

PennEast Pipeline - Route Update December 2015

On behalf of PennEast Pipeline Company (PennEast), thank you for your continued coordination on the proposed PennEast Pipeline Project. PennEast is a joint project of AGL Resources; NJR Pipeline Company; PSEG Power; SJI Midstream; Spectra Energy Partners; and UGI Energy Services.

As an interstate natural gas pipeline, PennEast Pipeline will be regulated by the Federal Energy Regulatory Commission (FERC). FERC issued a Notice of Intent to prepare an Environmental Impact Statement (EIS) for this project on January 13, 2015. PennEast filed Certificates of Public Convenience and Necessity and Related Authorizations with FERC on September 24, 2015. Since the September 24 filing, PennEast has evaluated several additional route alternatives based on discussions with landowners, regulatory agencies and other stakeholders, as well as comments filed in this proceeding. In light of those evaluations, PennEast has adopted five minor deviations from the route proposed in the September 24 Filing:

Deviation No. 1005 is located between mileposts ("MP") 9.07 and 12.10 in Luzerne County, Pennsylvania. PennEast adopted this deviation to address landowner concerns and to improve constructability of the proposed Project route. The landowner and quarry operators affected by this portion of the proposed Project route indicated that the proposed route in the September 24 Filing has the potential to adversely affect quarry operations. Additionally, this portion of the route in the September 24 Filing route presented a challenging crossing of Mill Creek. Deviation No. 1005 addresses both of these concerns. In addition, this deviation reduces the overall length of the Project and increases the route's co-location with existing utility easements.

Deviation No. 1400 is located between MP 43.95 and 44.55 in Carbon County, Pennsylvania. This deviation has been adopted based on feedback that PennEast received in collaboration with the Bethlehem Authority, which operates a water supply system in Carbon and Northampton Counties, Pennsylvania. Deviation No. 1400 provides a means of crossing the Bethlehem Authority waterline by a trenchless method and avoids the need to locate temporary workspace near the waterline. This deviation also includes a single HDD crossing of Beltzville Lake, instead of the two crossings that were proposed in the September 24 Filing, which minimizes impacts to the Beltzville State Park.

Deviation No. 1701 is located between MP 79.10 and 81.60 in Hunterdon County, New Jersey. This deviation has been adopted to optimize the Project route and is based on feedback that PennEast received in collaboration with the New Jersey Department of Environmental Protection. Deviation No. 1701 minimizes impacts to the New Jersey Natural Lands Trust's Gravel Hill Preserve by increasing co-location with existing utility easements and impacting fewer parcels within the Gravel Hill Preserve. In addition, this deviation allows the proposed route to be in closer proximity to the proposed NRG REMA, LLC/Elizabethtown Gas delivery meter station, and it also relocates a proposed mainline valve from a residential area to an industrial area.

Deviation No. 1802 is located between MP 84.68 and 86.54 in Hunterdon County, New Jersey. This deviation has been adopted to optimize the Project route to avoid crossing a federally preserved farm. PennEast considered different alternatives to avoid this crossing, and the adopted Deviation No. 1802 minimizes land use impacts and overall land requirements to avoid this crossing.

Deviation No. 1900 is located between MP 91.91 and 93.55 in Hunterdon County, New Jersey. This deviation has been adopted to incorporate a route optimization that avoids crossing the Lockatong Creek three times with an open cut. This deviation now allows the Project route to cross the Lockatong Creek using a trenchless method. Deviation No. 1900 also avoids impacts to both a federally preserved farm and a New Jersey Green Acres Program protected parcel.

An updated Google Earth kmz file and GIS shapefiles for the proposed route are attached to aide in your review and analysis of the Project. Please let us know if you have any difficulty opening the attached files.

Please contact me with any questions.

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