

**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY**

Northern Pass Transmission LLC

)

Docket No. PP-371

**COMMENTS OF
THE NEW ENGLAND POWER GENERATORS ASSOCIATION, INC.**

Pursuant to the Notice published in *The Federal Register* on August 19, 2013, the New England Power Generators Association, Inc., (“NEPGA”)¹ hereby files Comments in the above captioned proceeding regarding the Amended Application for a Presidential Permit filed by Northern Pass Transmission, LLC (“Northern Pass”) on July 1, 2013. NEPGA filed for and was granted intervention status on January 15, 2011, thus is already a party in this proceeding.²

Northern Pass seeks a Presidential Permit (the “Permit”) authorizing the construction, connection, operation and maintenance of facilities for the transmission of electric energy at the international border in the State of New Hampshire in the United States and Canada (“NPT” or “Project”). NEPGA believes the Amended Application misrepresents the impacts of the proposed project, relies upon out-dated and inaccurate data and analysis, and fails to provide certain information necessary for the Department of Energy (“DOE”) to make a determination if an issuance of the Permit is consistent with the public interest. Further, NEPGA asserts that the Amended Application filing is premature as Northern Pass admittedly does not have site control over the proposed transmission line route which is the subject of this docket. For these reasons, NEPGA seeks a DOE determination that the July 2013 Amended Application is not complete and

¹ The New England Power Generators Association (“NEPGA”) is the trade association representing competitive electric generating companies in New England. NEPGA’s members represent 85 percent, or nearly 27,000 megawatts, of all the available generating capacity in New England.

² The views in these comments reflect those of NEPGA and not necessarily the positions of each individual member.

should be not be accepted for filing and consideration at this time. In the alternative, the numerous inaccuracies noted below should be struck from the Amended Application and NPT should be directed by DOE to provide more accurate information.

I. NORTHERN PASS TRANSMISSION AMENDED APPLICATION FILING

On July 1, 2013 Northern Pass filed an Amended Application to DOE regarding its proposal to build a private transmission line from Quebec to New Hampshire in order to deliver up to 1,200 megawatts (“MW”) of imported power from Quebec to the New England region. Northern Pass’s July 2013 filing amends its Application originally submitted on October 1, 2010, with supplements filed on February 5, 2011 and April 12, 2011.

The Original Application proposed to construct a bidirectional transmission line with a 1,200 MW transfer rating from Quebec, crossing into the United States at the New Hampshire border and continuing southward for 140 miles to a High Voltage Direct Current (“HVDC”) converter station in Franklin, NH. The line would continue as an Alternating Current (“AC”) line for an additional 40 miles from Franklin to an existing electrical substation in Deerfield, NH. The project was divided into three segments: a northern section from the Canadian border to Whitefield, NH; a central section from Whitefield to the converter station in Franklin, NH; and a southern section from Franklin to Deerfield, NH. Northern Pass identified several alternatives in the Original Application including three alternative routes for the north section, two alternatives for the central section and two alternatives for the south section. On February 15, 2011, Northern Pass filed an Addendum to its Application providing additional details including a preferred border crossing in Pittsburg, NH and two alternatives, as well clarifying information around its preferred

routing near Concord, NH in light of the need to obtain Federal Aviation Administration (“FAA”) approvals given the proposed proximity to the airport in Concord, NH.

After facing significant political and public opposition to the proposed route and alternatives identified in its Original Application, Northern Pass agreed to re-evaluate its proposed path and alternatives, specifically for the northern section which required substantial new Right of Way (“ROW”). Accordingly, Northern Pass filed an Addendum to its Application on April 12, 2011 withdrawing its support for certain alternatives and requesting a 60-day extension of the National Environmental Policy Act (“NEPA”) scoping process “to explore whether there might be additional route alternatives, particularly in the North Country, that would meet the needs of the Project.”

The significant opposition to the Original Application also led to the bipartisan passage of legislation by the New Hampshire State Legislature in January 2012 which prohibited the use of eminent domain by entities such as Northern Pass seeking to build private transmission lines, not needed for electric system reliability. As Northern Pass acknowledges in its Amended Application, this “change in law substantially limited the route alternatives available to the Project (page 3).” Delays caused by the impacts of the legislation, the difficulty in reaching agreements with private landowners for new ROW and the likely inability to cross the Connecticut Lakes Headwaters easement held by the New Hampshire Department of Resources and Economic Development (“NHDRED”) led to a delay of over two years in the announcement of a new proposed route, with no viable alternatives. This announcement occurred on June 28, 2013 and is the subject of the July 1, 2013 Amended Application.

Pursuant to the Amended Application, the new proposed route is 187 miles long, with substantial reconfigurations to the north section of the proposed line. Northern Pass seeks to move the route as it crosses into the United States in a more easterly and southerly path through a less densely populated area of New Hampshire. After years of stating that placing *any* segment of the proposed transmission line underground would not be feasible, Northern Pass now proposes to place two sections of the line underground including a 2,300 foot section under Route 3 in Pittsburgh, NH and 7.5 miles under state and town roads in Stewartstown and Clarksville, NH. Given that site control of these proposed underground sections has not been secured, and the ability of Northern Pass to secure site control has not been demonstrated nor known to be feasible, Northern Pass includes one “short alternative undergrounding routing option in the new portion of the North Section (page 4).” This alternative includes a 1,100 foot underground segment that would cross under approximately 100 feet of private land and require the consent of the Connecticut Lakes Realty Trust (“CLRT”) and the NHDRED. In the week before the new route was announced New Hampshire Governor Maggie Hassan noted that this easement could not be used, a factor that is key in the inability of Northern Pass to not be able to continue its original route proposal. Northern Pass includes this clearly unfeasible alternative in its Amended Application while summarily addressing and dismissing more than a dozen alternatives that have been suggested in lieu of this Project.

II. NORTHERN PASS MISREPRESENTS THE LIKELY ENERGY MARKET AND ENVIRONMENTAL IMPACTS OF THE PROJECT

In section 2.1 *Project Overview*, Northern Pass describes its view of the benefits of the Project which it characterizes as “clean, low-carbon, competitively priced electricity for consumers.” Northern Pass makes a series of claims of likely impacts from the Project for which it

either does not provide substantiation for, or relies upon admittedly out-dated information. In some cases, Northern Pass does not provide the full set of facts to buttress its claim. In particular, Northern Pass misrepresents the likely impact of the reduction in wholesale power prices, CO₂ emissions and the region's use of natural gas.

