



national fuel

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August 13, 2015

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Re: National Fuel Gas Supply Corporation and Empire Pipeline, Inc.
Northern Access 2016 Project
Docket No. CP15-115-000

Dear Ms. Bose:

National Fuel Gas Supply Corporation and Empire Pipeline, Inc. (collectively, “National Fuel”) hereby submit their responses to comments submitted from June 15, 2015 to July 14, 2015. Similar to National Fuel’s July 15, 2014 Scoping Comment Response, National Fuel reviewed each comment submitted during the aforementioned comment period, similar comments were grouped together and comment summaries were developed with respect to new and previously unaddressed substantive issues/concerns.

National Fuel responds to each of these comment summaries in the attached document in comment/response format. National Fuel’s responses are based on the pipeline route and facilities in National Fuel’s March 17, 2015 certificate application and agency responses, field work and plan development completed as of this time.

As stated within National Fuel’s July 1, 2015 environmental data request response, and its July 14, 2015 Scoping Comment Response, National Fuel is continuing to evaluate non-residential alternate locations for its proposed Pendleton Compression Station and plans to file an update with FERC by August 30, 2015 regarding its efforts to secure locations for its proposed compressor station and other above-ground facilities.

Please contact the undersigned if you have questions concerning this filing.

Very truly yours,

/s/ Kenneth Webster

Kenneth Webster
Attorney
National Fuel Gas Supply Corporation and
Empire Pipeline, Inc.

Enc.

cc: Christine Allen

CERTIFICATE OF SERVICE

I hereby certify that I have this day served, in accordance with the provisions of Rule 2010 of the Commission's Rules of Practice and Procedure, the foregoing document upon each person designated on the official service list compiled by the Secretary of the Commission in this proceeding.

Dated at Williamsville, New York this 13th day of August, 2015.

/s/ Janet R. Bayer

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Scoping Comments / Responses

June 15, 2015 to July 14, 2015

1. Concern as to excess runoff flowing onto property of adjoining landowners during and after construction of the proposed compressor station.

Response: As part of the substantial oversight and many regulatory approvals necessary for this project, the New York State Department of Environment Conservation (NYDEC) requires that National Fuel follow its stringent requirements for protection of the compressor station site and surrounding areas. During construction, National Fuel will install erosion control devices (ECDs) in accordance with its NYDEC State Pollution Discharge Elimination System (SPDES) permit and the supporting, site specific ECD plan - the Storm Water Pollution Prevention Plan (SWPPP). Both the permit and plan are prepared by a New York State registered Civil Engineer and approved by the NYDEC in order to control and manage the flow of runoff on the project site.

In addition to the site specific ECD plan, the completed compressor station site will have post-construction stormwater discharge facilities which will be designed by a registered Civil Engineer and will be constructed to contain runoff from the site not eliminated by site infiltration. These facilities are also approved and inspected by the NYDEC.

2. Concern as to frequency and necessity of compressor station “blowdowns.”

Response: A “blowdown” is a term sometimes used to describe the process of discharging or “venting” natural gas to atmosphere during maintenance periods or in the unlikely event of an emergency.

The venting of natural gas at compressor stations falls into two categories, unit (individual compressor unit) venting and station venting. Unit venting involves a minimal amount of gas as it is associated only with the smaller diameter piping of an individual compressor unit, and is required at each stop of a compressor unit. This could occur as frequently as a few times a day, but may occur much less frequently depending on station and system operations. All such venting of gas at the proposed Pendleton compressor station and existing Porterville compressor station will be through silencers designed to be below the same stringent federal noise limits as the station operation itself. National Fuel has also committed to evaluate the recycling of vented natural gas for the Pendleton Compressor Station. Under this potential design, the unit vented gas would be redirected to the second compressor unit as fuel for that unit. National Fuel is conducting a feasibility review as part of its detailed station design to determine whether a commitment to this approach can be made.

Station venting can occur in connection with planned maintenance activities or emergency situations, both of which require the release of natural gas from the compressor station piping. The process includes closing block valves – located at the inlet and outlet of the compressor station – then venting the natural gas within the station piping to allow for maintenance or repairs to the station. The occurrence of station venting will be infrequent and discharged natural gas will flow through a silencer system designed to be below the same stringent federal noise requirements as the station operation itself. Because venting of natural gas in the unlikely event of an emergency must occur as quickly as possible, the use of recycling is not possible.

