest Adjudication Raises More Concerns Than It Resolves

The Commission also requested comment on whether it should establish a designated timeline within which it will seek to issue orders adjudicating prior notice protest proceedings. NOPR ¶ 45. The Commission should decline to impose a timeline for adjudicating protests.

The Commission already has internal deadlines: after a protest is filed, parties have thirty days in which they may resolve the protest and file a withdrawal, 18 C.F.R. § 157.205(f), and the Director of the Office of Energy Projects will dismiss non-substantive protests within ten days, *id.* § 157.205(g). Designating an additional timeline could, as the Commission recognized, "inhibit project applicants and protestors from negotiating a settlement that would resolve the protest." NOPR ¶ 45.

The Commission should not allow a designated timeline to become a *de facto* mechanism for moving projects forward over inadequately reviewed protests. Unlike a ministerial deadline for action, a substantive protest adjudication requires the Commission to consider rate impacts, environmental compliance, and potentially complex community impact issues — none of which lend themselves to rigid time constraints. The Commission's existing framework, under which a protest triggers treatment as a Section 7 application and full Commission review, reflects a considered judgment about the appropriate process for contested prior notice projects. Imposing an artificial timeline risks shortcutting the substantive analysis on which the public interest determination depends.

VIII. Recommendations

For the reasons stated above, the Commission should decline to adopt the proposed changes to its rule, including (1) increasing the cost caps for blanket projects; (2) automatically authorizing mainline facilities; (3) removing the cost limit for compressor projects; or (4) potentially limiting eligibility for protests or imposing deadlines for Commission review of protests. The Commission should also consider adopting the following measures to limit abuse of blanket certificates and ensure the program adequately protects consumers, the environment, and the public interest.

A. The Commission Should Adopt a Limit on the Number of Blanket Projects in a Three-Year Period

As EDF suggested in its comments on the Notice of Inquiry, the Commission should adopt a cumulative dollar amount for all blanket certificate projects over a rolling three-year period. *See* EDF Comments, Lander Aff. at 5. That approach would disincentivize pipeline companies from unlawfully segmenting projects to fit within the blanket certificate's cost caps for individual projects. It would also help ensure that blanket projects do not, cumulatively, have a major impact on ratepayers or the environment.

B. The Commission Should Increase Public Protections in the Blanket Certificate Process

Broadening the scope of the blanket certificate program creates an additional burden on landowners and others affected by a project. The Commission should ensure that the public receives sufficient notice to allow them to meaningfully participate if project size increases. For instance, the Commission should hold that the 60-day deadline for protests begins after the Commission publishes its environmental assessment to allow the public adequate information to comment on the potential environmental impacts of a project. The Commission should also require actual contact with all affected landowners, including conservation easement holders.

The Commission should also consider deploying the Office of Public Participation to support landowner education and engagement on blanket certificate projects and maintaining a publicly accessible database of projects. A database would support efficient, timely public engagement, as well as transparency for state, tribal, territorial, and local governments to track infrastructure developments.

To the extent the Commission feels additional clarity regarding protest is necessary, the Commission could, through guidance or rulemaking, more clearly define the issues it considers to be "substantive" in a prior notice protest. Doing so would educate potential protestors, reduce the filing of non-substantive protests, and improve consistency and transparency in protest adjudication. Appropriate substantive issues for blanket certificate prior notice projects should include, at minimum, whether the project:

1. Meets all applicable conditions of the blanket certificate, including the cost limits and segmentation prohibition set forth in 18 C.F.R. § 157.208(d);

2. Will impact the rights of any landowners, including through ground disturbance, easement acquisition, or changes to existing infrastructure;
3. Will have a materially adverse impact on rates, including whether the proposed rate treatment is consistent with the public interest requirements applicable to blanket certificate projects;
4. Will raise pipeline safety or operational reliability concerns;
5. Has fully addressed its environmental compliance obligations, including compliance with 18 C.F.R. § 157.206(b) (environmental compliance conditions), 18 C.F.R. § 380.15(a) (avoidance or minimization of environmental effects), or the prohibition on significant adverse impacts to sensitive environmental areas under 18 C.F.R. § 157.206(b)(4); or
6. Will contribute to cumulative impacts in communities already facing environmental or public health burdens.

Each of these categories identifies issues that are directly tied to the blanket certificate program's conditions of authorization, the Commission's statutory obligations, or both. They reflect legitimate bases for case-specific review consistent with the Commission's longstanding framework. These considerations are also relevant to public convenience and necessity determinations, which require the Commission to weigh a project's environmental and community impacts.

Thank you for considering these comments.

