

NEXT STEPS

We are currently conducting our environmental analysis of the planned Project based on the current information we have received from PennEast and the comments we have received from stakeholders. FERC staff will review and provide comments on revised Resource Reports (RRs). PennEast would incorporate comments and information requests from FERC in its RRs and final RRs would be filed with its application. Once a formal application is filed we will issue a Notice of Application and identify the CP Docket number for the Project. This notice will outline how interested parties can become parties to the proceedings or how persons can comment on the Project. When we have all of the information necessary to complete our analysis and write the EIS, we will issue a Notice of Schedule for Environmental Review that will identify the date for issuing the EIS. See the Environmental Review Process Chart for more details on next steps.

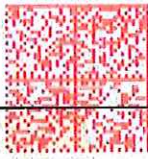
HOW TO STAY INFORMED

Go to the FERC website at <http://www.ferc.gov>. Click on the eLibrary link, click on "General Search" and enter the docket number (i.e., PF15-1). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-866-208-3676. For TTY, contact 202-502-8659.

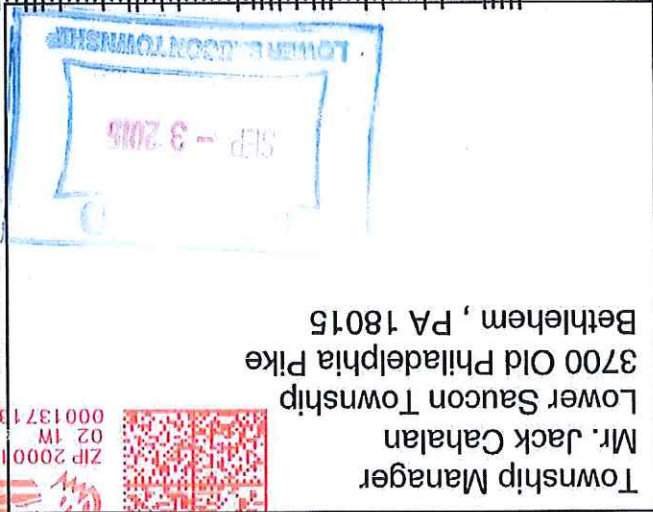
In addition, the FERC offers a free service called eSubscription that allows you to keep track of all issuances and submittals in specific dockets. Using this service can reduce the amount of time you spend monitoring our website by automatically providing you with electronic notification when new items are posted and providing direct links to the documents. To register for this service, go to: <http://www.ferc.gov/docs-filing/esubscription.asp>

PennEast also maintains a Project web page that can be viewed at: <http://penneastpipeline.com/>.

While we believe that the Internet is the best way to stay informed of the Project, we realize that not everyone has Internet access. From this point forward on this Project, issuances by the environmental staff, including the EIS document, will be mailed to the environmental mailing list in either hard copy or compact disc format.



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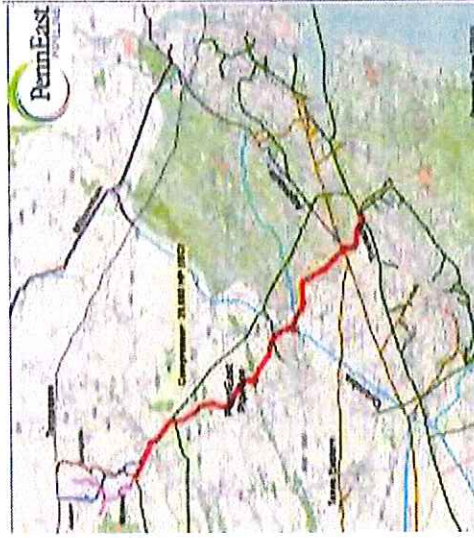
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PROJECT UPDATE FOR THE PENNEAST PIPELINE PROJECT

PF15-1-000

August 2015



- ROUTING
- Council
- Manager
- Asst. Mgr.
- Zoning
- Finance
- Police
- P. Works
- P/C
- P & R
- EAC
- Engineer
- Solicitor
- Planner
- Landfill
- EMC
- Other

FERC's Environmental Review Process

(dates of completed activities are noted)

Approved Company's pre-filing request and assigns PF Docket No. PF15-1 (10/10/14)

Participated in Company's open houses to identify stakeholder concerns (11/10-13, 18/14)

Issued Notice of Intent to Prepare an EIS and opened the scoping period to seek public comments (01/13/15)

Conducted public scoping meeting. Consulted with interested stakeholders (02/10-12 and 02/25-26, 2015)

Conducted site review and flyover (7/27-29/15)
Review draft Resource Reports

Public Input Opportunities

 We are here

Issue Notice of Application and assign CP Docket No. after Applicant files formal application

Analyze data and prepare draft EIS

Issue draft EIS and open public comment period

Hold public comment meetings in the Project area to gather comments on the draft EIS

Public Input Opportunities

Respond to comments, revise draft EIS, and issue final EIS

Commission issues Order approving or denying the application

Parties can request rehearing of FERC decision

Public Input Opportunities

If approved and once certain conditions are met, FERC issues Notice to Proceed with construction

PURPOSE

The purpose of this mailing is to provide you with an update on the environmental review of the planned PennEast Pipeline Project (Project), explain the Federal Energy Regulatory Commission's (FERC or Commission) environmental review process, identify the issues raised, and give you an idea of what's next in our review process.