Instances of pipeline venting are infrequent (at frequency intervals generally measured in years on individual segments of a pipeline) and relate to either planned maintenance activities on the pipe itself, which requires the pipe to be in a depressurized state to perform the task safely, and emergency situations which require the venting of natural gas to make the situation safe. Efforts are made in preparation for maintenance activities to “feed down” the pipeline pressure into lower pressure pipelines, where possible, before any venting occurs.

3. Concern that PHMSA pipeline safety rules are only voluntary standards and that safety is not a priority of the gas industry. Statement that there is only one inspector for each 5,800 miles of pipeline.

Response: Safety is THE top priority of the natural gas industry and has been so for decades. While the industry has an outstanding safety record, and pipelines are recognized as the safest mode of transportation of energy products, the industry also has many programs to continue to improve upon its safety record.

Federal pipeline safety rules are administered by the Pipeline and Hazardous Materials Safety Administration (PHMSA), an agency of the United States Department of Transportation. PHMSA’s regulations are mandatory and subject pipelines, such as National Fuel and Empire, to vigorous inspections and audits. PHMSA has significant enforcement authority to insure its regulations are carried out, including the ability to issue civil penalties of up to \$100,000 per violation per day, and potential criminal penalties. Industry operators, including National Fuel and Empire, must maintain appropriate records documenting PHMSA required inspections, maintenance and programs for their facilities. National Fuel and Empire have outstanding records in complying with Federal and State pipeline safety requirements.

4. Request that National Fuel complete a crop yield survey prior to construction so that post construction yield and possible damage can be measured and financial losses can be assessed.

Response: National Fuel will meet with farmers whose agricultural lands may be directly impacted by project construction (generally, those along the pipeline right of way). This will occur in advance of construction in order to establish existing crop yields and estimate losses, so as to reimburse farmers for actual damages incurred, if any. Post-construction, annual crop yields will be reviewed and monitored until such time that they return to pre-construction levels, and farmers will be compensated for actual losses during that period.

National Fuel works closely with the New York Department of Agriculture & Markets to provide guidance in these circumstances.

5. Concern that the Frontier Chemical Pendleton Site was not identified during National Fuel's review of the NYSDEC Environmental Site Remediation Database and the United States Environmental Protection Agency's Superfund Sites.

Response: National Fuel thoroughly reviewed applicable state and federal databases as part of its preparation of environmental resource reports for the project. In connection with its preparation of Resource Report 2, National Fuel searched the New York Department of Environmental Conservation's (NYSDEC) "Environmental Site Remediation Database (<http://www.dec.ny.gov/cfmx/extapps/derexternal/index.cfm?pageid=3>). With respect to Niagara County, National Fuel's search encompassed the Towns of Wheatfield and Pendleton (the proposed locations of the Replacement Pipeline and related above-ground facilities). However, as the NYSEC's database incorrectly marked the Frontier Chemical Site Pendleton Site as within the Town of North Tonawanda, New York, National Fuel's search did not identify this site.

National Fuel also reviewed the United States Environmental Protection Agency's (EPA) website (http://www.epa.gov/enviro/geo_data.html) to identify regulated facilities or cleanup locations. The EPA's website provided georeferenced (shp/kml files), which did not represent the Frontier Chemical Pendleton Site. The title of the data file was "USEPA Region 02 Geospatial Data of Regulated Facilities or Cleanup Locations." More specifically, the Frontier Chemical Pendleton Site was not included in any town (Wheatfield, Pendleton, or North Tonawanda) in the EPA file.

6. Concern that construction techniques during the installation of the proposed Pendleton Compressor Station, including using pilings driven into the ground to support the station, and during the replacement of Line XM-10, could impact the structural integrity of homes in the area.

Response: National Fuel has committed to not use blasting during construction within 150 feet of homes. Therefore, no pre- or post- construction surveys will be necessary.

The comment summary refers to driven piles, which will not be used as part of this project, and specifically not in connection with the construction of the proposed Pendleton Compressor Station. National Fuel plans to support the majority of its compressor station with helical screw piles as its foundation system. Minor facilities may be supported by traditional formed and poured concrete foundations.

Screw piles are wound into the ground much like a screw into wood. Screw piles are installed using earthmoving equipment (typically a tracked excavator) fitted with a rotary hydraulic attachment. Relative to most other types of construction activity involving the installation of driven piles, the installation of helical screw-piles produces little to no disturbance of the site. An additional advantage is the low noise level associated with installation. Installation also produces minimal vibrations.