1. Northern Pass misrepresents the reduction in wholesale power prices

Northern Pass asserts that “reducing regional wholesale power prices an estimated \$206 to \$327 million will be one of the prime benefits of the Project (page 1).” This estimate of wholesale price savings is the result of a study Charles River Associates (“CRA”) prepared for Northern Pass in December 2010 entitled *LMP and Congestion Impacts of Northern Pass Transmission Project – Final Report*. The CRA report was limited in scope and solely addressed the purported impact of the Project on New England electric energy prices. CRA’s analysis used the DOE’s Energy Information Administration (“EIA”) 2010 Annual Energy Outlook for long-term gas price projections and assumed all the energy from Northern Pass would entail injecting substantial amounts of zero-cost energy into the New England wholesale electric energy market which is administered by the Independent System Operator New England (“ISO-NE”). A study commissioned by NEPGA with PA Consulting Group, Inc. (“PA”)³ in June 2012 reviewed the CRA report and its analytics and concluded that:

“The striking result of the CRA analysis is not that wholesale prices were forced down, but rather the fact that the additional energy flowing over the NPT Line, which represented approximately 5% of total ISO-NE energy demand, reduced wholesale energy costs to New England load customers by just 2.8% in 2016 and only 3.2% in 2024 (page 21).”

³ NEPGA has included a copy of the PA Consulting report with this filing.

PA further noted that even with these relatively small projected reductions in energy costs, representing only approximately 3% of the total costs paid by load, these savings are likely overstated for several reasons, including:

- Significant changes in natural gas – the CRA analysis utilized 2010 projections of natural gas prices while the PA Study used more updated natural gas projections, relying upon EIA’s “Early Release” version of the 2012 EIA Outlook. EIA revised its natural gas projections from 2010 to 2012 to account for the rapid development of low-cost shale gas resources. Just using the updated natural gas numbers from the same agency lowers the estimated energy price benefits from the Project by approximately 50%. As PA concluded:

“Updating the market impact analysis to incorporate projected gas prices from the AEO 2012 Early Release lowers the estimated energy benefits from the NPT Line in by approximately 50%. New England wholesale energy prices are projected to decline by approximately \$1/MWh on average over the 2016-2024 period – which reduces wholesale energy costs to load by \$121 million in 2016, \$152 million (2018), \$160 million (2021) and \$152 million in 2024 (page 21).”

- Assumes Hydro Quebec (HQ) would shift other exports – the CRA analysis assumes energy delivery over the Project would be shifted from other HQ exports for Ontario, New York and over New England’s Phase II Interconnection. This seems even more unlikely given that a new 1,250 MW interconnection was completed in 2011 between Quebec and Ontario. Unless HQ drastically reduces exports to Ontario and New York, the amount of energy and benefits attributed to the Project will be over-stated. As PA concluded:

“The CRA analysis simply demonstrates that New England consumers would benefit from receiving subsidized energy – energy transmitted over the NPT

Line sold at a price below its opportunity cost in other markets. Our expectation is that HQ does not intend to subsidize New England consumers (page 22).”

It seems clear that New England can only be assured that HQ will shift its sales from other regions (Ontario, New York, the Maritimes) to New England via NPT if it enters into over-market, long-term contracts that would need to be subsidized by New England consumers at above market prices for like products in order to provide a return on investment for the hydroelectric plants and transmission line as discussed above.

PA also notes that the CRA Study was very narrow in scope and did not include analysis of other economic factors such as:

- Would HQ be willing to sell hydropower over the proposed line at prices below the costs of constructing and operating its incremental new generation capacity? It is not clear that projected natural gas prices and ISO-NE market prices for electricity would cover the capital costs of HQ’s new hydro investments.
- Given the shale gas developments, natural gas will likely set energy market prices in Ontario, New York and New England for the foreseeable future. Given this, it will be unlikely that HQ will realize sufficient margins by shifting power from one intertie to another to cover the sunk costs of building the NPT transmission line. If HQ cannot cover these sunk costs, it is not clear that they will have the ability to offer energy into the New England market at zero cost. This assumption of zero-cost energy offers is a prime reason for any projections of wholesale energy cost savings.
- What would be the impacts on capacity prices in New England? ISO-New England wholesale customers must not only purchase energy, but also capacity in order to ensure resource adequacy. If modest wholesale energy price reductions are realized,

those reductions translate to lower energy revenues to existing and potential new generation resources in New England. As PA explains:

“To keep these resources in service and to maintain target reserve margins, capacity market prices will need to increase to ensure sufficient capacity remains economically viable. Higher capacity prices will increase costs to New England consumers and offset a portion of the energy price benefits from the NPT Line (page 4).”

Finally, the CRA Report neglects to take into account the investment costs to construct the Project. As PA explains in its report, by assuming (as CRA did) that power flows over the Project would be provided by the hydro generation capacity being constructed by HQ, a share of these construction costs will be allocated toward those flows over the Project. Using publicly available information, PA estimated the allocation of approximately \$6 Billion which translates to a levelized investment cost for additional HQ hydropower in the range of \$100 per megawatt hour. The estimated \$1.1 Billion⁴ cost for the U.S. portion of the line translates to approximately \$900/kW of installed capacity. Applying the annual cost of \$219 Million for use of the Project specified in the Transmission Services Agreement (“TSA”),⁵ HQ will pay approximately \$15/kW-month for the rights on the NPT line. PA estimates that the Canadian HVDC portion of the line would cost approximately \$538 Million by using cost estimates made public by the Project for the facilities on the U.S. side of the border. Using the \$219 Million annual payment for a \$1.1 Billion investment in the U.S. portion as a guide, the estimate for the annual cost for the Canadian portion of the line would be \$108 Million or \$7.50/kW-month. On an annual basis, the combined cost of both sides would be approximately \$327 Million – or \$23/kW-month. PA pulls together the transmission costs – and the incremental generation costs – and concludes:

⁴ Note that the cost of the line has risen to \$1.4 Billion per the Amended Application

⁵ FERC Docket ER11-2377-000, Order accepting the TSA is 134 FERC ¶ 61,095

“Spreading the annual costs over the amount of annual energy assumed to be delivered on the NPT Line results in an average cost for all transmission facilities of \$42.50/MWh. Adding that amount to the allocated portion of the costs of building the additional hydro generation capacity (approximately \$100/MWh), illustrates that the all-in capital cost of the power delivered over the NPT Line could be above \$140/MWh... Using our projections for the Mass Hub prices, the average revenue for sales over the NPT Line in 2016 would be approximately \$44/MWh, leaving HQ with virtually no ability to cover the opportunity costs and variable costs associated with switching power sales away from other export points to the NPT Line (page 17).”

