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Conference Panelists Examine Options for Moving More Gas Into New England

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With challenges facing natural gas pipelines seeking capacity expansions to move more gas into New England, speakers at the Northeast LDC Gas Forum in Boston June 12, expressed hope that the industry will meet the needs of distributors and generators in the region.

Large pipeline projects such as Access Northeast and Northeast Direct have been stalled for various reasons, but smaller scale expansions are being approved and completed on Millennium Pipeline in New York, and other pipelines, panelists said.

Truck delivery of natural gas as a delivery option is seeing increased demand and expanding operations, said Seth Berry, chief administrative officer at Xpress Natural Gas LLC. Xpress has a fleet of trucks that will be boosting deliveries into Iroquois Gas Transmission, to about 50,000 Dth from current level of 25,000 Dth, and will be making deliveries into Tennessee Gas Pipeline in Massachusetts in late 2019, Berry said.

The LNG delivery by trucks can relieve pipeline capacity constraints, Berry said to reporters after speaking at the conference. "We are not an alternative to a pipeline" but can act as a bridge for the market until pipeline expansions or increased deliveries in a region are placed in service, he said.

Enbridge pipelines that include Texas Eastern Transmission, Algonquin Gas Transmission, and Maritimes & Northeast are moving more natural gas to the Northeast and saw peak demand deliveries on 1/6/18 during the "bomb cyclone" winter storm reach 11.4 Bcf/d, said Erin Petkovich, director of business development at Enbridge. The region also saw high gas prices during the storm due to high gas demand and constraints for meeting that demand, Petkovich noted.

"More pipeline capacity is needed" and "I'm confident that natural gas will play an important role in the energy mix in New England," Petkovich said. She referred to a recent court decision in New Hampshire that could allow electric utilities to collect costs from customers for firm transportation capacity on pipelines serving gas-fired generators, which was a factor in Access Northeast being stalled. A legal hurdle for Access Northeast in Massachusetts remains in place, but Enbridge may come up with a new construct for the project to move it forward, she said.

Millennium Pipeline is nearing completion of the Valley Lateral project in New York, which should be in service this summer, and the Eastern System Upgrade is under construction, with in-service scheduled for 11/1/18, said Richard Gardner, senior vice president for business development at Millennium. The company also completed a 93,500 Dth/d

expansion at its Holding Point interconnection with Dominion Energy Transmission Inc. under its blanket certificate at FERC, with service that started 12/1/17, Gardner noted.

Millennium, during December of 2017, averaged deliveries of 1.6 Bcf/d for the entire month. "This is a full pipe," but some smaller scale projects through compression additions might make an expansion possible, Gardner said. Using electric compressor stations, perhaps using wind power, could be an option for Millennium, he said.

"We are providing value to our shippers," and Millennium is willing to meet demand for more gas transportation, Gardner said.

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