



COMMONWEALTH OF MASSACHUSETTS  
**TOWN OF ACUSHNET**  
122 MAIN STREET, ACUSHNET, MA 02743  
**LNG ADVISORY COMMITTEE**

TEL.: (508) 998-0250  
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RE: Algonquin Gas Transmission, LLC's, Access Northeast Project  
Docket # PF16-1-000

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

May 25, 2016

Dear Secretary Bose:

As the Town of Acushnet, Massachusetts grapples with the impacts to our community that will result from the Access Northeast project, I am writing today as chairman of the Town Of Acushnet Citizens Advisory Committee on LNG (the "Committee") to urge the Federal Energy Regulatory Commission (FERC) to take certain actions. The Acushnet Board of Selectmen established the Committee to advise it on all aspects of the Access Northeast project.

As you are aware, Access Northeast would bring to our community two distinct components. The first is a natural gas pipeline measuring 1.7 miles. That 24 inch pipeline would lead to liquefaction stations which would feed two LNG storage tanks with a combined capacity of 6.8 billion cubic feet. Vaporization stations would return the liquid to a gas which would leave the facility via the new pipeline.

Since March 28, 2016, the Committee has worked to develop a list of issues of local concern and areas of interest. Our report to the Board of Selectmen will detail our findings and may be incorporated into the Town of Acushnet's formal communication to FERC. However, in order to ensure an appropriate time period for your review and possible action, the Committee writes today requesting your immediate attention to the issue of possible impacts to property values, property insurance coverage, title insurance and impacts on mortgages and mortgage rates resulting from the Access Northeast project.

It is our understanding that FERC has encountered these concerns when reviewing previous projects. With limited resources available, we have, admittedly, conducted limited research. What we have discovered are varying examples of actions taken by the Commission. As an example, in September 2014 (Dominion Cove Point (MD) LNG; Docket No. CP13-113-000) FERC issued an Order Granting Section 3 and Section 7 Authorizations that addressed the topic of property values. On page 146 FERC wrote:

*"Commenters raise concerns about the potential for the Cove Point Liquefaction Project to affect property values in the vicinity of the facility. A project's impact on land values depends on many factors, including the entire project size, the existence of other energy projects and infrastructure, the current value of the land, and current land use. Each potential purchaser will have varying criteria, considerations, and capabilities for purchasing land and the addition of liquefaction facilities to an existing LNG terminal, especially when not visible to the surrounding community, may be irrelevant to a prospective purchaser."*

*The EA explains that Dominion's proposed liquefaction facilities will be located entirely within the existing Cove Point LNG Terminal, which is an operating industrial facility. Further, the EA explains that 323 of the 377 residential structures within 1 mile of the facility were built after the existing facility commenced operation in 1978. Dominion's proposed sound barrier, which will be installed to mitigate the impacts associated with noise generation by the new facilities, will also result in visual screening of the existing industrial facility from nearby residences. Based on this information, the EA properly concludes that the Cove Point Liquefaction project should not result in a significant impact on nearby property values."*

Understanding that no two LNG proposals are the same, the items mentioned in the brief explanation above strike a nerve among residents in this community. If approved, Access Northeast would bring LNG storage to property owned by one of the consortium members which presently is used as a residential LNG peak shaving facility with a capacity of 0.5 billion cubic feet. Many of the private residences in the neighborhood were built after the peak shaver began operations in 1977. There presently exists energy infrastructure on the existing site. Preliminary discussions with project proponents indicate that there will be minimal visual impact (based on very early studies) and that noise generation would be mitigated by factors that may further reduce visual impacts.

Where the Acushnet and Cove Point projects greatly differ is size and scope. While the Cove Point project involved the siting of a new liquefaction train at an existing liquefaction / storage facility in an industrial area, the Acushnet proposal would bring the largest LNG storage facility on the east coast, with two large scale liquefaction systems, into an area adjacent to an existing LNG storage facility in a residential neighborhood. We would argue that a review of the project's impact on property values not be limited to a similar two paragraph assessment as it was in the Cove Point order.

We would ask you to review the October 2014 EIS (No. 0249F, Section 4-152) relative to the Constitution Pipeline and Wright Interconnect Projects (PA & NY). These projects were significantly smaller in both size and scope than the Access Northeast project, but we were struck by the amount of effort that went into the discussion on property and other residential-based values. These five pages of text detail the efforts taken by FERC in addressing these


important local concerns. The review of pertinent literature, interviews with local assessors and the conclusions of studies previously used by FERC (Diskin et al 2011, PGP Valuation 2008, Fruits 2008, Hansen et al 2006) thoroughly addressed the potential impact the pipeline would have on property values, property insurance coverage, title insurance, the ability to obtain a mortgage and the possible impacts on mortgage rates.

While time constraints prevent us from researching additional FERC decisions to see how the issue of property values were analyzed and considered, we believe the two examples cited in this communication speak to our concerns. Given the complexities, size and scope of the LNG storage component of the Access Northeast project, we call on FERC to engage in a comprehensive and robust assessment of the impacts on the very real values cited above. We would reject as limited a finding similar to the one made in the Cove Point project. We would encourage a detailed assessment similar to the Constitution project's review, a project of much smaller size and scope than the Acushnet project. Further, given that the studies referenced in the Constitution report date back several years (2006-2011), we ask that new reports be commissioned so that current decisions are based on current market data.

The Access Northeast project has the potential to leave a mark on this small community that will last generations. We owe it to the residents of today, as well as tomorrow, to not be complacent in any aspect of our decision-making processes.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read 'KAG', is written over the printed name.

Kevin A. Gallagher  
Committee Chair  
Fire Chief, Town of Acushnet