





June 27, 2014

## **BY ELECTRONIC MAIL**

Mr. Brian Mills Office of Electricity Delivery and Energy Reliability (OE-20) U.S. Department of Energy 1000 Independence Avenue, S.W. Washington, D.C. 20585

# Re: Northern Pass Transmission LLC, Presidential Permit Application, OE Docket No. PP-371 Response to Scoping Report Alternatives Addendum, dated May 1, 2014

Dear Mr. Mills:

We, the undersigned organizations, write regarding several significant deficiencies with the apparent scope of the U.S. Department of Energy ("DOE") review of project alternatives in the Environmental Impact Statement ("EIS") for the Northern Pass transmission project, in light of the Scoping Report Addendum published by the U.S. Department of Energy on May 1, 2014 (the "Addendum").<sup>1</sup>

Despite the passage of three and half years since Northern Pass Transmission LLC (the "applicant") submitted its first Presidential Permit application, thousands of public comments on alternatives, and a large team of EIS contractors, the Addendum presents a list of potential alternatives that is fundamentally lacking in the breadth, detail, and rigor that the National Environmental Policy Act ("NEPA") process for this massive infrastructure project requires and that the New Hampshire public deserves. In addition, the Addendum provides troubling indications that the applicant continues to have improper and undue influence over the scope and content of the EIS. This letter discusses these concerns in more detail, provides additional information for DOE's consideration during the preparation of the EIS, and requests additional steps by DOE to improve the comprehensiveness and transparency of the NEPA process.

## Failure to Identify Key Alternatives

The key failing of the Addendum is that, despite listing 24 full and partial alternatives that may be studied in the EIS, it does not identify several obvious and reasonable alternatives to the applicant's current proposal for the Northern Pass project. Several of these alternatives were highlighted in our

<sup>&</sup>lt;sup>1</sup> These comments supplement and do not supersede or replace the scoping comments filed by our respective organizations.

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and others' public comments to DOE during the scoping process, and several others have emerged since the close of the comment period.

- In much the same way that the Addendum describes Interstate 93 and New Hampshire state roads as potential routes for underground transmission lines, *the use of Interstate 91* for underground transmission lines beginning at the Derby Line border crossing in Vermont is a reasonable alternative that must be studied in detail in the EIS. The use of Interstate 91 and the Derby Line border crossing (less than 30 miles from the proposed border crossing) opens for consideration a number of additional routes for the project within the United States, including:
  - i. Interstate 91 south to a terminus in Vermont, Massachusetts, or Connecticut,
  - ii. Interstate 91 south to Interstate 93, and then south via Interstate 93 in New Hampshire, from which the project could continue via one of the underground routing proposals identified in the Addendum, and
  - iii. Interstate 91 south to Interstate 89, and then south via Interstate 89 in New Hampshire to Interstate 93 and the Concord area, from which the project could continue via the current proposal or alternative routing proposals between Concord and Deerfield.

The Governor of Vermont has indicated that Vermont is open to these specific alternatives and may be willing to pursue them.<sup>2</sup> These alternatives are readily apparent on the maps attached to the Addendum, virtually all of which include northern sections of Interstate 91. Additional options utilizing Interstate 91 and other Vermont, New Hampshire, Massachusetts, or Connecticut roads are potentially reasonable alternatives as well.

- Although the Addendum lists "other transmission projects" as a single category of alternatives, it does not identify several *similar and related transmission projects* that could substitute for the current Northern Pass project proposal or provide alternative routes or configurations for a combination of projects:
  - i. Northeast Utilities' own proposals for high-voltage direct current transmission lines connecting Hydro-Québec and the Coolidge and/or Georgia substations in Vermont, which were submitted for ISO-NE study on April 17, 2014.<sup>3</sup>
  - ii. Hydro-Québec's own proposal to upgrade the 225-megawatt Highgate tie connecting Hydro-Québec and Vermont with an additional 425 megawatts of transmission capacity, submitted for ISO-NE study on April 30, 2014.<sup>4</sup>

<sup>&</sup>lt;sup>2</sup> See Sam Evans-Brown, VT Governor Weighs in on Northern Pass Burial, New Hampshire Public Radio, May 6, 2014, at <u>http://nhpr.org/post/vt-governor-weighs-northern-pass-burial</u> (attached as **Exhibit A**).

<sup>&</sup>lt;sup>3</sup> See ISO-NE Interconnection Request Queue (Jun. 2014), at <u>http://www.iso-ne.com/genrtion\_resrcs/</u> <u>nwgen\_inter/status/interconnection\_request\_queue\_06012014.pdf</u> (excerpt attached as **Exhibit B**).

<sup>&</sup>lt;sup>4</sup> See id.

