

STATE OF NEW YORK  
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

---

Matter of Finger Lakes LPG, LLC  
New York DEC Application Number 8-4432-00085

Before the Honorable  
James T. McClymonds  
Chief Administrative Law Judge

---

**PETITION FOR  
AMICUS PARTY STATUS**

**INTRODUCTION**

Propane Gas Association of New England, Inc. (“PGANE”), by and through its attorneys, Freeman Howard, P.C., hereby petitions for *amicus* party status in support of the Applicant in the above-captioned proceeding pursuant to 6 NYCRR Part 624.5(b)(1) and (3). In support of its request, PGANE provides the following information to demonstrate compliance with the aforementioned New York State Department of Environmental Conservation (“Department”) 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 Propane Gas Association of New England, Inc. (“PGANE”). Andrew B. Howard, Esq. of the law firm Freeman Howard, P.C., will represent PGANE. This petition is for *amicus* party status in support of the Applicant.

**B. Identify Petitioner’s Environmental Interest In The Proceeding.**

PGANE’s environmental interest in the instant proceeding centers upon the role storage of propane gas at Crestwood’s US Salt Complex (“Crestwood Project”) will play in ensuring safe, efficient, cost-effective storage and delivery of propane to commercial, agricultural and residential customers in New York and the New England States.

Propane is not a greenhouse gas, is non-toxic, and is not damaging to soil or water ecosystems. As a clean burning fuel source, propane plays a key role in minimizing the contribution of greenhouse gases to the environment. Propane emits virtually no soot and low carbon-monoxide, hydrogen or oxides of nitrogen, which are the basic precursors of ground-level ozone (smog). Propane has been stored safely in salt caverns in the Finger Lakes region for over six decades, including salt caverns created by US Salt and its predecessors for brine production at the proposed project site in Reading, New York.

Currently, propane is not produced in New York or in the states of New England, which requires it to be transported inefficiently by a variety of means from other states or foreign countries to meet the ever increasing demand from New York residents and businesses seeking to utilize propane as a clean burning fuel source. The New England states do not currently have the storage capacity necessary to meet this increasing winter demand for propane, which creates price volatility and causes customers throughout all of New England to pay significantly higher fuel costs to pay significantly higher fuel costs.

According to studies conducted by EIA and other industry sources, if the propane storage capacity associated with the Crestwood Project had been operational, New England customers would have paid 40% less for their propane fuel needs in 2014. This would have collectively saved New England consumers more than \$80 million in propane fuel charges in the 2013-2014 winter alone. In addition, having this storage in Finger Lakes would add to the energy security of the United States by eliminating the need to depend on foreign countries to supply needed fuel to the region.

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

In terms of statutes administered by the Department, given the reduced environmental impacts associated with localized propane storage and the increased diesel emissions of transporting propane long distances to satisfy the region's clear storage need, PGANE 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 focus 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 continue to be done with the Finger Lakes project. Consequently, permitting this facility is consistent with SEQRA and the interests of the PGANE. In addition, under ECL Section 23-0301, the interest of the PGANE 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.**

As stated above, PGANE supports approval of Crestwood's application for an Underground Storage of Gas Permit pursuant to ECL article 23, title 13, and related permit applications, because denial of said 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 125 million gallon shortfall in propane storage necessary to meet the region's residential energy needs;
- (3) result in increased 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 Which Meet The Criteria of 6 NYCRR 624.4(c).**

In satisfaction of the criteria set out in 6 NYCRR Part 624.4(c), PGANE proposes to brief the policy issues concerning the positive contribution the Crestwood salt cavern storage facility would make to: (1) the State's efforts to reduce greenhouse gas emissions in such a way that localized underground gas storage would minimize environmental impacts and thereby satisfy the goals of SEQRA; (2) the State's ability to satisfy consumer energy demand in a safe and reliable manner and avoid the price volatility that has plagued propane consumers over the past several years; and (3) the need, consistent with statutory policy, for additional gas storage. Accordingly, the Part 624.4(c)(1)(i) and (ii) are satisfied.

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

PGANE is in a special position to brief these issues because it represents the majority of propane gas storage operators, distributors and retailers in the states of Massachusetts, Connecticut, Rhode Island, Vermont, New Hampshire and Maine, who rely heavily on the distribution of propane through the State of New York.

PGANE is a not-for-profit trade association representing the propane gas industry in the states of Massachusetts, Connecticut, Rhode Island, Vermont, New Hampshire and Maine. Its members include nearly 450 company locations involved in the storage, distribution, retail sale, and delivery of propane to residential and business customers in New England.

PGANE regularly participates in proceedings affecting the storage, distribution and sale of propane conducted by the environmental agencies in the States of Massachusetts, Connecticut, Rhode Island, Vermont, New Hampshire and Maine and the

Federal Energy Regulatory Commission. Accordingly, it is in a special position no other party occupies.

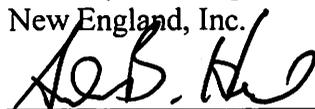
**CONCLUSION**

For the reasons stated above, PGANE respectfully requests that *amicus* party status be granted in the above-captioned proceeding.

Dated: January 14, 2015

Respectfully submitted,  
FREEMAN HOWARD, PC  
Attorneys for Propane Gas Association of  
New England, Inc.

By:



Andrew B. Howard, Esq.  
441 East Allen Street  
Hudson, New York 12534  
T – (518) 828-2021  
F – (518) 828-2420  
howard@freemanhoward.com