Given Northern Pass’s reliance upon outdated natural gas forecasts, the CRA report which is quite limited in scope and makes overly simplistic assumptions, and its failure to factor in the investment costs of the incremental generation to flow over the Project and the transmission costs of the Project, it is clear that even the modest reductions in wholesale energy prices claimed by Northern Pass are over-stated.

A recently released study entitled *Natural Gas Infrastructure and Electric Generation: Proposed Solutions for New England*, which was conducted by Black and Veatch for the New England State Committee on Electricity (“NESCOE”) concluded that the net benefit to consumers of a 1,200 MW line and around-the-clock purchases from HQ would have approximately \$61 million per year over the 2017-2029 period in net benefits to New England consumers, which is approximately half the net benefits of a new gas pipeline (1,200 MMcf/day) into New England.⁶

NEPGA asserts the Amended Application is incomplete and should not be accepted without a more robust and updated analysis of the true impacts of the Project on the New England wholesale electric prices.

⁶ http://www.nescoe.com/uploads/Phase_III_Gas-Elec_Report_Sept._2013.pdf

2. Northern Pass misrepresents the reduction in CO₂ emissions

Northern Pass asserts that the Project will “reduce CO₂ emissions by up to 5 million tons per year to assist in achieving the recently enhanced goals of the Regional Greenhouse Gas Initiative (“RGGI”) and the New Hampshire Climate Action Plan (page 1).” Northern Pass repeats this “fact” that approving the Project will result in avoidance of up to 5 million tons of CO₂ per year later in the Amended Application when addressing the “No Action Alternative.” Although Northern Pass uses this estimate in its Amended Application, nowhere in the Application does it provide substantiation or even a reference to how this estimate was calculated. Clearly Northern Pass assumes its Project will displace some existing generation but no details are provided as to the assumptions or the analysis driving this figure.

Further, Northern Pass assumes that a significant portion of the power which will flow over the Project will be solely hydropower. As acknowledged in a footnote on page 6 of its Amended Application, the electricity delivered over the Project will consist of “system” power. This means the power is not unit-specific and not automatically tracked to any specific generation facility from which the power originated. Given the large storage capacity and significant inerties of the HQ system with other, highly emitting jurisdictions it is highly probable that a substantial portion of energy will have actually originated from fossil-fuel generation facilities it imports from such neighboring jurisdictions.

A review of HQ’s 2012 Annual Report illustrates this scenario. HQ’s 2012 Annual Report revealed that HQ’s electricity exports came from a mix of fuel sources including natural gas, coal, oil and nuclear. As recently as 2010, over 45 percent of the system power exported by HQ was comprised of “non-hydro” exports. In fact over the last five years, averages of over 26 percent of

HQ exports have come from “non-hydro” sources. Additionally a recent letter sent by the Conservation Law Foundation (“CLF”) to NESCOE reported that research that they had commissioned showing that the flooding of vast areas to develop HQ’s new hydro generation facilities leads to emissions of significant amounts of greenhouse gas (GHGs) during the operation of the facility. The CLF study concluded that HQ’s new hydroelectric facilities – which the Project claims would serve as a portion of supply to be exported on the Project and would emit between one-third and two-thirds of what a new natural gas combined cycle unit would produce – are not GHG-free as the Project frequently claims.⁷

A recent energy resolution passed unanimously by the New England Governors and the Eastern Canadian Premiers at its 37th annual meeting acknowledged this concern. The resolution directs the Eastern Canadian provinces to evaluate existing options and opportunities to adopt verification mechanisms of generation sources and environmental attributes that correspond with the existing New England Power Pool (“NEPOOL”) verification system.⁸

Given the lack of clarity on how the purported benefit of a reduction of 5 million tons of CO₂ was reached and the lack of transparency regarding the actual fuel mix of “system” resources from HQ that would flow over the NPT line, it is clear that Northern Pass misrepresents the magnitude of CO₂ emission reduction that may result from its Project. NEPGA would encourage DOE to strike this portion of the filing until more substantiation is provided and demonstrable progress toward a verification system has been made.

⁷ CLF Letter to Heather Hunt, Executive Director of NESCOE, August 12, 2013

⁸ New England Governors and Eastern Canadian Premiers Resolution 37-1, 9/9/13

3. Northern Pass misrepresents the reduced dependence on natural gas

Northern Pass asserts that reducing “New England’s heavy dependence on natural gas for power generation” as another key benefit of the Project (page 2). This benefit is claimed in the CRA study which posited that flows over the NPT Line would delay the need for new capacity and contribute to the ISO-NE reserve margin. As argued in the CRA Report:

“Deliveries of power generation from the hydro-rich Quebec system will displace gas-fired generation in New England and not only lower the total amount of gas used through the year, but also the dependence on potential constrained gas delivery capacity during the peak winter periods when gas demand is higher (page 18.)”

PA addressed this claim in its review of the CRA Report and found it to misrepresent the actual impact of the Project on overall natural gas use. As detailed earlier, PA found that once the Project would be operational, the increased imports into New England would result from reduced imports into Ontario, New York and over the New England Phase II tie. While “strictly true” regarding the reduction of gas use in New England, from a regional perspective CRA assumes merely a shift in dependence on natural gas from New England to Ontario and New York. PA explains:

“Under the very reasonable assumption that natural gas is the marginal generation source in Ontario and New York, gas-fired generation must necessarily increase in Ontario and/or New York to ‘free up’ the energy to be delivered to New England over the NPT Line. Hence, there is no change in total regional gas use. And, given the relatively tightly integrated regional natural gas market in the Northeast, simply shifting gas use from one portion of the Northeast to another provides no overall value for the region. Furthermore, the ‘freed up’ energy will most likely come from the low priced hours that occur during the shoulder and winter months, when the demand for natural gas for heating would be the greatest (pages 8-9).”