Sincerely,

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EXHIBIT A

COMPARISON OF ESTIMATED AND ACTUAL COSTS

Below is a select list of projects completed in the past two years where the final cost report was significantly lower than the estimated costs listed in Exhibit K of the initial certificate application. They are submitted as recent examples where the pipeline company's estimates of materials and labor proved inaccurate. These reports indicate that sole reliance on Exhibit K estimates is unreliable and not the best evidence of actual costs for a project.

Project name and docket number	**Estimated Cost (year of application)**	**Actual cost (year of completion)**	**% Difference**
East Lateral XPress Project, CP20-527-000	$363,898,569 (2020)	$289,057,614 (2025)	*-20%*
GTN XPress Project, CP22-2-000	$75,138,690 (2021)	$49,178,777.65 (2024)	*-34%*
Oak Grove Enhancement Project, CP23-523-000	$338,068,811 (2023)	$116,344,624 (2025)	*-65%*
Virginia Electrification Project, CP21-498-000	$142,776,312 (2021)	$90,828,529 (2024)	*-36%*
Virginia Reliability Project, CP22-503-000	$917,925,527 (2022)	$460,796,038 (2025)	*-49%*
Wisconsin Reliability Project, CP23-15-000	$757,606,203 (2022)	$628,768,770 (2025)	*-17%*

Columbia Gas Transmission, LLC
East Lateral Xpress Project
CP20-527-000
Final Cost Report

Line No.	Description	Actual Costs: Pipeline and Meter Station	Actual Costs: Compressors	Total Project Actual Costs	Estimated Costs: Pipeline and Meter Station	Estimated Costs: Compressors	Total Project Estimated Costs	Total Project Variance	Explanatory Footnotes
	Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	
1	Bulk Materials	24,280,310	34,659,286	58,939,596	16,917,732	12,714,084	29,631,816	29,307,780	/1
2	Construction Contracts	47,080,032	59,630,611	106,710,643	60,910,640	50,938,705	111,849,345	(5,138,702)	
3	Construction Management	2,206,553	9,811,270	12,017,822	7,727,507	18,378,524	26,106,031	(14,088,209)	/2
4	Equipment	3,456,631	39,531,268	42,987,899	2,836,919	35,835,766	38,672,685	4,315,214	
5	Engineering	3,876,341	8,339,586	12,215,927	2,629,978	2,057,715	4,687,693	7,528,234	/3
6	Support Contracts	2,553,000	4,021,160	6,574,161	13,695,350	15,688,638	29,383,988	(22,809,827)	/4
7	Regulatory & Environmental	1,713,754	2,815,895	4,529,650	7,789,947	14,598,376	22,388,323	(17,858,673)	/5
8	Startup & Commissioning	144,261	2,842,150	2,986,411	252,927	458,614	711,541	2,274,870	
9	TC Energy Internal Labor & Expenses	8,531,108	9,542,796	18,073,905	7,306,648	9,695,277	17,001,925	1,071,980	
10	Land	1,401,558	1,051,814	2,453,372	2,969,441	1,310,904	4,280,345	(1,826,973)	
11	Contingency	-		-	34,752,874	32,942,439	67,695,313	(67,695,313)	/6
12	***SUBTOTAL COSTS***	95,243,547	172,245,836	267,489,384	157,789,963	194,619,042	352,409,005	(84,919,621)	
13	AFUDC	8,815,054	12,753,176	21,568,231			11,489,564	10,078,667	/7
14	**TOTAL PROJECT COST**	104,058,602	184,999,013	289,057,614	157,789,963	194,619,042	363,898,569	(74,840,955)	

/1 Bulk materials are estimated based off of benchmarked assumptions. Actual costs included escalation due to post-COVID price inflation, plus additional bulk materials not captured in original design.
/2 Construction supervision was lighter than anticipated due aligning execution windows and more efficient use of inspection.
/3 Engineering was more intense due to project location design considerations determined after filing such as foundation redesign.
/4 Some support services that were anticipated were not required.
/5 Favorable site conditions and limited design change allowed for reduced costs.
/6 Contingency budget is consumed when other line items increase.
/7 Project schedule increased AFUDC costs for the project.

