

Finding of No Significant Impact
Tennessee Gas Pipeline 300 Line Project
Federal Energy Regulatory Commission Docket No. CP09-444-000
DOI-BLM-ES/PAES-055835 and NJES-055836

Introduction

The Tennessee Gas Pipeline Company (TGP) submitted an application for a Certificate of Public Convenience and Necessity to the Federal Energy Regulatory Commission (FERC) for an interstate natural gas transmission pipeline known as the 300 Line Project (Project). The FERC is responsible for authorizing the construction and operation of interstate natural gas pipelines. FERC issues Certificates of Public Convenience and Necessity for pipeline projects under Section 7 of the Natural Gas Act of 1938 (NGA), as amended, and authorizes the construction and siting of facilities for the import or export of natural gas under Section 3 of the NGA. It also authorizes the construction and operation of natural gas pipelines pursuant to the Natural Gas Policy Act. As the lead Federal agency for interstate natural gas projects, the FERC prepared an Environmental Assessment (EA) for TGP's Project to satisfy the requirements of the National Environmental Policy Act (NEPA). The U.S. Department of Interior (DOI), Bureau of Land Management (BLM), the U.S. Fish and Wildlife Service (FWS), and the U.S. Department of the Army, U.S. Army Corps of Engineers (COE), elected to act as cooperating agencies in the preparation of the EA. The BLM cooperated in the preparation of the EA and adopts the EA per the Council on Environmental Quality (CEQ) Guidance Regarding NEPA Regulations (48 Federal Register 34263).

Under Section 28 of the Mineral Leasing Act of 1920 (MLA), as amended, the BLM is responsible for issuing right-of-way (ROW) permits authorizing natural gas pipelines that cross lands held by the United States under the jurisdiction of two or more Federal agencies. The Project affects lands administered by both the FWS and the COE. TGP's Project does not affect lands managed by the BLM; however, the BLM and the Federal agencies participated in the preparation and review of the EA to meet NEPA responsibilities in considering TGP's application for a ROW Grant and Temporary Use Permits for the portions of the Project that affect Federal lands.

The BLM issues natural gas ROW permits in accordance with Title 43 Code of Federal Regulations (CFR) Part 2880. Specifically, Title 43 CFR Part 2881.11 requires a BLM ROW grant for any oil or gas pipeline or related facility that crosses Federal lands under the jurisdiction of two or more Federal agencies. Federal lands crossed by the selected alternative for the Project include lands managed by the FWS on the Wallkill River National Wildlife Refuge (NWR) in New Jersey and lands managed by the COE at Stillwater Lake in Pennsylvania. With the concurrence of the FWS and the COE, a ROW grant would be issued to TGP for the portion of the Project that is located on Federal lands. The BLM would also issue temporary use permits (TUPs) for the temporary use of Federal lands required for construction of the pipeline. TGP elected to use the FERC's pre-filing process which expedites the review of applications for energy related projects and establishes an interagency approach to processing proposals and applications. The

Federal agencies committed to early and active engagement in the review of the application to identify and mitigate project specific issues, concerns, barriers and environmental effects with the applicant and the FERC.

TGP, a subsidiary of El Paso Corporation, is proposing to construct, install, modify and operate approximately 127.4 miles of 30-inch pipeline consisting of seven separate pipeline loops, six in northern Pennsylvania and one in northwestern New Jersey. Construction would take place to the extent feasible, adjacent to and connecting with an existing 24-inch diameter pipeline operated by TGP which begins in Mercer County, Pennsylvania and travel east through Pennsylvania, New Jersey, New York, Connecticut, and ends in Massachusetts. Construction of the seven looping sections, however, would occur only in portions of western and eastern Pennsylvania and eastern New Jersey. The Project crosses approximately 1.5 miles of COE land at Stillwater Lake in Pennsylvania and approximately 1 mile of FWS land on the Wallkill River NWR in New Jersey. The Wallkill River NWR encompasses a diverse landscape of over 5,100 acres and Stillwater Lake is a 120-acre surface impoundment managed to reduce flooding on the Lackawanna and Susquehanna Rivers. Additional facilities, new compressor stations, and modifications, replacements or expansions of existing compressor stations are also proposed for the Project, but none are planned on Federal lands. The Project on Federal lands would consist of the following:

- 30-inch buried pipeline between mile posts (MPs) 1.0 and 1.8 on the Wallkill River NWR in Sussex County, New Jersey. This segment of the project, referred to as Loop 325, crosses land under the jurisdiction of the FWS and comprises 5.10 acres of post construction right-of-way.
- 8.99 acres of Temporary and Additional Temporary Work Space on the Wallkill River NWR that will be used during construction.
- 30-inch buried pipeline between MPs 2.9 and 4.3 in Susquehanna County, Pennsylvania. This segment, referred to as Loop 321, crosses COE land at Stillwater Lake. The right-of-way would comprise 8.89 acres.
- Underground cathodic system 650 feet long beginning near MP 3.5 on Loop 321 in Pennsylvania would occupy an additional .74 acres.
- 11.55 acres of Temporary and Additional Temporary Work Space on COE lands would be used during construction.

Upon completion, the Project would increase natural gas delivery capacity to the northeast region of the United States by approximately 350, 000 dekatherms per day (“Dth/d”), and the proposed replacements and upgrades would improve system reliability for the entire line. Currently, there is approximately seven billion cubic feet per day (“Bcf/d”) of pipeline capacity on four interstate pipelines, including TGP, that transport gas through Pennsylvania from upstream out-of-state sources to the northeast region.

Federal and Proponent Purpose and Need for the Project

Federal Purpose and Need for considering the proposal: The BLM’s purpose and need is to consider the proposal to grant TGP a ROW in an efficient, orderly, and

environmentally sensitive manner with the concurrence of the Federal agencies. BLM is considering this Project in accordance with national policies, mandates, and regulations for the transportation of natural gas resources. The MLA, as amended, provides for the transportation of natural gas across federally owned lands, and Executive Order 13212 directs Federal agencies to expedite their review of energy related projects to meet the goal of sufficient availability and increased use of natural gas.

Proponent Purpose and Need: TGP's stated purpose for the Project is to increase natural gas delivery capacity in the northeast region of the United States by up to 350,000 dekatherms per day and to improve the reliability of its existing natural gas pipeline system. The Project is needed because the four interstate pipelines serving the northeast have reached capacity and the regional demand for natural gas exceeds supply during peak periods. The reliance on underground storage to supply additional capacity during peak times is insufficient to meet the future energy needs of the region. Additionally, the Project would diversify natural gas supplies to the region by connecting to and increasing the capacity from new gas sources in the Rocky Mountain, Gulf Coast, Appalachian, and Marcellus Shale areas.

TGP's proposed Project would address the need to provide additional pipeline capacity to the high-demand areas of the northeast, and the region would benefit from diversified sources of natural gas. Approval of the project would meet the mutual needs of producers and eventually downstream customers, and it would further federal policy in regard to the development of pipeline infrastructure which is critical to serving the country's increasing energy needs.

This document constitutes the Finding of No Significant Impact (FONSI) and the Decision Record (DR) of the BLM with concurrence from the FWS and the COE for Tennessee Gas Pipeline's 300 Line Project. The DR is prepared in accordance with the National Environmental Policy Act, the Mineral Leasing Act, and other applicable Federal laws and regulations. The EA prepared by the FERC was used in making the decision. The EA for TGP's 300 Line Project (FERC Docket No. CP09-444-000) is available on line at the FERC website www.ferc.gov.

FINDING OF NO SIGNIFICANT IMPACT DETERMINATION (FONSI):

Based upon a review of the EA prepared by the FERC and the supporting documents, I have determined with concurrence from the Federal agencies that the proposed project is not a major federal action and will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. In addition to the EA, the Federal agencies reviewed site specific documentation regarding the impacts of the project on Federal lands. The Federal agencies determined that the project as proposed in TGP's application, supplemental documentation, and as analyzed in the EA, would have no significant impacts on Federal lands. The FERC also concluded that with appropriate mitigating measures, the proposed action would not constitute a major Federal action significantly affecting the quality of the human environment. No environmental effects meet the definition of significance in context and

intensity as defined in 40 CFR 1508.27, and therefore an EIS is not needed. This finding is based on the context and intensity of the project as described:

Context:

The review of the EA and the analysis of impacts are limited to the components of TGP's Project that affect Federal lands and do not extend to non-federal lands involved in the Project. Construction of the pipeline was not dependent on the authorization to use Federal lands, and the inclusion of Federal lands was not essential in the issuance of a Certificate of Public Convenience and Necessity for the Project. Route variations and alternatives were proposed that would avoid crossing Federal lands. Therefore, the impact of the Project on non-federal lands was not evaluated for the purpose of authorizing a Federal ROW grant.