Further, looking at the issue of natural gas dependence from a regional basis, the CRA study suggests natural gas use will be reduced due to HQ’s increase in its own hydro generation. In

describing the background of the NPT Project in its report, CRA notes that the line will support sales of surplus energy and capacity available in Quebec which is “generation almost entirely from hydroelectric power stations, which will be supplemented with the output from new hydro projects under construction or currently under development (page 4).” If the hydro is already under construction or development, the decision to construct the NPT Line is not a driving factor to expand HQ’s hydro capacity. PA concludes:

“Therefore, we believe that the NPT Line plays only a minimal role in decreasing New England’s dependence on natural gas. Similarly, since HQ’s peak electricity use is during the winter, the availability of export energy will be more limited than in summer months, or only available at a very high price, during that time period (page 9).”

Given that Northern Pass will meet the power flow needs on the NPT Line by reducing imports of power into other parts of the region such as Ontario, New York and over the New England Phase II tie, and utilize some of the hydro generation already under construction in Quebec, claims by Northern Pass that the Project will play a key role in reducing dependence on natural gas is a clear misrepresentation of the impacts of the Project. There may be a minimal reduction in natural gas use in New England, but the use of natural gas will only shift to other regions. And given that HQ will develop its hydro resources regardless of approval to construct the NPT Line, approval of the line will not significantly alter the overall regional fuel mix as claimed by Northern Pass.

III. NORTHERN PASS MISREPRESENTS THE PROJECT’S ROLE IN ADDRESSING NEW ENGLAND’S RELIABILITY CONCERNS

In describing the benefits the Project will bring to the region, Northern Pass suggests the transmission line and the power which will flow over it is essential for system reliability in New England. Northern Pass states that the Project “contributes to the solution of a reliability problem

that the Independent System Operator-New England, Inc. (ISO-NE) has characterized as unsustainable (page 2).” This assertion makes two major misrepresentations – one, that the proposed project is a transmission project needed for reliability in New England and two, that the ISO-NE has identified building the proposed NPT line as a solution to its concerns regarding the increased use of natural gas by the region. In its Amended Application, Northern Pass relies upon these misrepresentations to overstate the “need” for DOE to approve the Presidential Permit for the Project.

During the 2011 legislative session, the New Hampshire Legislature considered and ultimately passed a bill to clarify that Northern Pass could not use eminent domain for the purpose of taking private land for the construction of its transmission line from Canada. A threshold question in the debate was whether the proposed project was one deemed to be necessary for system reliability to keep the lights on in New England. As the ISO-NE stated during public hearings on the legislation, and confirmed by the ISO-NE’s queue of interconnection requests, the proposed Project is an Elective Transmission Upgrade, not a Reliability Transmission Upgrade.⁹

Under the ISO’s categorization system for transmission upgrade requests, there are four types of Transmission Upgrades: Reliability Transmission Upgrades (“Reliability Upgrades”), Generator Interconnection Related Upgrades, Market Efficiency Transmission Upgrades (“Economic Upgrades”) and Elective Transmission Upgrades. As described in the *ISO-NE’s Planning Process 4-1*:

“As defined, the Elective Transmission Upgrade is intended to provide a mechanism for the development of transmission to address the specific needs of a Governance Participant or non-Governance Participant that are not otherwise

⁹ The ISO-NE’s updated September 2013 queue of interconnection requests for new generation, elective transmission upgrades and transmission service requests lists the October 2010 proposed HQ HVDC transmission line from the Des Cantons substation in Quebec to the Deerfield (NH) substation as an Elective Transmission Upgrade.

addressed through Reliability Upgrades, Generation Interconnection Related Upgrades or Economic Upgrades (page 6).”

By contrast, a Reliability Upgrade is a transmission upgrade that provides benefits to the region and has been identified or offered to address a specific reliability need. In considering the characterization in Northern Pass’s Amended Application of the purported “reliability” benefits of the Project, it is important to be cognizant that what is being proposed is a participant-funded, private electric transmission upgrade not a reliability upgrade that has been identified as a solution to address a system-wide reliability need. The ISO-NE recognized this in its categorization of the Project as an Elective Transmission Upgrade and the New Hampshire Legislature recognized this fact in passing HB 648 to make it clear that Northern Pass could not use eminent domain to build its proposed participant-funded private transmission project.

Northern Pass’s public statements also suggest that the Project is the solution to address the reliability concerns expressed by the ISO-NE regarding the increasing use of natural gas in the region to fuel power generation facilities. In July 2012 the ISO-NE released a paper, *Addressing Gas Dependence*, in which it outlined its concerns regarding New England’s growing use of natural gas-fired generation and identified a series of proposed solutions including creating additional performance incentives, improving the flexibility of the energy markets, and providing for enhanced information sharing between the electric and gas industries. Nowhere in this detailed paper did the ISO-NE offer building a participant-funded, elective transmission upgrade from Canada as a proposed solution to its natural gas reliability concerns.

Since releasing this paper, the ISO-NE and stakeholders have been working collaboratively to pursue these proposed solutions. Regarding performance incentives, the ISO-NE and stakeholders through the New England Power Pool (“NEPOOL”) process are currently considering

a Performance Incentive (“PI”) proposal and the ISO-NE just recently completed a supplemental procurement of generating resources for the 2013/2014 winter period to address reliability concerns. ISO-NE and NEPOOL have also been actively considering proposals to enhance energy market flexibility. On April 23, 2013 FERC approved a NEPOOL plan to allow for earlier clearing of the ISO-NE Day Ahead Energy Market (“DAEM”) and earlier completion of the initial Reserve Adequacy Assessment (“RAA”) process to coordinate the timing of electric and gas markets. Under this proposal, the DAEM bidding window would close by 10:00 AM on the day before the Operating Day, with the DAEM clearing by 1:30 PM and the initial RAA process completed by 5:00 PM. The re-offer period would occur between 1:30 and 2:00 PM. Prior to this change, the DAEM bidding window closed at 12:00 PM with results posted at 4:00 PM, the re-offer period done by 6:00 PM and the initial RAA concluded by 10:00 PM.

FERC is currently considering the second proposed energy market flexibility solution – Offer Flexibility Changes – identified by the ISO-NE in its July 2012 paper. Currently a Market Participant submits a Supply Offer for the DAEM by 10:00 AM on the day before the Operating Day and may modify its Supply Offer during the 30-minute Re-Offer period between 1:30 PM and 2:00 PM. The Market Participant is prohibited from changing any cost-related parameters of its Supply Offer after this period. Under the proposal pending with FERC, Market Participants would be able to submit different Supply Offers for each hour in the DAEM and the Real Time Market (“RTM”) and change Supply Offer price and cost parameters in real time up to 30 minutes before the applicable hour. Both the Offer Flexibility changes and the DAEM/RAA changes provide market mechanisms for addressing reliability concerns associated with the region’s increasing use of natural gas.

