

STATE OF NEW YORK
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Application by Finger Lakes LPG Storage, L.L.C.,
DEC Project Application Number 8-4432-00085

Before Honorable James T. McClymonds
Chief Administrative Law Judge

PETITION FOR *AMICUS* PARTY STATUS

INTRODUCTION

The National Propane Gas Association (“NPGA”) petitions, pursuant to 6 NYCRR Part 624.5(b)(1) and (3), for *amicus* party status in this proceeding. In support of its request, petitioner provides the following information to demonstrate compliance with the Department of Environmental Conservation regulations.

REQUIREMENTS FOR *AMICUS* PARTY STATUS

A. Fully Identify The Proposed Party Together With The Name(s) Of The Person Or Persons Who Will Act As Representatives Of The Party.

The full name of the proposed party is National Propane Gas Association. Jeffrey M. Petrash, Vice President & General Counsel of NPGA will represent NPGA. This petition is for *amicus* party status in support of Applicant.

B. Identify Petitioner’s Environmental Interest in the Proceeding.

The environmental interest of NPGA in this proceeding centers on the role that the Finger Lakes LPG Storage L.L.C. facility (“Finger Lakes”) will play in propane markets in the State of New York, in New England, in the Mid-Atlantic, and in the Midwest. If constructed and placed into operation, Finger Lakes will provide a source of reliable winter propane for consumers within a radius of several hundred miles around the facility. This will provide security of supply and contribute to price moderation for the millions of homes and businesses in those areas—including the State of New York—that rely upon propane for space heating, water heating, cooking, and other essential human needs.

Propane is a naturally occurring hydrocarbon that is used by approximately six million customers across the nation. It is a clean, domestic fuel that, when combusted, has a criteria pollutant and greenhouse gas profile similar to natural gas. Unlike natural gas, it is a portable fuel and is not itself a greenhouse gas. From an environmental perspective policy makers should promote the use of this fuel. Propane can contribute to attaining the environmental goals of the State of New York and the United States. Storing propane in New York State will minimize long-distance

transportation of this fuel, thereby further ameliorating greenhouse gas emissions that result from moving propane by means of diesel-fueled transport.

C. Identify Any Interest Relating To Statutes Administered By The Department Relevant To The Project.

The interest of NPGA in this proceeding derives from the role that Finger Lakes will play in propane markets in the eastern portion of the United States. The Finger Lakes storage facility will be an important part of the propane infrastructure east of the Mississippi River. It will assist in providing more reliable propane service to the millions who use it in the eastern United States. The Finger Lakes facility is an essential element in providing reliable service to these consumers. Propane is a domestic fuel that has important criteria pollutant and greenhouse gas benefits. Approximately a quarter million homes in the State of New York use propane for space heating, water heating, cooking, and other applications. The propane industry in the State employs approximately 1,500 people.

In terms of statutes administered by the Department, localized propane storage will reduce environmental impacts because it will decrease diesel (and greenhouse gas) emissions resulting from transporting propane long distances to satisfy the needs of New York and surrounding areas. NPGA believes that its interest is consistent with the goals of the State Environmental Quality Review Act (SEQRA), Article 8 of the Environmental Conservation Law (ECL), which focuses on the minimization of environmental impacts to the maximum extent practicable. Propane has been stored safely in salt caverns in the Finger Lakes region for over six decades and can be stored safely in the Finger Lakes project. Consequently, permitting this facility is consistent with SEQRA and the interests of the NPGA.

In addition, under ECL Section 23-0301, the interest of NPGA is to ensure the proper implementation of the policy of the state to provide for the underground storage of gas.

D. Identify The Precise Grounds For Opposition Or Support.

NPGA supports approval of the Finger Lakes project as an environmentally sound facility that will provide enormous consumer benefits to the citizens of the State of New York and the citizens of the states within a several hundred mile radius.

NPGA supports approval of Finger Lake's application for an Underground Storage of Gas Permit pursuant to ECL article 23, title 13, and related permit applications, because denial of the permit would:

- (1) adversely affect the State's efforts to control greenhouse emissions and to promote increased consumption of cleaner-burning fuels;
- (2) allow to continue an estimated 81.4 million gallon shortfall in propane storage necessary to meet the State's residential energy needs;
- (3) result in increased propane price volatility, to the economic detriment of those consumers relying on propane as a fuel source and feedstock; and

- (4) be inconsistent with the State's policy to provide for the underground storage of gas.

E. Identify the Nature of the Legal or Policy Issue(s) To Be Briefed That Meet The Criteria Of 6 NYCRR 624.4(c).

In satisfaction of the criteria set out in 6 NYCRR Part 624.4(c), NPGA proposes to brief the policy issues concerning the positive contribution that operation of the Finger Lakes storage project would make to (1) the reliability of propane service in the State of New York and in surrounding states; (2) the contribution that the Finger Lakes project can make to the State's efforts to reduce greenhouse gas emissions and reduce criteria pollutants; and (3) the need for more storage of propane in New York, consistent with the policy set forth in the ECL.

F. Provide A Statement Explaining Why The Proposed Party Is In A Special Position With Respect To The Policy Issues To Be Briefed.

NPGA is in a special position to brief these issues because it represents most participants in the propane industry in the State of New York, the Northeast, and the Midwest. NPGA, which is a not-for-profit trade association, has approximately three thousand members nationally. Its members include propane producers, propane wholesalers, propane retailers, and propane transporters as well as numerous companies that provide goods and services to the propane industry. The core of NPGA's membership is several thousand small businesses, mostly family-owned, that deliver propane in every state and county of the United States. NPGA represents the interests of the propane industry before Congress, the Department of Transportation, the Department of Energy, the Federal Energy Regulatory Commission, and the Environmental Protection Agency as well as state governments and legislatures as appropriate.

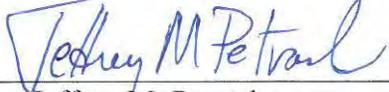
NPGA has a unique perspective on the needs of the propane industry and the consumers it serves. This is underscored by the knowledge and experience that NPGA gained in supply challenges that the nation faced in the winter of 2013-2014.

CONCLUSION

For the reasons stated above, NPGA respectfully requests that *amicus* status be granted in this proceeding.

Respectfully submitted,

NATIONAL PROPANE GAS ASSOCIATION

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