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## Former FERC Official Hired By Company With \$1.8 Million Stake In Spectra Energy Pipeline Project He Had Reviewed

An engineering company with a \$1.8 million stake in a Spectra Energy natural gas project hired a former top Federal Energy Regulatory Commission (FERC) official who had been managing the environmental review process for the same project.

Douglas Sipe, who served as Outreach Manager in the Office of Energy Projects at FERC, left the Commission in mid 2014 to work for [Willbros](#), a large oil and gas engineering and construction firm based in Houston.

Following a 16-year career at FERC, Sipe was [named](#) Willbros' Vice President of Regulatory & Public Affairs, a newly created position.

Before leaving FERC, Sipe served as the Environmental Project Manager for the pre-filing and early filing review processes of Spectra Energy's then-proposed Algonquin Incremental Market (AIM) pipeline project.

The project, eventually approved by FERC in March 2015, is a major capacity upgrade for the company's existing Algonquin Pipeline carrying fracked gas from Pennsylvania through New Jersey and New York and into Connecticut, Rhode Island and Massachusetts.

In the months before leaving FERC, Sipe led the Commission's team overseeing AIM's environmental review, met regularly with stakeholders, and conducted public scoping meetings with concerned citizens living near the project.

On hiring Sipe, a [Willbros spokesperson said](#): "Doug brings us critical bandwidth in the areas of regulatory compliance, environmental permitting and stakeholder outreach."

According to FERC records, Sipe led public meetings on AIM in Cortland, New York, [Danbury](#) and [Norwich](#), Connecticut, and [Dedham](#), Massachusetts in September and October 2013, listening to and addressing residents' concerns over the project. Another

document shows Sipe leading a FERC teleconference meeting on the project in January 2014.

Within five months, Sipe would be working for Willbros, which is one of Spectra’s main contractors on Algonquin and its other pipelines.

According to Spectra’s financial disclosures to FERC, its subsidiary company constructing AIM, Algonquin Gas Transmission LLC, paid Willbros nearly \$1.8 million in 2013 and 2014 alone – the time period when Sipe moved from FERC to Willbros.

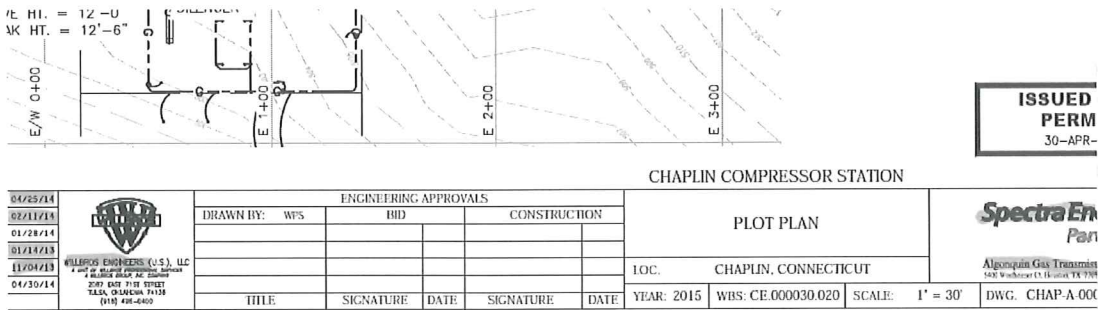
	CONTRACTOR	AMOUNT (\$)
8	THE TEXIAN GROUP INC	1,580,401
9	STEELE LAND & INSPECTION, LLC DBA	1,535,137
10	THE PUBLIC ARCHAEOLOGY LABORATORY	1,519,675
11	WILLBROS ENGINEERS U.S. LLC	1,492,906
12	MICHEL'S CORPORATION	1,340,824
13	AK ENVIRONMENTAL LLC	1,261,246
14	VINSON & ELKINS LLP	1,210,607
15	MONSTAD INDUSTRIES LLC	1,104,400

*From Spectra’s subsidiary Algonquin Gas Transmission’s report to FERC, showing payment to Willbros for work conducted in 2014*

As part of AIM, Willbros designed the upgrade for Spectra’s compressor station in the town of Chaplin, Connecticut.

Documents obtained by DeSmog from the Connecticut Department of Energy and Environmental Protection, show Willbros’ work on the station began in early 2013 and lasted throughout 2014.

This shows Sipe served on the project while still at FERC as Willbros, his future employer, was already working on AIM.



*From a Spectra Energy application to modify its Chaplin, CT compressor station,*

*showing contracted work by Willbros throughout 2013*

Furthermore, the unit within Willbros contracted by Spectra to design the station – Willbros Professional Services – was the same unit Sipe joined when hired by Willbros.

This unit was sold in late 2015 to TRC, another one of Spectra’s main pipeline contractors.

### **More Question Marks About FERC’s Independence**

This case of revolving doors – where a former government regulator goes on to profit from the energy project he was entrusted to review – further highlights the tight relationship between FERC and the industry it regulates, as reported by DeSmog.

Sipe, who earlier this year co-founded the engineering and consulting company MDM Solutions as a subsidiary of MDM Services, declined to provide a comment to DeSmog.

Willbros did not return a request for comment.

A FERC spokesperson said in response: “FERC does not comment on personnel matters. However, all FERC employees have a duty to maintain the highest standards of integrity in government. As part of that duty, all FERC employees are required to notify our Designated Agency Ethics Official for guidance and, if necessary, recusals, if they are seeking outside employment. All FERC staff get training on these and other ethics procedures every year.”

*Main image: Federal Energy Regulatory Commission HQ at Washington, DC. Credit: Flickr/Branderguard*