Finally, the ISO-NE and stakeholders have been discussing the third solution area identified in the July 2012 paper – the issue of enhanced information-sharing between the electric and gas industries, and the ISO-NE in order to ensure that generators are informed of pipeline maintenance and supply disruptions, and the ISO-NE is informed of the fuel status of generators. FERC has been actively involved in this issue as well and recently released a Notice of Proposed Rulemaking (“NOPR”) in July 2013 to allow ISOs and pipeline operators to share broad categories of generation information, subject to certain restrictions, to enhance communication and reliability. A FERC Order on this NOPR is pending.

Stakeholders in New England are well aware of the ISO-NE’s concerns over reliability issues as the region avails itself of the opportunity to benefit from its proximity to the availability of low-cost natural gas shale reserves. Significant new interstate gas pipeline projects that would bring additional supplies of low-cost natural gas from domestic sources into New England are at varying stages of development in response to market signals as are steps being taken by state governments in New England.¹⁰ Proposals under development into New England include Spectra Energy Corp.’s proposed 340,000 dekatherm per day Algonquin Incremental Market gas pipeline project targeted for service in 2016, Tennessee Gas Pipeline Company’s proposal for its 636,000 dekatherm per day New England Upgrade Project with service targeted for 2017/2018, and Portland Natural Gas Transmission System (“PNGTS”) Continent to Coast Expansion Project with an anticipated range of 300,000 dekatherms per day with service as early as 2016.

¹⁰ A main focus of Connecticut’s 2013 Comprehensive Energy Strategy was to use incentives and financing options to enable 300,000 additional Connecticut homes and businesses to have access to natural gas supply, with a key goal being “expansion of natural gas pipeline capacity into Connecticut to meet the anticipated rise in demand.” Public Act 13-298 which passed this year sought to implement many of these recommendations. In Maine, the Legislature passed LD 1559 which would allow the Maine Public Utilities Commission to enter into contracts through 12/31/18 for new natural gas transmission capacity up to 2 billion cubic feet per day into New England.

The ISO-NE is working with stakeholders to address these concerns through market mechanisms such as additional performance incentives, increased energy market flexibility and enhanced information-sharing between the electric and gas industries, and the ISO-NE. The “solution” of approving Northern Pass’s proposed Amended Application for a Presidential Permit for its proposal to build a participant-funded, elective transmission line from Quebec to New Hampshire is not part of this policy discussion. For Northern Pass to suggest as it does in its Amended Application that its Project is a necessary solution that must be approved for regional reliability benefits by DOE through the granting of a Presidential permit is a gross misrepresentation of the facts and should be rejected by DOE.

NESCOE’s recently released report, *Natural Gas Infrastructure and Electric Generation: Proposed Solutions for New England*, underscores this point. In this study referenced earlier in NEPGA’s comments, Black & Veatch analyzed three scenarios of natural gas demand growth in New England – a base case of likely demand growth, a high demand case and a low demand case, offering both short-term and long-term solutions to current natural gas infrastructure challenges. Black & Veatch evaluated three long-term solutions including two different approaches to importing electricity from Canada and a new major gas pipeline across New England. From this analysis Black & Veatch recommended a Cross-Regional Natural Gas Pipeline as the best long-term solution noting “in the absence of greater demand response/energy efficiency/non-natural gas powered distributed generation sources, a Cross-Regional Natural Gas Pipeline solution presents higher net benefits to New England consumers than do alternative long-term solutions (page 67).”

IV. NORTHERN PASS FAILS TO DISCUSS THE RELIABILITY CONCERNS TO NEW ENGLAND FROM ITS PROJECT

Northern Pass raises the issue of reliability in its Amended Application, inaccurately positioning itself as the solution to reliability concerns in New England. At the same time, Northern Pass fails to discuss the significant reliability concerns to New England from the region relying upon a long-distance transmission line for a meaningful portion of the region's supply. The recent forest fires in Quebec underscore this point.

The New York Independent System Operator ("NYISO") Vice President of Operations reported to stakeholders in mid-July that on July 3, 2013 four HQ 735 kV lines tripped off line as a result of significant forest fires in the James Bay area of Quebec. The fires continued on July 4, 2013 as well. On the first day, the transmission outages led to the loss of 3,370 MW within a 3.5 minute period of HQ exports into Ontario, New York, New England and New Brunswick, in addition to 1,500 MW of internal HQ load¹¹. In New York, real time pricing was up \$25/MWh during the event over Day Ahead prices. Looking specifically at New England, imports were reduced by 1,750 MW – 1,550 MW over the Phase II tie and 200 MW over Highgate over a two to three minute period. This is significant because this loss of exports from HQ exceeded the amount that ISO-NE maintains to protect reliability which are set as the system's largest supply contingency. Had this loss of HQ exports occurred instantaneously instead of over a period of a few minutes, the negative impact could have been significantly worse. In fact, during this event, the frequency of the Eastern Interconnection, which extends from the Atlantic Ocean to the Rocky Mountains, dropped to below 59.91 Hertz (Hz), a level at which underfrequency relays in Florida

¹¹ August 15, 2013 presentation of ISO-NE Director of System Operations John Norden to NEPOOL Reliability Committee entitled, "Week of July 14-20, 2013 Operations, July 3 DCS Event."

were nearly activated. The ISO-NE discussed this event with its stakeholders in early August and noted that it is engaging with HQ and TransEnergie to communicate protocols for future events, and to consider whether the reserves markets procures sufficient resources to account for similar contingencies related to imports.

According to the ISO-NE morning report for July 4, 2013, the peak for July 3 was 22,604 MW thus this loss of load for New England represented nearly 8 percent of the peak load for the day. Less than two weeks later, New England experienced a 6-day heat wave with tight operating reserves forecast for the entire week. If the James Bay fires had happened 10 days later, the reliability impacts on New England could have been quite serious. If New England were dependent on imports from Quebec of 2,950 MW, an even larger percentage of its peak load, the potential impacts could have become even more significant.

