

Valley Lateral Pipeline

- **PROJECT TYPE:**
Gas pipeline
- **LOCATION:**
Orange County to Wawayanda, New York (i.e., CPV Valley Energy Center)
- **INVESTMENT COST:**
\$39 million
- **ORIGINAL CONSTRUCTION DATE:**
September 2016 → delayed nearly 2 years
- **ORIGINAL OPERATING DATE:**
April 2017

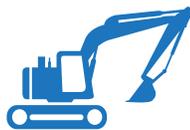
OVERVIEW

- In April 2015, Millennium Pipeline Company submitted an application with FERC to build a 7.8-mile natural gas pipeline called “Valley Lateral” to supply a new, efficient \$900-million electricity generating power plant in Orange County, N.Y.
- Local, regional, and national KIITG organizations formed and opposed the Valley Lateral Pipeline and the new power plant, despite rising demand for electricity generation in the region. Activist groups involved included the Sierra Club, NRDC, Protect Orange County and Riverkeeper.
- In July 2017, after months of delays and intense political pressure from the KIITG activists, New York Governor Cuomo’s administration denied Millennium’s application for a federal water permit, using authority under Section 401 of the Clean Water Act.¹ NRDC immediately took credit for the decision, applauding Governor Cuomo and describing his decision as “a historic breakthrough in our fight to move New York away from fossil fuels, and a hard-fought victory for grassroots leaders across the state that have been fighting these projects for many years.”²
- A later report by NPR describes this “new strategy” by activists to misuse Section 401 of the Clean Water Act to stop pipeline projects, which “essentially gives states veto power over federal decisions.”

LOST OPPORTUNITY ECONOMIC IMPACT



**\$300 ↓
MILLION**
in GDP impact*



1,691 ↓
total full-time
equivalent job
years*



**\$60 ↓
MILLION**
in lost tax revenue*



Image from [It's Going Down](#)

- In September 2017, FERC overturned New York’s rejection of Millennium’s permit application, finding that the state waived its right to decide on the permit when it continually delayed its decision and failed to act on the application within the one-year timeframe specified by federal law.³
- In response to FERC’s decision, NRDC stated, “NRDC is going to continue to fight harmful fracked gas pipelines in New York State and elsewhere.”⁴
- Through January 2018, Hudson Valley Earth First – a self-described “radical eco-defense” group – engaged in tree-sitting to stop the construction of the pipeline. “This pipeline is the bottleneck to stopping this [power] plant,” stated one of the tree sitters, adding, “Tree sits can be long term endeavors, and Hudson Valley Earth First is prepared to stay in the trees as long as it takes to protect the wild!”⁵

STATUS:

In March 2018, the United States Court of Appeals for the Second Circuit issued a decision reinforcing FERC’s determination that under federal law, New York State waived its right to block the Valley Lateral pipeline. The pipeline has been constructed and was put in service in July 2018.

* Number refers to total economic impact from construction/operations/upstream, through August 2018

1. [Notice of Decision – Valley Lateral Project](#), NYSDEC filing, 8/30/17
2. [New York State Blocks the Valley Lateral Pipeline!](#), NRDC article, 8/31/17.
3. [FERC overrules New York permit denial for Millennium gas pipeline](#), *Utility Dive*, 9/18/17
4. [Court of Appeals: NYS Cannot Block Valley Lateral Pipeline](#), NRDC article, 3/12/18
5. [Hudson Valley Earth First! Maintain Tree Sits to Stop Valley Lateral Pipeline—Day 2](#), Earthfirst! Newswire, 12/11/17