



November 22, 2006

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Secretary Robert W. Golledge, Jr.
Executive Office of Environmental Affairs
Attn: Richard Bourre
MEPA Office
100 Cambridge Street, Suite 900
Boston, MA 02114

**Subject: NORTHEAST GATEWAY DWP LICENSE APPLICATION FINAL
ENVIRONMENTAL IMPACT STATEMENT AND FINAL ENVIRONMENTAL
IMPACT REPORT**

Reference: DOT Docket Number UUSCG-2005-22219
EOEA Number 13473/13474

Gentlemen:

The New England Energy Alliance represents diverse interests within the energy industry. However, Alliance members share a common concern about the adequacy of the region's energy infrastructure to ensure affordable and reliable electricity and natural gas to consumers. With members that include electric transmission and distribution companies, power generators, energy marketers and natural gas providers, the Alliance was established to advocate for informed decision making and timely action on proposals to build energy infrastructure considered vital to the region's economic well-being.

The proposed Northeast Gateway LNG deepwater port now before Federal and state licensing and regulatory agencies, as well as other similar projects in the region, are among the projects considered by the Alliance to deserve timely action. While the Alliance does not advocate for specific projects, it believes the need for additional LNG facilities within the region is well established. It also believes the regulatory process has been thorough and reflects the need to balance careful consideration of potential adverse impacts and mitigating actions with the need for timely decisions to ensure that energy projects are built and ready to operate when they are needed.

The FEIS provides a comprehensive assessment of the need for additional LNG supplies. The Alliance commends the agencies involved in the development of the FEIS for incorporating key factors that demonstrate need.

The Alliance agrees there is ample evidence to support the need for new natural gas facilities within the region. In September 2003, the National Petroleum Council issued a report that clearly described the conflict between policies that encourage increased consumption of natural gas and those that seemingly discourage new supplies. New England is a prime example of that dichotomy. For the past decade, public policy in the region has encouraged power generators to build power plants fueled almost exclusively by natural gas. The result has been a 70 percent increase in natural gas consumption in just a decade. More than 40 percent of the region's electricity now comes from natural gas-fired power plants and that percentage is likely to increase because natural gas remains the fuel of choice. Yet, there has been little action in the past decade that has resulted in greater supply.

That lack of new supply to keep pace with growing demand prompted the Analysis Group in a report commissioned by the Alliance (issued in November 2005) to conclude that there are "plausible scenarios of demand exceeding available supplies and delivery capacity for both electricity and natural gas...as soon as within the next two years, and the need for additional supplies may already be upon us." The Analysis Group and others have concluded that the need for new supplies will be upon us by 2010 "at the latest." Similar conclusions have been reached by other organizations such as the New England Governors' Power Planning Committee.

In a separate report issued earlier in 2005, the New England Council concluded that a two year delay in bringing new natural gas supplies to New England could cost the region \$3 billion by 2010. This economic penalty would be one additional disincentive to economic development and would serve as a significant handicap to the region as it competes for business with other regions of the U.S. and in global markets.

Regarding the analysis of safety of alternatives, in particular other potential LNG facilities, especially those not located near major load centers in New England, the Alliance believes that there are economic considerations that argue strongly for LNG facilities located in Southern New England. The demand for natural gas in Canada is likely to increase for a number of reasons: Canada is a signatory to the Kyoto Protocol and some provinces are shutting down coal-fired power plants in favor of natural gas. As

a result, Canada may be experiencing the same demand pressures felt in New England. There is also substantial cost associated with transporting natural gas from Canada to markets in Southern New England. While the Alliance recognizes the importance of Canada as an energy trading partner, it does not think it wise to forgo development of LNG facilities in Southern New England with the expectation that facilities in Canada can meet anticipated need indefinitely.

The Alliance agrees that a thorough assessment of environmental impacts and safety concerns is a necessary and important part of the approval process. It believes that issues raised during the review process should be well documented and addressed and that actions outlined in the FEIS provide reasonable assurance that appropriate actions will be taken to mitigate potential adverse impacts. While the Alliance has not conducted an independent review of the proposed project, it has reviewed the FEIS and believes it reflects a thorough assessment by applicable government agencies, as well as appropriate responses by the project sponsor to issues and concerns raised during the review process.