The July 2013 forest fires and the impacts on system reliability in areas where HQ exports its power are not the first time problems with HQ's transmission have caused reliability concerns for New England. In January 1998 a massive ice storm which lasted for six days hit Quebec, New Brunswick and Ontario leaving four million people without power. 130 power transmission towers were destroyed and more than 30,000 utility poles fell. At the height of the storm, 200 communities in Quebec declared a disaster and more than 3 million were without power. By the time the storm and its impacts were over, the estimated cost of the storm was \$5.4 Billion.¹²

More recently on August 5, 2013 a lightning strike on a power transmission corridor in Churchill Falls caused an outage in Montreal affecting 400,000 HQ customers. Unfortunately forest fires, ice storms and lightning strikes can occur anywhere from Quebec to the U.S. and

¹² www.canadianonline.about.com/cs/weather/p/icestorm.htm

beyond. However, there are real reliability considerations to New England if the region relies upon a long-distance transmission line for an additional 1,200 MW of its systems needs. The further the generation and the transmission delivering the power are from the area being served by the power, the greater the chance of reliability disruptions.

Northern Pass fails to discuss these very real reliability concerns in its Amended Application, while misrepresenting the role the Project would play in addressing New England specific reliability concerns. As the DOE weighs the public interest of providing a Presidential Permit for the NPT line, it is imperative to examine all aspects of the reliability issue and to consider the reliability concerns of the region for 1,200 MW of baseload power over a long-distance transmission line from an area with a history – some very recent – of transmission interruptions and reliability concerns.

V. NORTHERN PASS MISREPRESENTS ITS ABILITY TO GAIN SITE CONTROL OVER ITS PROPOSED ROUTE

As noted earlier, Northern Pass's original proposed route – and several alternatives – was met with vigorous opposition in New Hampshire. As a result, Northern Pass spent over two years trying to gain site control over a new route and ultimately the Project developers announced a route that lacks full site control. As Northern Pass explains in page 19 of its Amended Application, the proposed primary route includes two underground segments. The first is near the Route 3 bridge-crossing of the Connecticut River in Pittsburgh and Clarksville, New Hampshire and is approximately 2,300 feet long. The second begins in Northern Pass-owned property in Clarksville, continues along Route 145, progresses on Old Country Road into Stewartstown where it continues along North Hill Road, Bear Rock Road and then back onto Northern Pass-owned property. Buried

in a footnote on page 19 is an acknowledgement that Northern Pass does not have site control over the state and local roads, in a statement that says:

“For the underground segments in state and local roads, Northern Pass has the ability to construct the line pursuant to New Hampshire law. N.H. REV. STAT. ANN. 231:160 (2013).”

It is significant to note that Northern Pass does not have site control over its proposed route. Even more significant is the fact that it is highly uncertain – and perhaps not even feasible – that Northern Pass will be able to gain site control over these underground segments. Northern Pass acknowledges this fact as well in its Amended Application by offering a sole alternative in its filing to the part of the proposed route where it would go underneath town roads in Stewartstown and Clarksville. This alternative, instead of proceeding south and east off of affiliate-owned property in Clarksville onto Route 145, would proceed southerly and easterly onto property “almost entirely” owned by Northern Pass “with the exception of approximately 100 feet of land subject to ongoing timbering activity that is owned by the Connecticut Lakes Realty Trust (“CLRT”), and, is subject to a conservation easement held by the NHDRED. Because of the conservation easement, overhead is not a viable option here, and CLRT and NHDRED would have to consent to the construction of an underground segment across that short distance (page 57).”

Further in the footnote on this paragraph, Northern Pass explains that it only owns 62.5 percent interest in one of the parcels along the alternative route and if it were to pursue the alternative route, Northern Pass would “have to sue for partition to obtain the right to construct on that parcel.”

After spending over two years trying to gain access to private land for a viable route, Northern Pass clearly ran out of options. The proposed route puts the developer between a virtual rock and a hard place – on one side is an option that is hazardous as it requires navigating murky

legal and political waters to try to obtain the right to use state highways and local roads for a highly contested and controversial Project. On the other side of the waters is an equally hazardous obstacle – an option that current and former U.S. Senators and the current Governor of New Hampshire characterized as likely not feasible weeks before the alternative route announcement. For Northern Pass to even suggest that site control has been achieved – or has a high probability of being achieved – is a misrepresentation of reality. Regardless of whether Northern Pass tries to avoid the rock or the hard place to complete its path it is not clear that the Project can successfully get past either obstacle.

To pursue the two underground segments in the proposed note, Northern Pass faces the following challenges:

- ***Town Roads*** – it is questionable what authority the private Northern Pass Project has to seek control of the roadway itself – or the land under the roadway. It is important to note that the towns do not own the roads, instead they have a limited property right to have a town road on private property. When the easements for the road were created, private property owners maintained their fee title to the land – a common method for laying out roads in New Hampshire. Given this, it is an obvious concern that site control can only be obtainable with the approval of either private property owners or some type of taking by the towns (or the state). Not all the property owners along the road have been identified, however, several have publicly expressed their opposition to the Project and would appear unlikely to surrender or sell their rights. Thus to secure access, Northern Pass would need to somehow “take” the property. Northern Pass seemed to acknowledge this probable difficulty after announcing its route last summer indicating that it could ask state

government – through its application to the state’s Site Evaluation Committee (“SEC”) – to take the property. Legal counsel to the SEC responded through the news media shortly after the route was announced that taking of private property is outside the authority of the SEC.¹³

Putting itself in a place where it must “take” the property rights has already met public resistance. The New Hampshire Legislature passed legislation in response to Northern Pass’s first proposed route in 2012 stating that eminent domain cannot be used to take private property for a private project such as the NPT line. It is important to underscore in this respect, as the state law does, NPT is not a utility project. It is a private-use transmission proposal that does not enjoy the same privileges for eminent domain and special access to public-use property, such as roads, highways and other existing infrastructure easements. Despite this prohibition, Northern Pass could still seek to gain access to use the town roads by petitioning the towns to take the property and then grant Northern Pass a license agreement to use the ROW. This approach, however, faces another legal obstacle that appears on its face to be insurmountable. The New Hampshire Constitution, as amended in 2006, states:

[Art.] 12-a [Power to Take Property Limited.] No part of a person’s property shall be taken by eminent domain and transferred, directly or indirectly, to another person if the taking is for purposes of private development or other private use of the property.