Gas Transmission Northwest LLC
GTN Xpress Project
Docket No. CP22-2-000

Final Cost of Facilities

Line No.	Description	Exhibit K Estimate	Post Construction Total	Variance	
1	Materials	906,086.00	2,414,259.79	(1,508,173.79)	
2	Labor - Prime Construction	12,189,856.00	14,073,263.39	(1,883,407.39)	
3	Construction Mgmt. - Inspection	5,631,917.00	2,065,958.50	3,565,958.50	
4	Equipment	7,480,955.00	5,796,090.93	1,684,864.07	
5	Compressor Unit	10,982,841.00	9,137,578.00	1,845,263.00	
6	Engineering	1,863,241.00	370,023.14	1,493,217.86	
7	Support Contracts (Misc)	1,183,953.00	1,767,009.22	(583,056.22)	
8	Commissioning	1,558,106.00	650,066.65	908,039.35	
9	Land	170,418.00	190,708.26	(20,290.26)	
10	TC Labor	11,989,698.00	5,834,135.98	6,155,562.02	1/
11	Reg & Env	669,885.00	713,798.70	(43,913.70)	
12	Contingency	13,912,600.00	176,030.00	13,736,570.00	2/
13	Escalation	2,393,616.00	-	2,393,616.00	
14	Subtotal Cost	70,933,172.00	43,188,922.56	27,744,249.44	
15	AFUDC	4,205,518.00	5,989,855.09	(1,784,337.09)	
16	Total Project Cost	75,138,690.00	49,178,777.65	25,959,912.35	

Variance Explanations:
1/ TC Labor: Lower cost than estimated due to less staffing needs
2/ Contingency: Lower cost than estimated after use to offset increases

ANR Pipeline Company
Oak Grove Enhancement Project
Docket No. CP23-523-000
Final Cost Report

LINE NO.	DESCRIPTION	Exhibit K Estimate	Post Construction Total	Variance	
1	BULK MATERIALS	$ 33,390,864	$ 24,478,305	$ (8,912,559)	1/
2	CONSTRUCTION CONTRACTS	$ 154,662,903	$ 46,437,992	$ (108,224,911)	2/
3	CONSTRUCTION MANAGEMENT	$ 13,259,957	$ 6,235,088	$ (7,024,869)	3/
4	ENGINEERING	$ 10,583,185	$ 4,449,021	$ (6,134,164)	4/
5	SUPPORT CONTRACTS	$ 2,892,004	$ 2,548,571	$ (343,433)	
6	REGULATORY & ENVIRONMENTAL	$ 3,477,756	$ 2,879,999	$ (597,757)	
7	STARTUP & COMMISSIONING	$ 492,000	$ 29,536	$ (462,464)	
8	TC ENERGY INTERNAL LABOR & EXPENSES	$ 9,968,326	$ 6,416,612	$ (3,551,714)	
9	LAND	$ 7,795,500	$ 10,857,205	$ 3,061,705	
10	CONTINGENCY	$ 51,890,934	$ 6,550,741	$ (45,340,193)	5/
11	OVERHEADS	$ 9,292,954	$ 1,202,742	$ (8,090,212)	6/
12	ESCALATION	$ 21,422,863	$ -	$ (21,422,863)	7/
13	SUBTOTAL COSTS	$ 319,129,246	$ 112,085,811	$ (207,043,435)	
14	AFUDC	$ 18,939,565	$ 4,258,813	$ (14,680,752)	8/
15	TOTAL ESTIMATED PROJECT COST	$ 338,068,811	$ 116,344,624	$ (221,724,187)	

VARIANCE EXPLANATIONS

1/ BULK MATERIALS: Lower than estimated due to market conditions at the time of material procurement.

2/ CONSTRUCTION CONTRACTS: Lower than estimated as benchmark assumptions reflected elevated pipeline construction activity at the time of time of estimation. Further savings were realized by utilizing longer line pipe joints which reduced the number of required welds and shortened the overall construction duration.

3/ CONSTRUCTION MANAGEMENT: Lower than estimated due to shorter construction duration and reduced inspection support.

4/ ENGINEERING: Lower than estimated due to minimal design changes and reroutes, along with reduced survey requirements resulting from a shorter construction duration and efficient survey access during the design phase.

5/ CONTINGENCY: Savings in other Project categories primarily eliminated the need for these funds.

6/ OVERHEADS: Lower than estimated due to reduced labor charges and corresponding reductions in overhead costs.

7/ ESCALATION: Savings in other Project categories eliminated the need for these funds.

8/ AFUDC: Lower than estimated due to lower overall project costs.

