



Construction NEWS

FERC Overturns Denial of Millennium-CPV Link

By JOHN JORDAN

ALBANY—The Federal Energy Regulatory Commission announced on Sept. 15 that it had overruled the New York State Department of Environmental Conservation’s recent denial of a water quality certification permit that is critical for the Millennium Pipeline Company’s lateral pipeline that will transport natural gas to Competitive Power Ventures’ 650-megawatt Valley Energy Center in Wawayanda, NY.

Construction is in the final stages at the \$900-million CPV Valley Energy Center and Millennium’s Valley Lateral project would involve the installation of 7.8 miles of a 16-inch lateral natural gas pipeline between Millennium’s mainline in Orange County and the CPV Valley Energy Center. The \$39.4-million project when completed will transport approximately 130,000 (dekatherm) Dth/day of natural gas from Millennium’s mainline to the CPV Valley Energy Center.

In March 2015, Millennium executed a binding precedent agreement with CPV for the entire capacity of the project.

The Federal Energy Regulatory Commission ruled that the New York State DEC waived its water qualification authority by not ruling on the water quality certification permit within the required one-year time period.

The DEC denied Millennium’s water quality certification on Aug. 30, 2017. In its filings before FERC, DEC charged that the one-year review period did not begin until it received Millennium’s “complete” water quality application on Aug. 31, 2016.

The FERC Commission agreed with Millennium that the one-year mandated review period actually began when DEC first received Millennium’s application on Nov. 23, 2015.

“By failing to act on Millennium’s request for certification by Nov. 23, 2016, we find that the agency waived its certification



Millennium Pipeline’s Valley Lateral pipeline will connect to the CPV Valley Energy Center in Wawaynda in Orange County, which is currently under construction.

authority. To find otherwise would frustrate the purpose of the one-year review period specified by the CWA (Clean Water Act) and allow state agencies to indefinitely delay proceedings by deeming applications to be incomplete.”

The DEC told the Associated Press that it was reviewing the decision and considering all options.

At press time it is not known when construction might begin on the project. Millennium

Pipeline officials released a statement to CONSTRUCTION NEWS, which stated, “Millennium is pleased that FERC agrees the Clean Water Act requires action within one year of receipt of a Water Quality Certification request. This is a positive step forward for what is an important project for New York consumers. That said, we plan to cooperate fully with the NYSDEC on all issues related to water quality and will hold to our agreement to

accommodate their requests on water crossings and wetlands. Millennium employees live and work here, too, and want to preserve the state’s natural resources.”

Tom Rumsey, vice president external affairs for Competitive Power Ventures, said in a prepared statement, “Today’s Federal Energy Regulatory Commission decision was decisive and timely. We look forward to opening in early 2018. Once operating on natural gas, New Yorkers will see significantly lower electricity costs, reduced emissions by displacing older less efficient natural gas generation, and a more stable electric grid, while local governments will receive millions of dollars in tax revenue that will support vital services.”

He added, “Once again our partners in Hudson Valley Building and Construction Trades Council and the Orange County Partnership need to be recognized for their commit-

Please turn to page 32

FERC Overturns Denial

Continued from page 25 ment and dedication in helping us continue our progress. Together, with the support we have received from the local community and elected officials at every level of government, the CPV Valley Energy Center will soon deliver clean energy running on natural gas as planned.”

A recently formed energy advocacy coalition—New Yorkers for Affordable Energy—released a statement in support of the FERC decision. “New Yorkers for Affordable Energy is pleased the Federal Energy Regulatory Commission has determined that the New York State Department of Environmental Conservation waived its 401 certification authority because it failed to act in a timely manner on Millennium’s application. Millennium has demonstrated that the project would meet the strictest of environmental standards, while at the same time providing needed access to natural gas. It is vital for New York’s economic wellbeing and overall competitiveness that natural gas projects be allowed to move forward”.

Among the members of the coalition formed on May 1st, include a host of labor unions, the General Contractors Association of New York, the Hudson Valley Building and Construction Trades Council, the New York State Building

and Construction Trades Council and the Business Council of New York State.

In April, prior to the DEC’s denial of the water quality permit, the Hudson Valley Building and Construction Trades Council sent a letter to Gov. Andrew Cuomo asking the governor to not delay various pipeline projects, including Millennium’s lateral pipeline project.

L. Todd Diorio, president of the trades group, stated in the April 21st letter that the CPV project is employing more than 800 workers at the site and upon completion is estimated to have created more than 2,900 construction jobs and 94 operating jobs.

Mr. Diorio, who is also business manager for Laborers Local No. 17 in Newburgh, NY stated in the letter to the governor, “After over seven years of environmental and regulatory review, the CPV Energy Center in Wawayanda and the lateral pipeline project shouldn’t be forced to jump through unnecessary and additional hoops for what amounts to extraordinary regulatory hurdles to delay completion.”

He ended the letter by saying to the governor, “You have done many good things for the building trades members, but killing of pipelines in upstate is beginning to become your legacy and it is hurting the upstate economy and growth.”