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- Transmission project configurations under active consideration by Vermont Electric Power Company ("VELCO") in Vermont, many making use of existing transmission infrastructure.<sup>5</sup>
- Anbaric Transmission's Green Line, a proposed underground and undersea 1,000-megawatt transmission line between Maine and Massachusetts, which would bring Canadian hydropower and wind power from northern Maine south to the Boston area;<sup>6</sup>
- v. Anbaric Transmission's Grand Isle 400-megawatt underwater transmission line between Plattsburgh, New York, and Burlington, Vermont, which would bring Canadian hydropower and wind power from upstate New York into New England.<sup>7</sup>

The proliferation of these projects strongly suggests that **DOE should immediately** reconsider our organizations' April 2011 motion that DOE's environmental review of the Northern Pass project be combined with a review of all similar pending transmission projects that seek to deliver hydropower to New England in the form of a comprehensive EIS. <sup>8</sup> Given the early stage of DOE's preparation of the EIS, the fact that the New England Clean Power Link has recently submitted a Presidential Permit application to DOE requiring parallel NEPA review, and the interconnection requests of other international transmission projects, the rationale for a coordinated, combined environmental review of these projects has never been stronger.

• The EIS should consider *specific alternatives for the project terminus substation*. The Addendum erroneously states "specific alternate locations for the project's terminus substations were not suggested" to DOE. To the contrary, commenters suggested numerous options for the project border crossing, converter station, and terminus substation, especially through identification of alternative transmission corridors and routes. For example, CLF specifically identified the Londonderry substation as an alternative for the project terminus that the applicant extensively studied during its planning process and for which substantial data already exist.<sup>9</sup> Other terminus substations worthy of review as reasonable alternatives to Deerfield include several in Vermont (including the VELCO substation adjacent to Vermont Yankee nuclear power station at Vernon, Vermont, and the

<sup>&</sup>lt;sup>5</sup> *See* VELCO, "VT Imports & Transmission System Review, Draft Alternative & ROW Evaluation Methodology" (Jan. 2014) (attached as **Exhibit C**).

<sup>&</sup>lt;sup>6</sup> See Mark Hand, Transmission developer rides Neptune's success into New England's energy battles, SNL, May 30, 2014, at <u>http://www.snl.com/InteractiveX/article.aspx?CDID=A-28202667-13099&ID=28202667&Printable=1</u> (attached as **Exhibit D**).

<sup>&</sup>lt;sup>7</sup> See id. See also John Herrick, Massachusetts Company Proposes Plattsburgh-Burlington Electricity Transmission Line, Vermont Digger (March 30, 2014), at <u>http://vtdigger.org/2014/03/30/massachusetts-company-proposes-plattsburgh-burlington-electricity-transmission-line</u> (attached as **Exhibit E**).

<sup>&</sup>lt;sup>8</sup> *See* Motion To Stay Proceedings and for Preparation of Comprehensive Assessment of Need for Imports of Canadian Energy into Northeastern United States, dated April 28, 2011.

<sup>&</sup>lt;sup>9</sup> See Conservation Law Foundation scoping comments, dated April 12, 2011, at 11.

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> Vermont substations identified in the active ISO-NE interconnection requests for the Highgate, Northeast Utilities, and New England Clean Power Link proposals or otherwise under study by VELCO), PSNH's Merrimack Station in Bow, New Hampshire, and PSNH's Schiller Station in Portsmouth, New Hampshire.

There are numerous reasonable alternatives to the project, not addressed in the Addendum, that do not rely on the construction of new transmission lines. The Addendum lists only three—the legally-required "no action" alternative, "energy conservation," and "power generation alternatives"—and its descriptions of these alternatives are cursory at best. These alternatives deserve detailed and rigorous study in the EIS. One such alternative that the Addendum does not identify: *the potential increase in utilization of the existing 2,000-megawatt Phase II HVDC transmission line* that originates in Quebec, traverses Vermont and New Hampshire, and terminates in Massachusetts.<sup>10</sup> According to an internal document produced by the New England States Committee on Electricity, this increase could provide 600 MW of additional imports for much of the year and may require only minor upgrades of transmission facilities in upstate New York.<sup>11</sup>

More generally, the Addendum's list of alternatives raises two additional concerns:

- DOE's list of alternative routes shows extraordinary deference to Northern Pass Transmission LLC's choice of border crossing and project terminus and relatively little attention to alternatives that would involve the use of alternative locations for those project elements. As the Addendum states, "different locations could significantly expand the range of possible routes." Despite DOE's apparent belief that it need not examine alternatives that have not been "suggested" by the public or by the applicant, it is DOE's independent responsibility under the National Environmental Policy Act to identify reasonable alternatives. It is essential to a legally compliant and complete alternatives analysis that DOE consider reasonable alternatives reflecting border crossings and project terminus locations other than those proposed by the applicant, including those locations discussed in this letter and in other locations identified by DOE itself following a thorough, impartial review.
- The Addendum retains a project alternative offered by the applicant that utilizes the Connecticut Lakes Headwaters Easement (Alternative 2.15). As explained by the Society for the Protection of New Hampshire Forests in prior scoping comments and affirmed by numerous elected officials, this alternative is fatally flawed because the alternative's use of easement lands would directly violate the terms of the easement.<sup>12</sup> In this context, DOE should not consider such an alternative reasonable or suitable for detailed study in the EIS.