Sincerely,

Carl Gustin, President
New England Energy Alliance
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Boston, MA 02110
617-216-5765



November 30, 2006

Mark A. Prescott
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Secretary Robert W. Golledge, Jr.
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Subject: NEPTUNE LNG DWP LICENSE APPLICATION FINAL
ENVIRONMENTAL IMPACT STATEMENT AND FINAL ENVIRONMENTAL
IMPACT REPORT

Reference: DOT Docket Number UUSCG-2005-22611
EOEA Number 13641

Gentlemen:

The New England Energy Alliance represents diverse interests within the energy industry. However, Alliance members share a common concern about the adequacy of the region's energy infrastructure to ensure affordable and reliable electricity and natural gas to consumers. With members that include electric transmission and distribution companies, power generators, energy marketers and natural gas providers, the Alliance was established to advocate for informed decision making and timely action on proposals to build energy infrastructure considered vital to the region's economic well-being.

The proposed Neptune LNG deepwater port now before Federal and state licensing and regulatory agencies, as well as other similar projects in the region, are among the projects considered by the Alliance to deserve timely action. While the Alliance does not advocate for specific projects, it believes the need for additional LNG facilities within the region is well established. It also believes the regulatory process has been thorough and reflects the need to balance careful consideration of potential adverse impacts and mitigating actions with the need for timely decisions to ensure that energy projects are built and ready to operate when they are needed.

The FEIS provides a comprehensive assessment of the need for additional LNG supplies. The Alliance commends the agencies involved in the development of the FEIS for incorporating key factors that demonstrate need.

The Alliance agrees there is ample evidence to support the need for new natural gas facilities within the region. In September 2003, the National Petroleum Council issued a report that clearly described the conflict between policies that encourage increased consumption of natural gas and those that seemingly discourage new supplies. New England is a prime example of that dichotomy. For the past decade, public policy in the region has encouraged power generators to build power plants fueled almost exclusively by natural gas. The result has been a 70 percent increase in natural gas consumption in just a decade. More than 40 percent of the region's electricity now comes from natural gas-fired power plants and that percentage is likely to increase because natural gas remains the fuel of choice. Yet, there has been little action in the past decade that has resulted in greater supply.

That lack of new supply to keep pace with growing demand prompted the Analysis Group in a report commissioned by the Alliance (issued in November 2005) to conclude that there are "plausible scenarios of demand exceeding available supplies and delivery capacity for both electricity and natural gas...as soon as within the next two years, and the need for additional supplies may already be upon us." The Analysis Group and others have concluded that the need for new supplies will be upon us by 2010 "at the latest." Similar conclusions have been reached by other organizations such as the New England Governors' Power Planning Committee.

In a separate report issued earlier in 2005, the New England Council concluded that a two year delay in bringing new natural gas supplies to New England could cost the region \$3 billion by 2010. This economic penalty would be one additional disincentive to economic development and would serve as a significant handicap to the region as it competes for business with other regions of the U.S. and in global markets.

Regarding the analysis of safety of alternatives, in particular other potential LNG facilities, especially those not located near major load centers in New England, the Alliance believes that there are economic considerations that argue strongly for LNG facilities located in Southern New England. The demand for natural gas in Canada is likely to increase for a number of reasons: Canada is a signatory to the Kyoto Protocol

and some provinces are shutting down coal-fired power plants in favor of natural gas. As a result, Canada may be experiencing the same demand pressures felt in New England. There is also substantial cost associated with transporting natural gas from Canada to markets in Southern New England. While the Alliance recognizes the importance of Canada as an energy trading partner, it does not think it wise to forgo development of LNG facilities in Southern New England with the expectation that facilities in Canada can meet anticipated need indefinitely.

The Alliance agrees that a thorough assessment of environmental impacts and safety concerns is a necessary and important part of the approval process. It believes that issues raised during the review process should be well documented and addressed and that actions outlined in the FEIS provide reasonable assurance that appropriate actions will be taken to mitigate potential adverse impacts. While the Alliance has not conducted an independent review of the proposed project, it has reviewed the FEIS and believes it reflects a thorough assessment by applicable government agencies, as well as appropriate responses by the project sponsor to issues and concerns raised during the review process.

