

State rejects environmental permit for Williams Co. natural gas pipeline

By Mark Harrington

Updated May 15, 2020 7:21 PM



New York State on Friday once again rejected an environmental permit for a contested natural gas pipeline to the region, delivering a potentially fatal blow to the \$1.4 billion project sought by National Grid.

The state Department of Environmental Conservation in a statement Friday said construction of the 23.4-mile Northeast Supply Enhancement pipeline in state waters "would not meet New York State's rigorous water quality standards" and result in "significant water quality impacts ..."

The decision marks the third time the project's environmental permit application has been rejected.

Of primary concern to the state agency in rejecting the permit by developer Williams Co. for the pipeline to supply National Grid's downstate region were "re-suspension of sediments and other contaminants, including mercury and copper" that "would disturb sensitive habitats, including shellfish beds and other bottom-dwelling marine life ..."

New York is "not prepared to sacrifice the state's water quality for a project that is not only environmentally harmful but also unnecessary to meet New York's energy needs," the DEC statement said.

A representative for National Grid didn't immediately reply to requests for comment. Williams Co., in a statement, said it was "disappointed" by the decision but said it continues to believe "the fundamentals of our project align with New York's clean energy goals because it would have improved local air quality and, at the same time, supported economic development and led to lower heating bills."

The pipeline as proposed would increase National Grid's supply of natural gas supply by 14% to Long Island and parts of New York City, where the company said future shortages still loom.

Environmentalists who opposed the project said the shortage scenario was vastly overstated and they were worried that the pipeline would commit the region to a fossil fuel future when green-energy alternatives are gaining ground.

Kimberly Ong, senior attorney for the Natural Resources Defense Council, an environmental group, said the state's decision Friday "demonstrates that we can and must quit our unhealthy addiction to fossil fuels and grow the clean energy industries of the future."

Faced with rejection of the same permit application last year, National Grid imposed a series of moratoriums on new gas hookups in the downstate region, disrupting building plans and setting off a firestorm of protest by businesses and homeowners whose ability to expand with gas was cut off. The moves also incurred the wrath of Gov. Andrew M. Cuomo, who ultimately threatened to revoke the company's operating franchise.

In a settlement reached with the state Public Service Commission in November, National Grid agreed to pay \$36 million in part to compensate those impacted by the moratorium, and to explore a range of alternatives to the pipeline.

This month, after public hearings to present a list of a dozen projects and concepts to address the shortage, National Grid narrowed the list to two options: the Northeast Supply Enhancement pipeline and a second that used enhancements to existing infrastructure, including the Iroquois pipeline, as well as energy efficiency and demand-reduction options to address a shortage that has also grown smaller because of the COVID-19 pandemic and warmer weather.

Kevin Law, president and chief executive of the Long Island Association, a business group that supported the project, said, "While it is unfortunate this project will not be moving forward, now is the time to put our offshore wind and solar energy projects into high gear and move them forward immediately."

Kyle Strober, executive director for the Association for a Better Long Island, a regional economic development group, said it's vital that the region have a plan to meet demand.

"The most important aspect of this whole process is that there isn't a future moratorium that would stymie the ability to obtain natural gas as we enter a post-pandemic recovery phase," Strober said.

Robert Catell, a former chief executive of Brooklyn Union Gas and KeySpan and former U.S. chairman of National Grid, called the state's decision "disappointing."

"I really do believe the pipeline is the best and only long-term solution to be sure we have secure, reliable supply of natural gas here on Long Island" and the downstate region, said Catell, who is also chair of the Advanced Energy Research and Technology Center at Stony Brook University and chair of National Offshore Wind Research and Development Consortium.

But the Stop the Williams Pipeline Coalition, which has rallied for more than a year to block state approval, on Friday called the state's decision "a tremendous grassroots climate victory," adding, "Our movement isn't going anywhere until all National Grid's fracked gas proposals have been stopped."