<sup>&</sup>lt;sup>10</sup> See Conservation Law Foundation scoping comments, dated Nov. 5, 2013, at 7-8.

<sup>&</sup>lt;sup>11</sup> See New England States Committee on Electricity Memorandum, Background on 1200 MW Operating Limit (Jun. 5, 2013) (attached as Exhibit F).

<sup>&</sup>lt;sup>12</sup> See Society for the Protection of New Hampshire Forests scoping comments, dated Nov. 5, 2013.

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### Other DOE Statements of Concern

#### Failure to identify alternatives that will be studied in detail

While the Addendum provides a list of alternatives that *may* be studied in the EIS, it does not reveal which reasonable alternatives the EIS *will* evaluate in detail alongside the proposed project. *See* Addendum at 3 ("This Alternatives Addendum document briefly discusses alternatives that will, as of this time, be included in the draft EIS. DOE will use the information gathered during this process to identify which of the alternatives are reasonable. The range of reasonable alternatives will be analyzed in detail in the draft EIS.... DOE also will identify those alternatives that are not reasonable and, in the draft EIS, will briefly discuss the reasons those alternatives were eliminated from detailed study.").

DOE's selection of reasonable alternatives is likely to be the most significant decision defining the scope, content, and adequacy of the EIS, and this decision must logically be made early in the process of preparing the document. **Our organizations therefore renew the request in our letter of March 31, 2011, that the public receive notice of the alternatives selected for detailed analysis in the EIS well in advance of the document's completion.** Without such notice, DOE has failed to address our organizations' and the public's concerns regarding the need for additional transparency in the preparation of the draft EIS for this project.<sup>13</sup>

#### Purpose and need

In the Addendum, DOE restates the "purpose and need" for DOE's action as "to decide whether to grant a Presidential permit for the Northern Pass Project." This statement seems inconsistent with the statement in DOE's Scoping Report that "purpose and need are developed and refined through the NEPA process."<sup>14</sup> For the reasons discussed in prior comments by the public and our organizations, this statement of purpose and need is illegally narrow and lacking in essential substance necessary to define the range of reasonable alternatives for detailed study in the EIS.<sup>15</sup>

#### Assumption that project energy is "necessary"

The Addendum's description of the "energy conservation" alternative (Alternative 2.14) assumes without analysis both that there is a "need for additional electricity in the New England region" and that the project would help meet that need.<sup>16</sup> These assumptions are flawed both because DOE has not explained the source or rationale for the assumptions and because they are factually wrong.

<sup>&</sup>lt;sup>13</sup> See Letter to Brian Mills, Requests for Additional Post-Scoping, Pre-Draft-EIS Report and for Written Decisions on Pending Protests, Objections, Motions, and Comments, dated March 31, 2011.

<sup>&</sup>lt;sup>14</sup> See Northern Pass EIS Scoping Report, dated Mar. 12, 2014, at 12 n.3.

<sup>&</sup>lt;sup>15</sup> *See, e.g.*, Conservation Law Foundation scoping comments, dated April 12, 2011, at 5-7.

<sup>&</sup>lt;sup>16</sup> This statement is troublingly reminiscent of DOE's draft EIS for the Champlain Hudson Power Express project, which excluded the energy conservation alternative from further analysis based on a superficial review of load growth forecasts by the New York Independent System Operator showing future increases

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It appears that DOE has not taken into consideration comments submitted by CLF and others that New England's overall energy demand is effectively flat as a result of energy efficiency programs that are in place now. Those programs' energy savings will continue to grow without the kind of further investment that is contemplated by an active "energy conservation" alternative.<sup>17</sup>

Even if New England needed "additional electricity," the Northern Pass project is conceived as a purely elective transmission project that would not necessarily meet any reliability or capacity need defined by ISO-NE. And there is nothing in the applicant's submittals to DOE demonstrating that the project would provide any particular quantity of energy or capacity, needed or otherwise.