7. Concern regarding the requirements and associated costs for the Wendelville Volunteer Fire Company in connection with the operation of the proposed Pendleton compressor station.

Response: Local emergency responders will not be involved with the operations of the proposed compressor station. National Fuel's Gas Control Operations Center (GCOC) monitors all major gas facilities, which will include the proposed compressor station, and can identify abnormal or emergency conditions. In the event GCOC identifies one of these conditions, GCOC is able to make system adjustments remotely and/or dispatch appropriate field personnel to respond. In the event an emergency condition was reported by the public, National Fuel would dispatch its appropriate field personnel to respond.

Additionally, as it does with respect to its numerous existing compressor stations, National Fuel will provide free training to local emergency responders. After National Fuel completes its construction of the proposed compressor station, National Fuel's Operations Department will conduct Emergency Management Agency (EMA) meetings with local emergency responders to review the emergency expectations of the parties. National Fuel will conduct similar EMA meetings annually thereafter. As part of its EMA meetings,

National Fuel will provide emergency response training and facility tours. National Fuel will also discuss off-hour response coverage and its spill prevention control and countermeasure plan.

In addition, based on National Fuel's significant operating history, local emergency responders have not needed to add personnel or apparatus. Nonetheless, National Fuel, including its key employees involved in operations, including those with firsthand experience in fire company operations, intends to meet with the Fire Chief and Officers of the Wendelville Volunteer Fire Company to determine whether there is any equipment, training or other needs of the fire company that it can meet.

8. Concern as to National Fuel's protections against computer software and hardware issues at the proposed compressor station, including hacking and terrorist attacks.

Response: National Fuel's compressor station design incorporates multiple systems that combine to provide control of the station's equipment in a safe and reliable manner. Each of the systems is designed to equip the station with a distinct control function that enhances the overall functionality, efficiency and safety of the compressor station. Through distinct layers of redundant, fail-safe controls that automatically counteract the effect of potential sources of failure, including communication links and power systems, the station will be capable of both remote and local operation. As an added precaution, National Fuel does not connect the station control systems to the public internet in order to prevent an opportunity for remote attacks onto our systems.

9. Concerns related to removal of water from the natural gas stream at the proposed dehydration facility:

- Where will the water go once removed from the pipeline?
- Is the water contaminated?
- How will the water be stored?
- Who will inspect storage tanks for construction defects and leaks?
- How is the water treated?

Response: National Fuel expects that the natural gas flowing through the proposed Wheatfield dehydration facility will be pipeline quality. Little or no "free liquid" water is expected in the pipeline. However, to the extent that free liquid or water vapor exceeding downstream standards is present in the natural gas stream, the natural gas dehydration process (drying) employed at the Wheatfield dehydration station will remove free liquid and water vapor from the gas to a level of (4) pounds per million standard cubic feet (MMSCF).

During the drying process, water vapor will be removed from the gas stream in the contact tower of the dehydration facility. Specifically, water vapor will be circulated from the contact tower to a re-boiler where it is “boiled off” into steam. This steam, consisting of the extracted water vapor and trace petroleum hydrocarbons (if any are present), will be fed into a thermal oxidizer with a 99% destruction efficiency prior to venting to the atmosphere.

As such, water storage tanks are unnecessary and will not be installed at the proposed dehydration facility.

10. Concern as to the age of pipelines transporting liquid natural gas as part of the Northern Access 2016 Project.

Response: National Fuel does not transport liquid natural gas in any of its existing pipelines, and will not transport liquid natural gas as part of the Northern Access 2016 Project.

11. Concern as to whether the XM-10 pipeline and the interconnection to Empire’s mainline has been checked for increased corrosion due to the proximity to high tension power lines, which cause an electromagnetic field.

Response: Empire’s existing installed cathodic protection facilities were designed to reduce the possibility of corrosion, including corrosion that may be attributed to the influence of nearby power transmission. Mandated annual inspection of Empire’s facilities verifies cathodic protection levels and monitors for the presence of induced alternating current. Inspection results have indicated adequate cathodic protection and have found alternating current potentials to be minimal.

Line XM-10 is electrically isolated from the Empire Pipeline interconnection, eliminating a direct path for any currents to pass between XM-10 and the Empire mainline. XM-10’s nearly perpendicular orientation and distance from the power transmission facilities (paralleling the Empire mainline), place XM-10 outside the expected zone of alternating current influence and associated threats of potential corrosion.