Northern Pass cites New Hampshire law in its Amended Application as its authority to use town roads but fails to take into account the above-cited constitutional

¹³ http://m.nhpr.org/?utm_referrer=#mobile/32803

prohibition enacted in 2006 after enactment of the state law cited by the Project developers.

- ***State Roads*** – also as part of the proposed primary route, Northern Pass proposes to use two sections of state highways – Route 3 in Pittsburgh and Route 145 in Clarksville. Similar issues concerning the violation of private property rights exist on these state roads. For Route 3, the Society for the Protection of New Hampshire Forests (“Forest Society”) owns the property on either side and underneath of Route 3 as well underneath to the centerline of the Connecticut River where the Project is proposed to cross. It is highly unlikely that the Forest Society – a vocal opponent of the Project that publicly raised money to buy property to block the first route – would sell these rights to Northern Pass. In order to gain the ability to use Routes 3 and 145 the Commissioner of the State Department of Transportation (DOT) would have to weigh in on the licensing decision. It is clear from statements made in the press at the time of the site announcement that DOT had not been fully briefed – nor had in any way endorsed – Northern Pass’s plans to use state roads for its Project. If the Commissioner were put in the position of making the private property rights decisions it would be highly political and controversial, and a positive determination would invariably be challenged as unlawful and unconstitutional.

Northern Pass recognizes this difficulty in obtaining access to the state highways and local roads by offering the alternative of violating the Connecticut Lakes Headwaters Easement. This is a Hobson’s choice as it was clear that before the June 2013 route announcement that violating this easement was not an option.

- *Connecticut Lakes Headwaters Easement* – As an alternative, Northern Pass proposes to use land it has access over and then to attempt to cross the Connecticut Lakes Headwater easement. This easement was purchased through a mix of private funds through private foundation grants and individual charitable donations, and public funds through the Federal Forest Legacy Program, the New Hampshire Land and Community Heritage Incentive Program (“LCHIP”) and funding through the New Hampshire Legislature. The Easement prohibits commercial or industrial activity on the protected Property not related to forestry, forest products or forest management, recreation or water resource management. In order to violate the easement, Northern Pass would have to be granted permission by NHDRED. Two weeks before announcing this alternative, U.S. Senator Jeanne Shaheen and former U.S. Senator Judd Gregg wrote a bipartisan letter to New Hampshire newspapers in which they addressed the option of Northern Pass crossing the Headwaters and noting that there exists “an obligation by the State to defend the easement from encroachment.”¹⁴ Governor Maggie Hassan’s office expressed reservations on this possibility as well in a statement issued by the Governor’s office in mid-June noting that “the state has a responsibility to uphold the terms of the Connecticut Lakes Headwaters Conservation easement and the Governor takes that responsibility very seriously.”

NEPGA urges the DOE to closely examine and seriously question the misrepresentation that Northern Pass has made regarding its level of site control over the proposed route which is the very subject of its Amended Application. Northern Pass does not have the right to go under state

¹⁴ <http://www.concordmonitor.com/home/6897629-95/our-turn-towering-trees-not-transmission-towers>

highways and local roads in Pittsburgh, Clarksville or Stewartstown. Not only does it not currently have the right, it is quite unclear if it will be feasible for the developer to gain this site control. This is acknowledged by the fact that Northern Pass offers only one alternative to its route – to forego going on town roads and to instead attempt to violate the Connecticut Lakes Headwaters easement. Neither applicable law nor public and political sentiment favor the likelihood of gaining the right to violate this easement. Without the ability to use state highways and local town roads, or violate the conservation easement, Northern Pass does not have site control. Without site control, NEPGA asserts the Amended Application is incomplete and not timely and the DOE cannot begin the process to consider whether a Presidential Permit should be granted for the Project.

VI. NORTHERN PASS MISREPRESENTS THE LIKELY EMPLOYMENT IMPACTS OF THE PROJECT

In addition to the purported energy and environmental benefits from the Project, Northern Pass contends that the Project will bring “significant economic” benefits to New Hampshire during the construction phase and throughout the operational phase of the project. Northern Pass significantly misrepresents the magnitude of the employment impacts, characterizing the jobs as “New Hampshire jobs,” as well as the number of construction jobs and the overall economic impact on the state. According to Northern Pass, the Project will “create an estimated 1,200 to 1,500 New Hampshire jobs during construction with new economic activity during the construction phase of \$56 to \$69 Million (page 13).” NEPGA commissioned PolEcon Research (“PolEcon”) to conduct an analysis of the job impacts of the Project, with a report released in early January 2012 and updated in September 2013.¹⁵ PolEcon analyzed the claims made by Northern Pass using an input-output (I/O) methodology found in the 2010 version of the IPLAN model for

¹⁵ NEPGA has included a copy of the PolEcon study with this filing.

the state of New Hampshire. This model provides the output in terms of direct, indirect and induced effects.

PolEcon reached a markedly different conclusion as to the number of jobs that would ultimately be created by the Project, concluding:

“Results of this analysis indicate that the job impacts associated with the proposed transmission line will be substantially lower than estimated in Northern Pass Transmission, LLC studies. Our estimates of job impacts range from a high of 533 (485 on a full time equivalent basis) in year two, to 241 (219 on a full-time equivalent basis) in year one and are less than one-half of the estimates presented in studies issued by Northern Pass Transmission (NPT). Adding the impacts related to spending by out-of-state construction works (impacts that are not estimated in NPT studies), job impacts are only one-half as large as those estimated by NPT (page 7).”

PolEcon also challenges Northern Pass’s second major assertion that the resultant jobs are truly “New Hampshire” jobs. Since announcing the new route in June 2013, Northern Pass has been aggressive in New Hampshire town hall meetings, outreach to legislators and paid media in making this claim. PolEcon finds that “the New Hampshire economy does not have enough of the required business inputs or specialized labor to complete the project without a majority of inputs from out-of-state businesses and labor (page 3).” The analysis further details:

“Because of the specialized nature of transmission line, converter and substation construction, a larger percentage of construction jobs obtained by NH workers will likely be as construction laborers and other less specialized occupations associated with heavy construction and general contracting rather than specialized occupations which will more likely be imported by out-of-state construction firms hired for this project (page 7).”