Sincerely,

Carl Gustin, President
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January 21, 2007

Ms. Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First St. NE; Room 1A
Washington, DC 20426

Subject: Broadwater LNG Project

Reference: OEP/DG2E/Gas Branch 3
Docket No. CP06-54-000
CP06-55-000

The New England Energy Alliance represents diverse interests within the energy industry. However, Alliance members, who include the largest energy providers in New England, share a common concern about the adequacy of the region's energy infrastructure to ensure affordable and reliable electricity and natural gas to consumers. With members that include electric transmission and distribution companies, power generators, energy marketers and natural gas providers, the Alliance was established to advocate for informed decision making and timely action on proposals to build energy infrastructure considered vital to the region's economic well-being.

The proposed Broadwater LNG Project now before Federal and state licensing and regulatory agencies, as well as other similar projects in the region, are among the projects considered by the Alliance to deserve timely action. While the Alliance does not advocate for specific projects, it believes the case for additional LNG facilities within the region is compelling and the need well established. It also believes the regulatory process has been thorough and reflects the need to balance careful consideration of potential adverse impacts and mitigating actions with the need for timely decisions to ensure that energy projects are built and ready to operate when they are needed.

The DEIS provides an assessment of the need for additional LNG supplies. The Alliance commends the agencies involved in the development of the DEIS for incorporating key factors that demonstrate need and would like to offer some additional information.

The Alliance believes there is ample evidence to support the need for new natural gas facilities within the region. In September 2003, the National Petroleum Council issued a report that clearly described the conflict between policies that encourage increased consumption of natural gas and those that seemingly discourage new supplies. New England is a prime example of that dichotomy.

For the past decade, public policy in the region has encouraged power generators to build power plants fueled almost exclusively by natural gas. The result has been a 70 percent increase in natural gas consumption in just a decade. More than 40 percent of the region's electricity now comes from natural gas-fired power plants and that percentage is likely to increase because natural gas remains the fuel of choice. Adoption recently by most Northeastern states of the Regional Greenhouse Gas Initiative will further increase demand for natural gas. Yet, there has been little action in the past decade that has resulted in greater supply.

That lack of new supply to keep pace with growing demand prompted the Analysis Group in a report commissioned by the Alliance (issued in November 2005) to conclude that there are "plausible scenarios of demand exceeding available supplies and delivery capacity for both electricity and natural gas...as soon as within the next two years, and the need for additional supplies may already be upon us." The Analysis Group and others have concluded that the need for new supplies will be upon us by 2010 "at the latest." Similar conclusions have been reached by other organizations such as the New England Governors' Power Planning Committee.

In a separate report issued earlier in 2005, the New England Council concluded that a two year delay in bringing new natural gas supplies to New England could cost the region \$3 billion by 2010. This economic penalty would be one additional disincentive to economic development and would serve as a significant handicap to the region as it competes for business with other regions of the U.S. and in global markets.

Regarding the analysis of alternatives, in particular other potential LNG facilities, especially those not located near major load centers in New England, the Alliance believes that there are economic considerations that argue strongly for LNG facilities located in or near Southern New England. The demand for natural gas in Canada is likely to increase for a number of reasons: Canada is a signatory to the Kyoto Protocol and some provinces are shutting down coal-fired power plants in favor of natural gas. As a result, Canada may be experiencing the same demand pressures felt in New England. In fact, the Energy Information Administration in its most recent International Energy Outlook projects that demand for Canadian gas for power plants will double by 2030.

There is also substantial cost associated with transporting natural gas from Canada to markets in Southern New England. While the Alliance recognizes the importance of Canada as an energy trading partner, it does not think it wise to forgo development of

LNG facilities in Southern New England with the expectation that facilities in Canada can meet anticipated need indefinitely.

The Alliance agrees that a thorough assessment of environmental impacts and safety concerns is a necessary and important part of the approval process. It believes that issues raised during the review process should be well documented and addressed and that actions outlined in the EIS provide reasonable assurance that appropriate actions will be taken to mitigate potential adverse impacts. As noted above, the Alliance believes the need for Broadwater, and other similar facilities, is well-documented and compelling.

Sincerely,

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