12. Concern as to the technology that will be utilized by National Fuel to detect corrosion, welding failures and defective materials.

Response: National Fuel will follow industry standard practices and stringent federal safety codes as well as internal company specifications to ensure the construction of a high quality pipeline. The pipe and welds will be coated with an epoxy-based powder coating to protect the surface from corrosion. Before installation, each joint of pipe will be inspected with a “holiday detector” to ensure a successful coating application. If a deficiency is found, it will be repaired and inspected again. Once installed, National Fuel will monitor corrosion and protect the pipeline with a cathodic protection system. Readings will be taken at regular intervals and recorded to monitor the pipeline condition.

National Fuel commits to meet and exceed the federal nondestructive testing requirements found in Code of Federal Regulations (CFR) Title 49, Part 192. One or more of the following methods will be performed to verify a successful weld: radiographic x-ray, magnetic particles, and/or liquid penetrant. During the welding process, a welding inspector will visually inspect the welds and take amperage and voltage readings to confirm the parameters of the welding procedure are being followed. In addition, the pipeline will be hydrostatically tested prior to being placed in-service.

13. Request for a list of the various governmental agencies that will be involved during construction.

Response:

- Federal Energy Regulatory Commission
- U.S. Fish and Wildlife Service
- U.S. Army Corps of Engineers, Buffalo & Pittsburgh Districts
- US Department of Transportation Pipeline and Hazardous Materials Safety Administration
- New York State Department of Environmental Conservation, Region 9
- New York State, Allegany, Cattaraugus, Erie, and Niagara Soil and Water Conservation Districts,
- New York State Department of Agriculture and Markets
- New York State Public Service Commission
- New York State Department of Transportation
- New York State Office of Parks, Recreation, and Historical Preservation
- Pennsylvania Department of Environmental Protection, Northwest Region
- Pennsylvania Department of Conservation and Natural Resources
- Pennsylvania Department of Transportation
- Pennsylvania Historical and Museum Commission, Bureau for Historical Preservation
- Pennsylvania Game Commission
- Pennsylvania Fish and Boat Commission
- Pennsylvania, McKean County Conservation District

- US Occupational Safety and Health Administration
- US Environmental Protection Agency
- McKean (PA), Allegany, Cattaraugus, Erie and Niagara County (NY) (road permits)
- Local towns and townships (road and building permits)

14. Concern as to whether federal, state or FERC inspectors will be on site during and after construction, and the role of those inspectors.

Response: A representative from the agencies listed in the answer to question 13 may be present for an inspection at any time during or after construction. The role of each inspector is to verify conformance with issued permits as well as agency and National Fuel specifications. In addition, National Fuel will have a large team of qualified craft and environmental inspectors and project construction managers on site fulltime, assuring compliance with project specifications and permits.

15. Concern/statement that National Fuel already owns a share of a compressor station located in Cambria, New York, about 5 miles from the proposed compressor station site.

Response: National Fuel and Tennessee Gas Pipeline jointly own the Lockport Compressor Station, which is located in Cambria, New York. Lockport Station is not sited along Line XM-10, but rather it connects to a jointly-owned pipeline known as the Niagara Spur Loop Line, on which there is no available firm capacity. Accordingly, as discussed in National Fuel's July 14, 2015 Response to Scoping Comment (see page 28 of 43), use of this compressor station site would require Empire to replace all 3.05 miles of XM-10 (from Line X to the proposed compressor station site) with 24-inch pipe, and the construction of an additional approximately 8.1 miles of 16-inch and 24-inch transmission pipeline, all on a minimum of 100 feet wide construction right-of-way. Based on these significant additional landowner and environmental impacts, an alternative using the Cambria, New York site is not viable.

16. Concern/statement that the Pendleton Compressor Station would be the largest compressor station in New York State.

Response: After a review of publicly available data, it is clear that the proposed Pendleton Compressor Station (22,214 horsepower) is neither the largest station in New York State nor an unusually large station. The two largest FERC regulated stations within New York are 40,010 and 38,800 horsepower, respectively, and a third station will total 36,102 horsepower following its certificated expansion.

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There are also currently eleven (11) compressor stations within New York State with more than 17,000 horsepower.

Additionally, National Fuel currently operates three stations of greater than 20,000 horsepower, two of which contain the same Solar Taurus 70 units that will be installed at the proposed Pendleton Compressor station, and a fourth station currently being expanded will house 28,950 horsepower. Two of these compressor stations are located in New York and the other two are in Pennsylvania.