Otsego 2000 Seeks Court Review of FERC Decision to Ignore Climate Impacts

Cooperstown, NY--- Otsego 2000, a nonprofit environmental and historic preservation nonprofit organization located in Cooperstown, NY, yesterday filed a Petition for Review in the U.S. Court of Appeals, D.C. Circuit, challenging the decision of the Federal Energy Regulatory Commission (FERC) to deny its Request for Rehearing for the pipeline and compressor station expansion in the Dominion New Market Project (FERC Docket # CP14-497).

In that decision, FERC announced that it would not comply with existing legal precedent which required consideration of upstream and downstream greenhouse gas (GHG) emissions when reviewing pipeline projects. In so doing, FERC violated the National Environmental Policy Act (NEPA), and deprived pipeline opponents across the country of due process. It also triggered a rare 3/2 split decision with strong dissents filed by Commissioners LaFleur and Glick.

Significantly, in June 2016, the Sierra Club sued FERC for failing to consider the upstream and downstream GHG impacts of the Southeast Market Pipelines Project (aka Sabal Trail). In Sabal Trail, the D.C. Circuit Court held that FERC must undertake an assessment of greenhouse gas impacts in pipeline approvals. The New York Department of Environmental Conservation (DEC) cited the Sabal Trail holding in denying a water quality certificate for the Valley Lateral Pipeline, built to supply gas to the CPV power plant in Orange County, NY. Instead of responding to DEC’s position on GHG emissions, FERC announced it would address the GHG issue in a future order.

That order appears to have been issued by FERC in the Dominion case. Sidestepping a formal policy review process, FERC announced that it will ignore the Sabal Trail decision and ignore consideration of upstream and downstream greenhouse gas impacts for all pipeline approvals going forward. By announcing this action in the Dominion case, FERC attempts to bar litigants challenging pipeline projects in other cases from contesting its decision.

Nicole Dillingham, Board President of Otsego 2000, stated: “There is no doubt that FERC has the ability and the duty to consider climate impacts before approving pipeline projects. Its refusal to do so, and assertion that this policy will be applied in all pending and future pipeline reviews, is factually and legally flawed. This action must be reversed.”

Keith Schue, engineer and technical advisor to Otsego 2000, explained: “Natural gas pipelines are responsible for pumping millions of tons of greenhouse gas emissions into the atmosphere every year. This includes not only compressor station emissions, but also 'upstream' methane
leakage associated with extraction, as well as 'downstream' emissions associated with distribution and combustion by customers that receive gas carried in the pipeline. We can't address the climate crisis by ignoring these impacts. They are real and quantifiable."

Carolyn Elefant, counsel for Otsego 2000, stated: “Otsego 2000’s Request for Rehearing clearly asserted that FERC’s failure to evaluate upstream and downstream greenhouse gas impacts was error. Instead of correcting that error, the Commission decided to ignore its obligations under NEPA, in this case and for all projects moving forward. The Circuit Court must reject this action by FERC, affirm existing legal precedent, and enforce the requirements of NEPA."

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