Columbia Gas Transmission, LLC
Virginia Electrification Project
CP21-498-000
Final Cost Report

		Actual Costs			Estimated Costs			Variance			
Line No.	Description	Goochland CS Replacement	Expansion Cost	Total Project Actual Costs	Goochland CS Replacement	Expansion Cost	Total Project Estimated Costs	Goochland CS Replacement	Expansion Cost	Total Project Variance	Explanatory Footnotes
	(Column 1)	(Column 2)	(Column 3)	(Column 4)	(Column 5)	(Column 6)	(Column 7)	(Column 8)	(Column 9)	(Column 10)	(Column 11)
1	Bulk Materials	3,048,615	2,379,401	5,428,017	3,108,881	2,909,444	6,018,325	(60,266)	(530,043)	(590,309)	
2	Construction Contracts	15,939,209	13,212,837	29,152,046	24,071,411	18,064,416	42,135,826	(8,132,202)	(4,851,579)	(12,983,781)	1/
3	Construction Management	1,272,387	2,043,697	3,316,083	2,289,444	1,649,356	3,938,800	(1,017,058)	394,341	(622,717)	
4	Equipment	15,552,827	11,649,530	27,202,357	17,220,542	13,333,543	30,554,085	(1,667,715)	(1,684,013)	(3,351,728)	2/
5	Engineering	1,363,011	2,189,662	3,552,673	1,639,053	2,141,483	3,780,535	(276,042)	48,180	(227,863)	
6	Support Contracts	889,569	784,106	1,673,675	2,869,883	1,068,291	3,938,173	(1,980,314)	(284,184)	(2,264,498)	3/
7	Regulatory & Environmental	1,113,960	241,931	1,355,891	1,496,056	393,517	1,889,572	(382,096)	(151,585)	(533,681)	
8	Startup & Commissioning	1,033,363	1,700,289	2,733,652	644,574	1,179,213	1,823,787	388,789	521,076	909,865	
9	TC Energy Internal Labor & Expenses	5,796,495	3,703,590	9,500,085	5,828,415	3,697,630	9,526,046	(31,920)	5,960	(25,960)	
10	Land	400,195	56,983	457,178	175,188	110,838	286,026	225,007	(53,855)	171,152	
11	Contingency	615,003	393,199	1,008,202	17,803,034	13,364,319	31,167,352	(17,188,031)	(12,971,120)	(30,159,150)	4/
12	***SUBTOTAL COSTS***	47,024,632	38,355,226	85,379,858	77,146,480	57,912,048	135,058,527	(30,121,848)	(19,556,822)	(49,678,669)	
13	AFUDC	3,000,962	2,447,709	5,448,671	4,217,760	3,500,025	7,717,785	(1,216,798)	(1,052,316)	(2,269,114)	5/
14	**TOTAL PROJECT COST**	50,025,595	40,802,934	90,828,529	81,364,240	61,412,073	142,776,312	(31,338,645)	(20,609,138)	(51,947,783)	

Footnotes:

1/ Construction bids for both sites and agreement with Central Virginia Electric Coop for the electric utility installation at Boswells were less than estimated.

2/ VEP utilized surplus materials from canceled projects and cost of variable frequency drive equipment was less than estimated.

3/ Cost of waste management was low; soil wasn't contaminated and project was able to dispose at a local landfill.

4/ Significant funding returns primarily due to lower construction contract values, further project definition, and reduced risk and uncertainty.

5/ AFUDC less than estimated due to direct costs being less than estimated.