PROJECT DESCRIPTION

PennEast Pipeline Company, LLC (PennEast) plans to construct and operate 113.8 miles of new 36-inch-diameter natural gas pipeline and a compressor station near Blakeslee, in Kidder Township, Carbon County, Pennsylvania. The pipeline would originate near Dallas, Luzerne County, Pennsylvania and terminate near Pennington, Mercer County, New Jersey. The pipeline route would cross Luzerne, Carbon, Northampton, and Bucks Counties, Pennsylvania and Hunterdon and Mercer Counties, New Jersey. In addition, three laterals would be constructed: Hellertown Lateral (2.1-mile-long, 24-inch-diameter) in Pennsylvania; Lambertville Lateral (1.4-mile-long, 36-inch-diameter) and Gilbert Lateral (0.3-mile-long, 12-inch-diameter lateral), both in New Jersey.

The Project would provide approximately 1.0 billion cubic feet per day of year-round transportation service from northern Pennsylvania to markets in eastern and southeastern Pennsylvania and New Jersey. The Project would extend from various receipt point interconnections, including interconnections with Transcontinental Gas Pipeline Company, LLC (Transco) and gathering systems operated by Williams Partners L.P., Energy Transfer Partners, L.P., and UGI Energy Services, LLC, all in Luzerne County, Pennsylvania to various delivery point interconnections including UGI Central Penn Gas, Inc. (Blue Mountain) in Carbon County, Pennsylvania, UGI Utilities, Inc. and Columbia Pipeline Group (CPG) in Northampton County, Pennsylvania, and Elizabethtown Gas, NRG REMA, LLC, Texas Eastern Transmission, LP (Texas Eastern) and Algonquin Gas Transmission, LLC (Algonquin), all in Hunterdon County, New Jersey. The terminus of the planned PennEast system will be located at a delivery point with Transco in Mercer County, New Jersey.

WHERE WE ARE IN THE ENVIRONMENTAL REVIEW PROCESS

The FERC is the lead federal agency responsible for conducting the Project's environmental review. If an application is filed, the FERC staff will prepare an environmental impact statement (EIS) for the proposed Project in compliance with the National Environmental Policy Act. Local, state and federal agencies have been invited to participate as cooperating agencies in the preparation of the EIS. We approved PennEast's request to use the FERC's pre-filing process on October 10, 2014. Since the March 2015 Project Update, the FERC issued information requests in May 2015 based on the first set of draft Resource Reports (RRs) which were submitted in April 2015. Additionally, FERC conducted a site review and flyover of the planned route and alternatives on July 27-29, 2015. Staff is currently reviewing the second drafts of RRs 1, 8, 9 and 10 filed on July 31, 2015. Additional information requests may be submitted by FERC for incorporation into PennEast's application. Staff continue to review comments submitted to the FERC eLibrary.

We are currently conducting our environmental analysis of the planned Project. The results of this analysis will be presented in the EIS. The EIS will describe the potential environmental effects of the Project and alternatives. It will also describe PennEast's proposed construction procedures and mitigation measures, and make recommendations for additional mitigation and/or conservation measures to avoid or further reduce effects on the environment.

ROUTE CHANGES

PennEast has filed the following route changes in response to FERC comments, stakeholder concerns and comments, consultation with state and local agencies and organizations, environmental and cultural surveys, and additional environmental engineering analysis.

- Route modified between mileposts (MPs) 8.4 and 12.3 to accommodate current and future quarry activities and to avoid potential residential development near Wilkes-Barre, Pennsylvania.
- Route modified between MPs 10 and 20 to co-locate with Transco's pipeline and avoid additional impacts on Pennsylvania State Game Lands.
- The planned crossing location for the Appalachian Trail has been modified between MPs 46 and 55 in consultation with state agencies and Jack Frost/Big Boulder Ski Area. This route change would accommodate a new interconnection (Blue Mountain Interconnect).
- Route modified between MPs 91.2 and 92.6 to eliminate two crossings of Lockatong Creek and avoid impacts on Frenchtown Solar in Kingwood Township.
- A new location for the planned compressor station is located in Kidder Township, just north of Interstate-80, near MP 26.7.