PolEcon concludes that using a “baseline allocator” of project expenses that will go to New Hampshire-based business workers, a total of 1,515 jobs over four years will be supported in New Hampshire in response to project related spending in the state.” A total of 620 of these jobs will be direct, on-site construction jobs with about 11 construction jobs created as a multiplier effect. This

represents about 30 percent of the direct construction jobs expected to result from the Project, casting serious doubts on Northern Pass's highly publicized claim that the Northern Pass jobs will be primarily New Hampshire jobs.

Northeast Utilities ("NU"), the major U.S. utility partner in this project, has a strong recent history of using specialized contractors that tend to not be located in the Northeast. For recent projects including the Bethel to Norwalk transmission line in Connecticut, the Killingley substation in Connecticut, instrumentation for the scrubber at Merrimack Station in New Hampshire, and Hurricane Irene related transmission and substation reports, NU has utilized M.J. Electric headquartered in Iron Mountain, Michigan. For the overhead portion of NU's 70-mile Middletown to Norwalk transmission project, NU used PAR Electrical Contractors, headquartered in Kansas City, Missouri. Burns and McDonnell, Inc. with offices worldwide including in Wallingford, Connecticut did the project management, engineering and design for the Middletown to Norwalk project.

Moreover, the use of HVDC for the Project will require even more specialization. Currently three companies construct most of the HVDC converter stations including Siemens, ABB and Alstrom according to a 2003 study by Black & Veatch evaluating the potential use of HVDC technology for the Middletown to Norwalk project. The study further noted that "these three companies typically design, procure for and construct the converter stations on a "turnkey" basis making it even less likely that New Hampshire firms will participate in their construction."

The analysis conducted by PolEcon, NU's recent history of transmission and other construction projects, and the specialized nature of the HVDC construction casts serious doubts on

Northern Pass's claim that New Hampshire will greatly benefit from the Project through the creation of jobs that are overwhelmingly "New Hampshire" jobs.

Northern Pass also suggests that in addition to creating direct and indirect New Hampshire jobs, the Project will also have larger effects, significantly economically benefitting New Hampshire. Northern Pass contends "new economic activity in retail, accommodation and food services and other services is also expected, adding approximately \$56 Million to \$69 Million annually to New Hampshire household earnings during the construction phase (page 13)." Once again, PolEcon's analysis suggests this number is over-stated and that "negative" multiplier effects are not included in Northern Pass's optimistic outlook. PolEcon finds that:

"Spending by out-of-state workers will range from a total of about \$29 million to \$31 million over the entire construction period, ranging from a low of \$4.8 million in year one to a high of \$10.8 million in year two of the project. This spending will support between 70 and 155 jobs in NH annually and could increase meals and rooms revenues by as much as \$700,000 in year two of the project (page 8)."

PolEcon notes however that "the impact that the proposed NPT project may have on recreation and tourism activities in NH during and after the construction may have corresponding negative impacts on meals, rooms and other state revenues (page 19)."

Clearly, in the current economic environment, any additional job creation is not to be viewed negatively. However, when evaluating a Project of the magnitude of the Northern Pass line with its potentially adverse impacts on the New England energy market and the New Hampshire economy it is critical that all factors are considered in the proper context. And it should be noted that the construction of a new combined cycle generating plant would produce approximately the same number of construction jobs as is claimed by the Project and would result in more long-term jobs to operate the generating plant than will a HVDC transmission line.

Northern Pass's claim that its Project will bring 1,200 new, direct New Hampshire jobs to the state with significant economic multiplier effects is a misrepresentation and over-statement. As PolEcon found "even when the job impacts related to spending by out-of-state construction workers are included (something not included in estimates of jobs provided by Northern Pass), our results indicate that the job impacts of the Northern Pass Project will be about half the size estimated by Northern Pass (page 29)." Combining the job impacts of Northern Pass construction spending with the job impacts related to spending in New Hampshire by out-of-state construction workers provides an estimate to increase the forecasted rate of job growth in New Hampshire by a high of about 1/10 of one percent (.001) in the second year of construction (page 20)."

VII. CONCLUSION

After meeting significant resistance to its Original Application to DOE for a Presidential Permit to construct its proposed transmission line from Quebec to New Hampshire, Northern Pass spent well over two years developing a new route for its highly controversial project. On July 1, 2013 Northern Pass filed an Amended Application with the new proposed route. Unfortunately, the new proposal is plagued by as many issues as its first attempt. In describing the purported benefits of the Project, Northern Pass misrepresents the likely energy market and environmental impacts, specifically the likely reduction in wholesale power prices for New England, overall reductions in CO₂ emissions and reductions on the use of natural gas. Northern Pass relies largely upon out-dated analysis in the 2010 Charles River Associates study of the wholesale energy market and congestion impacts of the Project. NEPGA's comments discuss the PA Consulting Report done in 2012 which updates the CRA Study and assumptions and provides a more robust, realistic look at possible energy market impacts.

Project proponents also misrepresent the likely employment impacts of Northern Pass. The Project backers misrepresent the magnitude of the employment impacts, characterizing the jobs as “New Hampshire” jobs and the number of jobs and overall impact in the state. NEPGA’s comments discuss the PolEcon Research study which also examined the possible employment impacts and concluded that the job impacts from the Project would be about half of what was estimated by Northern Pass.

Northern Pass also misrepresents the Project’s role in addressing concerns in New England regarding the increased use of natural gas to fuel the region’s power generation fleet. At the same time, Northern Pass in no way addresses the very real reliability impacts that have affected transmission in Quebec, including the recent July 2013 forest fires in Quebec which curtailed load into neighboring regions including New England during the critical summer peak period. NEPGA’s comments discuss the ISO-NE’s proposed solutions to its natural gas reliability concerns which do not include Northern Pass, and outline some of the reliability challenges to the region in relying upon a long-distance transmission line for a large component of its baseload needs.

Finally, all of this occurs against the backdrop of an out-of-time, premature filing that proposes a route for a project that the developers have not achieved meaningful site control over. Northern Pass has not attained the right to go under state highways and town roads in Pittsburgh, Clarksville or Stewartstown, New Hampshire. Not only does it not have the right, it is quite unclear if it will be feasible for the developer to gain site control. Northern Pass acknowledges this by offering one alternative to its route – to forego going on town roads and instead attempt to violate the Connecticut Lakes Headwaters conservation easement, another option with a low to zero probability of success.

NEPGA therefore asserts that the DOE process to consider granting a Presidential Permit for this Project should be suspended until site control is attained. In addition, Northern Pass needs to more fully address and update its many statements relating to potential benefits of this Project.