Columbia Gas Transmission, LLC
Virginia Reliability Project

Final Cost Report

		Actual Costs			Estimated Costs			Variance			
Line No.	Description	Total Project Cost Estimate	VM-107 & VM-108 Replacement Cost	Expansion Cost	Total Project Cost Estimate	VM-107 & VM-108 Replacement Cost	Expansion Cost	Total Project Cost Estimate	VM-107 & VM-108 Replacement Cost	Expansion Cost	Explnatory Footnotes
	(Column 1)	(Column 2)	(Column 3)	(Column 4)	(Column 5)	Column 6)	(Column 7)	(Column 8)	(Column 9)	(Column 10)	(Column 11)
1	Bulk Materials	47,564,241	23,311,695	24,252,546	50,736,625	24,681,994	26,054,631	(3,172,384)	(1,370,299)	(1,802,085)	
2	Construction Contracts	211,938,664	133,264,700	78,673,963	421,270,806	284,866,127	136,404,678	(209,332,142)	(151,601,427)	(57,730,715)	1/
3	Construction Management	15,591,653	8,758,533	6,833,119	36,192,338	24,002,088	12,190,250	(20,600,685)	(15,243,554)	(5,357,131)	2/
4	Equipment	20,925,668	625,393	20,300,276	18,790,244	493,311	18,296,933	2,135,424	132,082	2,003,342	
5	Engineering	18,596,531	15,118,481	3,478,050	19,476,698	14,385,356	5,091,342	(880,168)	733,125	(1,613,293)	
6	Support Contracts	17,411,544	13,209,655	4,201,889	13,285,015	11,190,180	2,094,835	4,126,529	2,019,475	2,107,054	
7	Regulatory & Environmental	25,417,596	23,826,661	1,590,935	17,678,932	15,455,819	2,223,113	7,738,665	8,370,842	(632,178)	
8	Startup & Commissioning	3,332,058	953,465	2,378,593	3,546,045	2,109,108	1,436,937	(213,987)	(1,155,643)	941,656	
9	TC Energy Internal Labor & Expense	28,228,759	19,134,787	9,093,972	57,009,414	37,846,712	19,162,701	(28,780,654)	(18,711,925)	(10,068,729)	3/
10	Land	43,213,822	37,233,227	5,980,595	36,064,895	30,684,913	5,379,983	7,148,927	6,548,314	600,612	
11	Contingency	2,531,864	1,479,093	1,052,772	202,215,304	133,714,683	68,500,621	(199,683,439)	(132,235,590)	(67,447,849)	4/
								0	0	0	
12	Subtotal Costs	434,752,401	276,915,691	157,836,710	876,266,316	579,430,291	296,836,024	(441,513,915)	(302,514,600)	(138,999,315)	
								0	0	0	
13	AFUDC	26,043,637.00	16,588,503.54	9,455,133.46	41,659,211.00	27,695,980.00	13,963,231.00	(15,615,574.00)	(11,107,476.46)	(4,508,097.54)	5/
								0	0	0	
14	TOTAL ESTIMATED PROJECT COS	$ 460,796,038	$ 293,504,195	$ 167,291,843	$ 917,925,527	$ 607,126,271	$ 310,799,255	$ (457,129,489)	$ (313,622,076)	$ (143,507,412)	

Footnotes:

1/ Final awarded values, negotiated change orders, and unused construction risk allowances produced a materially lower outturn than the estimate.

2/ Inspection and construction management finished below plan due to shortened field durations and early demobilizations.

3/ Internal labor and expense trended down with the wind down of field activities and a leaner closeout footprint.

4/ Significant funding returns primarily due to lower construction contract values, further project definition, and reduced risk and uncertainty.

5/ AFUDC was lower than estimated because the CWIP balance and carrying duration were reduced by early partial in service and lower direct costs.

ANR Pipeline Company
Wisconsin Reliability Project
Docket No. CP23-15-000

ESTIMATED COST OF FACILITIES

		REPLACEMENT COST					EXPANSION COST						
LINE NO.	DESCRIPTION	KEWASKUM REPLACEMENT COST	WEYAUWEGA REPLACEMENT COST	ANR 301 PL1 REPLACEMENT COST	ANR 301 PL2 REPLACEMENT COST	ANR 226 PL3 REPLACEMENT COST	KEWASKUM EXPANSION COST	WEYAUWEGA EXPANSION COST	ANR 301 PL1 EXPANSION COST	ANR 301 PL2 EXPANSION COST	ANR 226 PL3 EXPANSION COST	METER STATIONS EXPANSION COST	TOTAL PROJECT
		()	()	()	()	()	()	()	()	()	()	()	()
		$	$	$	$	$	$	$	$	$	$	$	$
1	BULK MATERIALS	2,596,141	2,106,364	7,077,160	8,200,904	17,104,554	1,799,680	2,198,945	6,271,535	6,985,865	3,197,165	49,901	57,588,214
2	CONSTRUCTION CONTRACTS	25,626,340	16,337,707	52,820,238	68,994,717	88,713,403	7,264,102	11,051,090	7,366,839	27,543,448	14,925,349	458,019	321,101,252
3	CONSTRUCTION MANAGEMENT	2,816,339	2,650,101	2,965,305	3,619,317	1,963,071	340,857	1,048,672	355,600	279,394	0	60,454	16,099,110
4	EQUIPMENT	10,174,369	5,661,042	11,727	17,590	0	8,163,669	9,345,611	0	0	0	290,823	33,664,831
5	ENGINEERING	1,358,514	1,183,707	2,411,530	3,601,172	7,851,688	0	209,807	0	0	0	215,672	16,832,091
6	SUPPORT CONTRACTS	7,718,485	1,553,107	1,750,194	2,473,469	2,322,023	61,720	147,051	259,298	1,024,530	18,438	0	17,328,315
7	REGULATORY & ENVIRONMENTAL	442,685	376,114	2,023,587	2,977,456	1,112,948	0	145,836	26,687	0	0	102,695	7,208,007
8	STARTUP & COMMISSIONING	234,472	499,995	290,969	303,914	312,160	125,718	-119,888	63,976	97,119	50,287	55,020	1,913,742
9	TC ENERGY INTERNAL LABOR & EXPENSES	6,119,379	4,394,148	5,347,254	7,331,661	6,990,305	589,462	1,786,554	389,553	1,081,772	506,132	492,927	35,029,147
10	LAND	0	134,400	4,677,815	6,511,556	14,670,634	134,400	6,000	324,644	2,869,187	0	41,079	29,369,715
11	CONTINGENCY	11,149,673	6,807,864	15,417,813	20,213,751	27,453,196	3,602,703	5,038,321	2,933,671	7,762,720	3,642,824	344,025	104,366,561
12	OVERHEADS	1,302,537	1,069,868	988,320	1,307,884	1,003,457	36,874	7,264,454	-96	3,024	0	186,726	13,163,048
13	ESCALATION	6,381,686	3,864,172	8,644,497	11,331,429	15,297,461	1,670,468	3,357,708	1,929,562	4,716,683	2,134,153	169,863	59,497,681
14	TAX GROSSUP	1,170,797	41,000	0	0	0	0	0	0	0	0	0	1,211,797
15	SUBTOTAL COSTS	77,091,417	46,679,589	104,426,409	136,884,820	184,794,900	23,789,653	41,480,161	19,921,269	52,363,742	24,474,348	2,467,204	714,373,511
16	AFUDC	4,865,070	2,945,847	6,590,122	8,638,501	11,662,001	1,233,785	2,151,254	1,033,162	2,715,701	1,269,295	127,954	43,232,692
17	TOTAL ESTIMATED PROJECT COST	81,956,487	49,625,435	111,016,531	145,523,321	196,456,901	25,023,438	43,631,415	20,954,431	55,079,443	25,743,643	2,595,158	757,606,203

