KINDER MORGAN

RECEIVED

DEC 19 2014

TOWN OF MERRIMACK
TOWN COUNCIL'S OFFICE

December 11, 2014

Town Manager Eileen Cabanel
Town of Merrimack
6 Baboosic Lake Rd.
Merrimack, NH 03054

RE: Tennessee Gas Pipeline Company, L.L.C. --Northeast Energy Direct Project

Dear Town Manager Cabanel:

On behalf of Tennessee Gas Pipeline Company, L.L.C. (Tennessee) as it relates to its Northeast Energy Direct Project ("NED Project"), this correspondence serves as a brief project update.

The NED Project is a federal undertaking that is regulated by the Federal Energy Regulatory Commission ("FERC") under Section 7(c) of the Natural Gas Act. On September 15, 2014, Tennessee requested authorization to use the FERC's Pre-Filing Process ("Process") for the NED Project and the FERC approved Tennessee's request on October 2, 2014 in FERC Docket No. PF14-22-000. Tennessee submitted drafts of Resource Report 1 (General Project Description) and Resource Report 10 (Alternatives) to the Commission on November 5, 2014. Tennessee, after evaluating several route alternatives for the proposed pipeline facilities, has now determined that it will modify the proposed route of the Wright, New York to Dracut, Massachusetts Pipeline Segment of the project by adopting two of the alternatives discussed in the draft Resource Report 10. These two alternatives (the New York Powerline Alternative and the New Hampshire Powerline Alternative) involve co-locating the pipeline along an existing electric transmission line corridor in eastern New York, western Massachusetts, and southern New Hampshire. On December 8, 2014, Tennessee submitted a supplemental filing to the Commission that reflects the modification to the proposed route.

Tennessee continually strives to keep the public sector and involved stakeholders apprised of the status of the NED Project. In that effort, please find enclosed a copy of the correspondence sent to landowners along the revised NED Project route. Tennessee is also working with FERC Staff to establish a series of open house meetings, anticipated to be scheduled during the period January 2015 through March 2015 to discuss the Project with affected stakeholders.

Included in this packet is a copy of the supplemental filing referenced above as well as a copy of the notification letter sent to landowners.

Thank you very much for your ongoing interest in this project. Please be aware that additional information can be found on the project website at: nedinfo@kindermorgan.com. I remain available at either: allen_fore@kindermorgan.com or via telephone at (630) 725-3044.

Sincerely yours,

Allen Fore
Vice President, Public Affairs
Attachments

Tennessee Gas Pipeline Company, L.L.C.
a Kinder Morgan company

December ___, 2014

Landowner
Street
City, State, Zip

RE: Tennessee Gas Pipeline Company, L.L.C.
Northeast Energy Direct Project, Docket No.PF14-22-000

Dear Landowner:

As you may be aware, Tennessee Gas Pipeline Company, L.L.C. ("Tennessee") is planning to expand its existing pipeline system to serve the growing demand for interstate natural gas transmission service in the northeastern United States. The Northeast Energy Direct Project ("Project") is being developed to serve specifically the New England region. The New England region, as a whole, stands to benefit from the NED Project as it will enable New England to sustain its reliance on natural gas-fired generation and to lower energy costs by providing scalable transportation capacity attached to lower cost, near-by domestic natural gas. Access to significant, reliable and abundant quantities of lower priced natural gas will benefit New England consumers and will encourage capital investment in commercial and industrial ventures adding to the region's economy. The Project will provide regional confidence in competitively priced natural gas supplies for decades to come providing stability in a critical fuel source. As part of Tennessee's fully integrated natural gas pipeline transportation system, the Project also will provide additional access to diverse supplies of natural gas to expansion customers in the New England region.

The Project is a federal undertaking that is regulated by the Federal Energy Regulatory Commission ("FERC") under Section 7(c) of the Natural Gas Act. On September 15, 2014, Tennessee requested authorization to use the FERC's Pre-Filing Process ("Process") for the Project. The FERC approved Tennessee's request on October 2, 2014 in FERC Docket No. PF14-22-000. The Process is a mechanism that allows the involvement of all relevant agencies and interested stakeholders at an earlier stage of the Project development than the FERC's traditional certificate process for review and approval of pipeline projects. By using the FERC's Process, Tennessee and the FERC have the opportunity to identify and resolve issues by consulting with stakeholders, including affected landowners, and participating agencies through meetings, telephone calls, and/or written correspondence prior to Tennessee filing a formal certificate application for approval to construct the Project with the FERC.

