



## **For Immediate Release**

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# **PennEast Pipeline Project Need is Challenged by Expert**

**Bristol, PA:** Nationally recognized expert on the oil and gas industry prepared a probing assessment of the asserted and objective need for the proposed PennEast Pipeline Project. A copy of the report can be found at: <http://bit.ly/DRN-PennEastNoNeed>

Arthur E. Berman, a petroleum geologist with 36 years of oil and gas industry experience wrote in his analysis (following are quotes):

- The PennEast Pipeline project proposal fails to adequately address need and volume requirements and, therefore, should not be approved ...
- Based on current natural gas supply and demand, there is no apparent need for the gas that would be transported by the pipeline.
- Existing interstate pipelines provide all of New Jersey's natural gas demand and Pennsylvania is a net exporter of natural gas to other states so has no unfilled demand.
- The proposed PennEast Pipeline would deliver an additional 1 Bcf/d of natural gas to New Jersey potentially creating a 53% supply surplus....
- Marcellus Shale production today can only be described as an epidemic of overproduction .... Although it is certainly the right of mineral owners to over-produce natural gas at a loss if they choose to and can justify it to shareholders, it is unclear why FERC should grant them the means to remedy the unfavorable price environment that they have deliberately brought upon themselves.

- Because of the lack of demand for Marcellus gas in Pennsylvania and adjacent New Jersey, it is possible that PennEast and its committed suppliers have an unstated intent to send gas to other markets .... Including the Cove Point LNG facility in Maryland.

Arthur Berman is a Geological Consultant and Director of Labyrinth Consulting Services. Berman is an expert on U.S. shale plays, and has published more than 100 articles on oil and gas plays and trends. He has been interviewed about oil and gas topics on CBC, CBS, CNBC, CNN, Platt's Energy Week, BNN, Bloomberg, Platt's, The Financial Times, The Wall Street Journal, Rolling Stone and The New York Times.

Arthur Berman conducted his analysis in response to a request from the Delaware Riverkeeper Network.

The PennEast Pipeline is a 110 mile interstate gas transmission line that would take fracked gas from Luzerne County Pennsylvania to a pipeline terminus in Mercer County, NJ. The project is currently in the Pre-Application phase before the Federal Energy Regulatory Committee.

The PennEast Pipeline is a proposed gas transmission project of six companies: UGI Utilities (\$UGI), AGL Resources (\$AGL), NJR Pipeline Company (\$NJR), Public Service Enterprise Group (\$PEG), South Jersey Industries (\$SJI), and Spectra Energy (\$SEP). The project has faced tremendous opposition from community groups, ratepayers, and landowners along the proposed route. Twenty-one townships in Pennsylvania and New Jersey have passed resolutions opposing the PennEast Pipeline. Residents and elected officials at all level of government have called for all six PennEast pipeline companies to drop the project.

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