ANR Pipeline Company
Wisconsin Reliability Project
Docket No. CP23-15-000

ACTUAL COST OF FACILITIES

		REPLACEMENT COST					EXPANSION COST							
LINE NO.	DESCRIPTION	KEWASKUM REPLACEMENT COST	WEYAUWEGA REPLACEMENT COST	ANR 301 PL1 REPLACEMENT COST	ANR 301 PL2 REPLACEMENT COST	ANR 226 PL3 REPLACEMENT COST	KEWASKUM EXPANSION COST	WEYAUWEGA EXPANSION COST	ANR 301 PL1 EXPANSION COST	ANR 301 PL2 EXPANSION COST	ANR 226 PL3 EXPANSION COST	METER STATIONS EXPANSION COST	TOTAL PROJECT	VARIANCES
		()	()	()	()	()	()	()	()	()	()	()	()	()
		$	$	$	$	$	$	$	$	$	$	$	$	$
1	BULK MATERIALS	3,066,814	3,369,303	9,340,118	10,552,104	19,347,235	749,530	814,607	2,520,349	4,160,813	2,967,915	240,027	57,128,815	-459,399
2	CONSTRUCTION CONTRACTS	32,438,068	35,290,926	26,909,997	43,682,697	74,579,628	7,927,870	8,532,402	7,261,428	17,224,577	11,440,704	930,093	266,218,389	-54,882,863 /1
3	CONSTRUCTION MANAGEMENT	2,357,506	2,204,797	2,972,778	5,256,103	5,788,720	576,175	533,061	802,178	2,072,541	888,004	197,082	23,648,945	7,549,835
4	EQUIPMENT	24,061,400	24,110,160	0	0	0	5,880,611	5,829,192	0	0	0	321,205	60,202,567	26,537,736 /2
5	ENGINEERING	2,565,885	2,913,562	2,486,618	3,430,122	5,239,664	627,103	704,421	670,992	1,352,535	803,778	293,215	21,087,895	4,255,804
6	SUPPORT CONTRACTS	8,685,702	1,042,354	1,954,768	2,954,872	3,998,886	2,122,787	252,013	527,477	1,165,139	613,439	238,204	23,555,642	6,227,327
7	REGULATORY & ENVIRONMENTAL	2,562,750	1,786,745	3,726,357	3,515,592	4,210,768	626,337	431,987	1,005,525	1,386,237	645,943	146,208	20,044,450	12,836,443 /3
8	STARTUP & COMMISSIONING	2,061,021	2,230,012	139,892	96,773	59,650	503,714	539,157	37,749	38,158	9,150	36,893	5,752,169	3,838,427
9	TC ENERGY INTERNAL LABOR & EXPENSES	4,384,262	4,007,093	3,649,783	3,463,011	4,477,308	1,071,514	968,808	984,862	1,365,504	686,830	418,867	25,477,844	-9,551,303
10	LAND	273,702	227,706	5,794,063	9,958,296	11,755,553	66,893	55,053	1,563,477	3,926,668	1,803,332	10,902	35,435,645	6,065,930
11	CONTINGENCY	2,098,675	2,102,221	8,959,667	10,819,724	2,494,667	512,916	508,261	2,417,688	4,266,338	382,688	30,248	34,593,092	-69,773,469 /4
12	OVERHEADS	1,358,570	1,134,886	640,054	779,558	1,022,862	332,035	274,385	172,713	307,389	156,910	39,868	6,219,230	-6,943,818
13	ESCALATION	0	0	0	0	0	0	0	0	0	0	0	0	-59,497,681 /5
14	TAX GROSSUP	0	0	0	0	0	0	0	0	0	0	0	0	-1,211,797
15	SUBTOTAL COSTS	85,914,355	80,419,764	66,574,096	94,508,851	132,974,941	20,997,485	19,443,348	17,964,439	37,265,900	20,398,693	2,902,812	579,364,683	-135,008,828
16	AFUDC	10,860,514	9,459,341	4,112,781	6,099,615	8,906,769	2,653,656	2,287,011	1,109,617	2,405,151	1,366,052	143,579	49,404,088	6,171,396
17	TOTAL ESTIMATED PROJECT COST	96,774,869	89,879,105	70,686,877	100,608,466	141,881,710	23,651,141	21,730,358	19,074,056	39,671,051	21,764,746	3,046,391	628,768,770	-128,837,433

