PennEast natural gas pipeline environmental study firm's connection to shale coalition is questioned

The federal agency tasked with reviewing the proposed $1.2 billion PennEast natural gas pipeline has hired a company that is a paid member of the Marcellus Shale Coalition, which advocates for gas drilling, to conduct the environmental impact study for the project.

Tetra Tech, based in Pasadena, California, is an associate member of the Marcellus Shale Coalition, a trade association of 300 companies organized “to advance responsible shale development,” according to the association’s website.

The proposed 114-mile pipeline would be capable of transporting 1 billion cubic feet of natural gas per day from the Marcellus Shale area of northeastern Pennsylvania to Hopewell Township in Mercer County.

Hopewell Mayor Harvey Lester said the connection between Tetra Tech and Marcellus Shale Coalition has at least the appearance of a conflict of interest and that should be enough to disqualify Tetra Tech from conducting the environmental impact study.

“I am concerned about a potential conflict of interest by this environmental consultant performing the PennEast environmental impact statement, whose business interests support pipelines,” Lester said. “I'm concerned we're not getting a fair shake.”

David Spigelmyer, president of the Marcellus Shale Coalition, has publicly endorsed the PennEast project.

“The PennEast Pipeline project further demonstrates the far-reaching regional benefits of shale development,” Spigelmyer is quoted as saying on the PennEast website. “PennEast, led by Pennsylvania and New Jersey consumer-focused companies, will not only create good paying jobs, it will deliver clean energy in a safe, cost-effective and responsible manner.”

The pipeline proposal has drawn criticism for cutting through environmentally sensitive areas as it traverses Hunterdon and Mercer counties. Leaders in every New Jersey town where the PennEast Pipeline would be built have passed resolutions opposing the project.

The only public hearing held by the Federal Energy Regulatory Commission in Mercer County, held Wednesday in Ewing, drew hundreds of residents expressing concerns about environmental and safety aspects of the plan.

PennEast, a consortium of East Coast natural gas providers, submitted the names of at least two companies bidding to produce the environmental study to FERC, which is tasked with reviewing the PennEast application.

FERC selected Tetra Tech based on those applications, Teresa Young-Allen, FERC spokeswoman.

“It was based on who was best qualified to help us,” she said.

Tetra Tech works under the energy commission’s supervision but the company’s bills are paid by PennEast, Young-Allen said.

All applications to the energy commission are set up in this way to avoid the appearance of influence by the company making the application, while also not expending taxpayer money, Young-Allen said.

“It’s to keep it as objective as possible,” she said.

As part of submitting the applications, PennEast was required to certify to FERC that the companies being considered were free from direct or indirect conflicts of interest.

But the connection between Tetra Tech and the Marcellus Shale Coalition was never revealed to the energy commission because the coalition is a trade association, according to PennEast spokeswoman Patricia Kornick.

"Involvement in industry trade groups is not a factor in that decision," Kornick said. "And there would be no need to disclose that.
I know there is some question on this. But no matter what the industry, trade group association is not a factor."

Jeff Tittel, director of the New Jersey chapter of the Sierra Club, said the connection smacks of impropriety that should bar Tetra Tech from the project.

"This is not just the fox guarding the hen house," said Jeff Tittel, director of the New Jersey chapter of the Sierra Club. "This is the fox doing the (environmental study) on the hen house and saying the hen house is safe."

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