A meaningful "energy conservation" alternative would consider the benefits of demand reductions associated with investment—at least on a scale comparable with the multi-billion dollar budget for the Northern Pass project—in *additional* efficiency measures beyond those currently on the books. In this regard, a study prepared on behalf of the New Hampshire Office of Energy and Planning (an EIS cooperating agency) and released after the close of the scoping period shows that New Hampshire alone could cost-effectively capture ten times the energy efficiency savings that are available under existing programs.<sup>18</sup>

#### Description of underground alternatives

The Addendum repeatedly states that installation of underground high-voltage direct current transmission line "may require facilities such as a permanent access/maintenance road throughout the entire length of the ROW, aboveground cooling stations, and cable splice vaults or splicing pads." In suggesting impediments to underground installation, this description seems to rely heavily on the applicant's misleading discussion of the challenges of underground transmission in its amended application, and does not appear to consider alternative lower-impact technologies that have been presented by the public in scoping comments. Strangely, the Addendum mentions the potential need for an access road but neither makes a similar statement for aboveground transmission lines, installation of which also requires access roads, nor directly observes that such an access road would be unnecessary if installation were to occur in transportation corridors. Moreover, the Addendum's reference to above ground cooling stations is puzzling; modern highvoltage direct current technologies, including the technologies discussed in the applicant's submittals and those referenced in CLF's prior scoping comments, do not typically require aboveground cooling stations.<sup>19</sup> Most importantly, the EIS must reflect DOE's objective review and analysis of underground transmission technologies, not the applicant's self-serving account of the technology's challenges.

in electric demand. This type of cursory analysis will not be sufficient in the EIS for the Northern Pass project.

<sup>&</sup>lt;sup>17</sup> Conservation Law Foundation scoping comments, dated Nov. 5, 2013, at 9-10.

<sup>&</sup>lt;sup>18</sup> VEIC, Increasing Energy Efficiency in New Hampshire: Realizing Our Potential (Nov. 2013), at <u>http://www.nh.gov/oep/resource-library/energy/documents/nh\_eers\_study2013-11-13.pdf</u> (attached as Exhibit G).

<sup>&</sup>lt;sup>19</sup> Conservation Law Foundation scoping comments, dated Nov. 5, 2013, at 2-6 & Exhibit D.

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### Reference to information provided by the applicant

A footnote to the Addendum obliquely remarks that DOE received additional information from the applicant that identifies "an alternative converter station location closer to the grid connection point at Deerfield," which was used in defining potential underground alternatives. This information apparently included data on the cost of underground high-voltage alternating current lines. This level of coordination with the applicant, outside public view, suggests that DOE is continuing to be less than fully transparent and impartial in its oversight of the preparation of the EIS.

As it is clear that such communications are shaping the content of the EIS, our organizations request that DOE publicly post, on the public EIS website, all such communications with the applicant and all accompanying technical materials exchanged. In this regard, our organizations endorse and reiterate the requests in CLF's and AMC's November 5, 2013 scoping comments that DOE:

- Establish a more robust and accessible online repository for all EIS-related data, studies, and analyses that have been provided to DOE by the applicant and other parties or have been prepared by DOE or its contractor team;<sup>20</sup>
- Discontinue the applicant's prerogative to participate in private status meetings regarding the EIS and to review and comment on information prepared for the EIS before the public is afforded the same opportunity; and
- Convene a collaborative stakeholder committee, with regular open meetings and published minutes, to review DOE's and the EIS contractor team's progress and provide informal guidance regarding the EIS.

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Our organizations appreciate DOE's consideration of this submission, which is provided without prejudice to any and all legal rights our organizations may have, each of which is hereby expressly reserved.

Respectfully submitted,

<u>/s/ Christophe G. Courchesne</u> Christophe G. Courchesne Staff Attorney Conservation Law Foundation <u>/s/ Susan Arnold</u>

Susan Arnold Vice-President of Conservation Appalachian Mountain Club

<sup>&</sup>lt;sup>20</sup> This repository should include all applicant and DOE-generated data files regarding the precise locations and heights of the proposed overhead transmission infrastructure. *See* Appalachian Mountain Club scoping comments, dated Nov. 5, 2013, at 2.

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<u>/s/ Jim O'Brien</u> Jim O'Brien Director of External Affairs The Nature Conservancy New Hampshire Chapter <u>/s/ Will Abbott</u>

Will Abbott Vice-President for Policy and Land Management Society for the Protection of New Hampshire Forests

 cc: David M. Keddell, United States Army Corps of Engineers (david.m.keddell@usace.army.mil) Tiffany Benna, United States Forest Service (tbenna@fs.fed.us) Timothy L. Timmermann, United States Environmental Protection Agency (timmermann.timothy@epa.gov) Meredith Hatfield, Director, New Hampshire Office of Energy and Planning (Meredith.Hatfield@nh.gov)