On November 5, 2014, Tennessee filed with the FERC draft Resource Report 1 (General Project Description) and Resource Report 10 (Alternatives) and an updated stakeholder list for the Project. The draft of Resource Report 1 reflected the information available as of the date of that filing regarding the proposed Project facilities and anticipated land requirements, construction procedures, and permitting/clearance requirements for the Project. The draft of Resource Report 10 included the alternatives (system and routing) that Tennessee identified and

a discussion of the evaluation of those identified alternatives as of the date of that filing. In the November 5, 2014 draft Resource Report 10, Tennessee presented evaluations of several major route alternatives for portions of the Project. Among the route alternatives for the Wright, New York to Dracut, Massachusetts Pipeline Segment (referred to as the Market Path Component of the Project) discussed in the draft Resource Report 10 were the New York Powerline Alternative and the New Hampshire Powerline Alternative (see Sections 10.3.1.2 and 10.3.1.8 of draft Resource Report 10). These identified alternatives involved co-locating the pipeline along an existing electric transmission line corridor in eastern New York, western Massachusetts, and southern New Hampshire.

In its ongoing effort to critically evaluate feasible alternatives for the Project, Tennessee has now determined that it will adopt both the New York Powerline Alternative and the New Hampshire Powerline Alternative as its proposed route. Therefore Tennessee will modify the originally proposed route for the Wright, New York to Dracut, Massachusetts Pipeline Segment of the Project. The Market Path component of the Project that is being revised originally consisted of approximately 177 miles of new and co-located mainline pipeline and eight new pipeline laterals totaling approximately 73 miles. With the adoption of the New York Powerline Alternative and the New Hampshire Powerline Alternative, the proposed revised route will now include approximately 188 miles of new and co-located mainline pipeline facilities as follows: (a) approximately 53 miles of pipeline generally co-located with Tennessee's existing 200 Line and an existing power utility corridor in eastern New York near the proposed Market Path Mid Station No. 1; (b) approximately 64 miles of pipeline generally co-located with an existing power utility corridor in western Massachusetts; and (c) approximately 71 miles of pipeline generally co-located with an existing power utility corridor in southern New Hampshire, extending east to the proposed Dracut, Massachusetts Market Path Tail Station.

One of primary reasons that led to Tennessee's decision to adopt the New York Powerline Alternative and New Hampshire Powerline Alternative for the Project is that they will enable a very substantial portion of the proposed new pipeline construction to be adjacent to, and parallel with, existing utility corridors in the states of New York, Massachusetts and New Hampshire. By increasing the percentage of co-location for the proposed pipeline segment, the revised route will reduce the construction of new pipeline facilities in undeveloped portions of the Market Path region, thus reducing environmental impacts and avoiding habitat fragmentation. In addition, the proposed route change will enable Tennessee to avoid (in certain cases) and to minimize (in other cases) the crossing of Article 97 properties and Areas of Critical Environmental Concern in Massachusetts.

Tennessee submitted supplemental information to the FERC on December 8, 2014 to reflect the revisions to the proposed route for the Project. That filing included a full description of the revised route and the proposed facilities for the Project. Also included is an updated stakeholder list for affected landowners, regulatory agencies, and governmental officials in the Project area. You are receiving this notification letter as you have been identified as a landowner affected by the proposed Project, including the revised pipeline route.

Tennessee plans to host open houses in the Project area during the period January 2015 through March 2015 to provide additional information and answer questions concerning the Project. Tennessee will provide information regarding the open house schedule to you when the dates and locations for those open houses have been established. Tennessee also plans in January 2015 to start meeting with affected landowners on a one-on-one basis to discuss survey needs and additional details regarding the Project.

Tennessee strives to be a good neighbor and appreciates your ongoing interest in this Project. A toll-free telephone number, (844) 277-1047, for Project / landowner inquiries is available, along with a dedicated email address, nedinfo@kindermorgan.com. Incoming telephone calls and emails will be directed to the appropriate Project discipline to be returned as soon as possible.

Very truly yours,

James D. Hartman
Agent-Right of Way SR II
Tennessee Gas Pipeline Company, LLC