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1 *Pipeline prime contract bids came in lower than originally estimated*
2 *Driven by Compressor Station increases - escalation/cost, MOCs, scope refinement*
3 *Increase due to Third Party Environmental and FERC Inspection as well as Waste Disposal*
4 *Contingency is used for unknown risk items. Budget was redistributed across various execution categories and partially released to the program.*
5 *Escalation is used for expected cost increases over time. Funds were redistributed across various execution categories as well as released to the program*

EXHIBIT B

UNITED STATES COURT OF APPEALS

FOR THE FIFTH CIRCUIT

GAS TRANSMISSION NORTHWEST, LLC; COLUMBIA RIVERKEEPER; ROGUE CLIMATE; STATE OF WASHINGTON; STATE OF OREGON, Petitioners, v. FEDERAL ENERGY REGULATORY COMMISSION, Respondent.	Case No. 24-60002 (consolidated with Case Nos. 24-60197, 24-60280, 24-60354)

DECLARATION OF RICHARD B. KUPREWICZ

I declare under penalty of perjury under the laws of the United States of America that the following is true and correct to the best of my knowledge and belief:

1. My name is Richard B. Kuprewicz. I am a chemical engineer and president of Accufacts Inc. I specialize in gas and liquid pipeline investigation, auditing, risk management, siting, construction, design, operation, maintenance, training, leak detection, management review, emergency response, and regulatory development and compliance. *See* Exhibit A (CV).
2. I personally reviewed relevant portions of Gas Transmission Northwest's Public Abbreviated Application for a Certificate of Public Convenience and Necessity, R.1:1-114; the Final Environmental Impact Statement, R.135:1-

102; comments from the Pipeline Safety Trust submitted to the Commission on March 29, 2023, R.298, and July 26, 2023, R.385; and the declarations of Brandon Kuykendall and Erin Serra.

3. The Gas Transmission Northwest ("GTN") pipeline system is mainly a 42-inch diameter interstate looped gas transmission pipeline.[1] Specific pipeline details are kept confidential as critical energy infrastructure information.

4. The GTN Xpress Project will add 50,980 horsepower in compression at three compressor stations on GTN's pipeline system. This compression will push the gas molecules closer together by raising the operating pressure, enabling GTN to transport more gas along its pipeline – thereby increasing pipeline capacity. GTN Xpress will raise the average operating pressure along the pipeline, not just the area near the compressor stations.

A. GTN Xpress' Higher Operating Pressure Will Increase Leaks and the Potential for Ruptures Along the Pipeline

5. In general, gas pipelines fail through leaks or ruptures.

6. The combination of pipeline pressure and imperfections in the pipewall from corrosion, cracking, punctures, or denting produce leaks. Leaks also occur at various points along the system such as valves, flanges, or compressor seals.

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[1] *See* TC Energy, Gas Transmission Northwest LLC System Map (March 31, 2021), https://tcplus.com/GTN/SharedFolder/DisplayFile/274a6d4df3601015e026fd3fafe4a9e7ace13a73?downloadType=SystemMap.

