

United States Senate

WASHINGTON, DC 20510

May 4, 2015

The Honorable Ernest Moniz
Secretary
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585

Dear Secretary Moniz:

We are writing in regard to potential export projects along Spectra Energy's Maritimes and Northeast Pipeline, which for the last fifteen years has brought offshore natural gas from Canada's Sable Island fields into New England. We are aware that some companies have expressed interest in reversing the flow of the pipeline to instead bring natural gas north from the Marcellus Shale through Canada and ultimately for export overseas.

In light of your comments in the recent hearing in the Senate Energy and Natural Resources Committee, we fully expect that the Department of Energy (DOE), given such a proposal, would require a full permitting process including a determination of whether any such project would be in the public interest. As part of that determination, we respectfully request that DOE consider the region's unique need for additional natural gas capacity for electricity generation, particularly given your view that such a proposal "might provide an opportunity to move gas to northern New England."

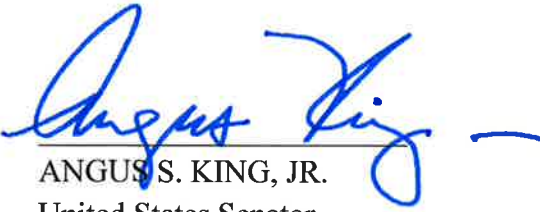
Despite relative proximity to natural gas production from the Marcellus Shale, New England has struggled with high natural gas prices during the winter, when competition for gas between home heating and power generation is at its peak. While prices did not spike as high this past winter, the problem remains as the region relied on additional coal and oil for electric generation and businesses temporarily closed due to high pricing. Much of the natural gas required for the region's power generation is purchased on the spot market, and not from the long-term contracts generally required for major pipeline projects. On the coldest winter days in New England, existing infrastructure becomes strained and prices soar.

Companies seeking to export natural gas to non-Free Trade Agreement countries should be required to undergo the public interest determination and receive a non-Free Trade Agreement license, even if they are first exporting to Canada. If an export project attempts to pull natural gas north along the Maritimes and Northeast Pipeline, then such a project may not be in the public interest unless it benefits the consumers of the region by providing capacity at times of high demand. Allowing generators to purchase capacity from this pipeline on the spot market could potentially reduce some of this strain. We urge DOE, in making a public interest determination,

to consider how a proposed project may mitigate the volatile pricing that the New England region has experienced over the last three winters and how it may benefit the region's ratepayers and businesses.

We look forward to your response. Thank you for your attention to this matter.

Sincerely,

Handwritten signature of Angus S. King, Jr. in blue ink, featuring a stylized 'A' and 'K'.

ANGUS S. KING, JR.
United States Senator

Handwritten signature of Susan M. Collins in blue ink, featuring a stylized 'S' and 'C'.

SUSAN M. COLLINS
United States Senator