7. Natural gas pipelines like GTN's will leak gas along the pipeline. Agencies presume such leaks will occur. *See, e.g.*, Environmental Impact Statement, R.135:74-76 (calculating anticipated equipment leaks at the compressor stations). Recently, satellite monitoring and remote laser detection have proven that leaks are far more extensive than previously thought.

8. It is well-known that higher pressure systems will inevitably leak more gas. Even relatively small gas leaks will harm trees, crops, or other vegetation near the pipeline. Larger leaks can lead to fire, explosions, injuries, or death depending on the circumstances.

9. Increased pipeline pressure can make a pipeline rupture more likely and severe. That is because the higher the pressure, the more gas that will be released during a leak or rupture. And the more gas released, the more severe the damage.

10. A rupture can occur when those imperfections grow and fracture the pipeline, causing the immediate release of large quantities of gas and pipe steel. This usually results in a large crater and fireballs. The heat release alone can be fatal.

11. To reduce the risk of leaks and ruptures, federal regulation sets a "maximum allowable operating pressure" (MAOP) for each pipeline.[2] Staying below the

[2] 49 C.F.R. § 192.3.

MAOP reduces the risk of a severe leak or rupture but does not eliminate it. Significantly, the MAOP assumes that a pipeline's integrity is assured.

12. For large-diameter, older, often called vintage pipelines like GTN's, it is very difficult, if not impossible, to assure the pipeline's integrity. Over time, wear and tear will increase the number and severity of imperfections and cracks in the pipe, compromising its integrity.

13. Where the pipeline's integrity cannot be assured, raising the operating pressure will also increase the risk of a severe leak or rupture and reduce the margin of safety that the MAOP is intended to provide.

14. GTN Xpress adds a large amount of compression, 50,980 horsepower, for a relatively small increase in capacity (150,000 Dekatherms/day). This indicates that GTN is likely approaching the MAOP, which further increases the safety risks that GTN Xpress poses to property and communities near the pipeline.

B. GTN Xpress Will Increase Leaks and the Risk of Damage to State-Owned Lands

15. According to the declarations of Brandon Kuykendall and Erin Serra, the GTN pipeline intersects 51 parcels of land that Washington and Oregon own or partially own. Looped pipelines of a 42-inch diameter usually are not in the same pipeline right-of-way resulting in a greater impact to state-owned land parcels. It is a well-known fact that higher pressure systems will

inevitably leak more gas. As a result, because GTN Xpress will increase the operating pressure of GTN's pipeline system, it will cause more leaks along the pipeline than would normally occur and increase the risk of larger leaks, or the risks of catastrophic failure known as pipeline rupture.

16. Because GTN crosses numerous land parcels that the States of Washington and Oregon own, the increase in leaks and potential severity of leaks resulting from GTN Xpress will damage vegetation and increase the risk of other damage to state-owned land. Even a relatively small gas leak will increase damage to vegetation growing near the pipeline. Larger leaks will increase the risk of fire, explosion, and serious health effects. Leaks can be most dangerous if they migrate into structures near a pipeline right-of-way that can then result in catastrophic explosions.

C. GTN Xpress Will Make a Pipeline Rupture More Likely and Severe and Increase the Risk of Fire, Explosion, Injury, and Fatalities

17. The increased pressure from GTN Xpress will increase the risk of fire, explosion, safety hazards, injury, and fatalities on land that the pipeline crosses, including lands belonging to the States of Washington and Oregon. That is because the increased pressure will heighten the likelihood of a pipeline failure and, if a failure occurs, its severity.

18. In the case of GTN, a severe pipeline failure such as rupture will likely result in fire, explosions, and injury to wildlife and people. The GTN

pipeline crosses parts of Eastern Washington and Oregon that are prone to wildfire. Even if a pipeline failure occurs on land the States do not own, state lands could be harmed because a fire in that region could easily spread. Even a small fire or explosion could have devastating consequences as the fire could spread and cause widespread and severe damage to property and injury to state wildlife and people in the surrounding areas. For example, according to the National Weather Service, the 2023 wildfire season in Washington and Oregon burned 326,273 acres with a total cost of over $606 million.[3]

19. A large fire or crater could result in more severe damage to state property, wildlife, and people. The heat release alone can be fatal and result in significant damage and loss of life.

EXECUTED this 23 day of October, 2024 in Nipomo, California.

Richard B. Kuprewicz

RICHARD B, KUPREWICZ
President, Accufacts Inc.

[3] Mary Wister, Christel Bennese, *2023 Fire Weather Summary*, National Weather Service Pendleton, Oregon (July 28, 2023), https://www.weather.gov/media/pdt/pdt_firewx_summary_2023.pdf.