The Federal lands involved in the project represent 1.73 percent of the 127.4 miles proposed for construction. The authorization to use Federal lands is a site-specific action involving only a small component of the overall Project. Of the seven looping segments adjacent and connected to an existing 24-inch pipeline, only two looping segments involve Federal lands. Route variations and alternatives were offered for each of these segments. The pipeline would cross a total of 2.2 miles of Federal lands; 1.4 miles on COE land at Stillwater Lake and .8 miles of FWS land on the Wallkill River NWR. Alternatives to crossing Federal lands were considered in the EA, but eliminated from further consideration due to the increased impacts to the environment proposed by alternate routes. The acreage impacts associated with the construction of Loop 321 on COE administered and Loop 325 on FWS land would involve approximately 21.28 acres of Federal land. The post construction right-of-way would impact approximately 25.92 acres of land.

Construction would occur adjacent to the 24-inch pipeline for the entire length of the Project on Federal lands. The 24-inch line was constructed in the 1950's prior to the establishment of the Refuge and the completion of the reservoir at Stillwater Lake. Utilization of an existing corridor for the looping segments reduces the impacts to resources previously disturbed during the original construction of the pipeline. When added to other past, present, and reasonably foreseeable future actions, the incremental impacts would be minimal. While the areas directly affected do not have international, national, regional, or state-wide importance, these lands are part of greater project regions known for their wildlife characteristics, watershed and wetland importance, grassland and forest habitats, coldwater fisheries and aquatic resources, significant habitat for amphibians species, and migratory and nesting habitat for many species of waterbirds, raptors, and songbirds.

Intensity:

The following discussion is organized around the 10 Significance Criteria described in 40 CFR 1508.27, supplemental Instruction Memorandum, Acts, regulations, and Executive Orders. The following have been considered in evaluating intensity for this proposal:

1. Impacts may be both beneficial and adverse:

The proposed action would impact resources as described in the EA. Company committed protection measures were incorporated into the design of the FERC selected alternative to avoid and minimize impacts to wetlands, water bodies, fish habitat, surface water quality, and bank stabilization; threatened, endangered, and special status species and habitat; reclamation and revegetation success; and land use. None of the environmental effects discussed in detail in the EA and associated appendices are considered significant.

The beneficial effects of the Project would include increasing the supply of natural gas to the northeast region from new and diversified sources across the country. Adverse effects include temporary impacts to soils, vegetation, wildlife, recreation, and visual resources as a result of construction. Long term effects would be limited in scope and have been mitigated by company committed measures.

2. The degree to which the selected alternatives will affect public health or safety:

The selected alternative is designed to improve the reliability of the existing 24-inch pipeline through system improvements, upgrades, and replacement of facilities which improve the overall safety of the pipeline system. As part of the permitting process, the FERC requires applicants to certify that they will design, install, inspect, test, construct, operate, replace, and maintain the pipeline and associated facilities in accordance with all federal, state, and local safety standards for pipeline systems. Throughout the construction process, TGP and the FERC will ensure that construction activities comply with all applicable regulations through implementing an Inspection and Compliance Plan for the Project. In addition, the Environmental Construction Plan (ECP) submitted by TGP for the selected alternative, outlines the company's committed measures for the prevention of spills and the management of oil and hazardous materials which will minimize public safety concerns during construction. Implementation of the selected alternative would not significantly affect public health and safety.

3. Unique characteristics of the geographic area such as proximity to historic or cultural resources, park lands, prime farm lands, wetlands, wilderness, wild and scenic rivers, or ecologically critical areas:

The historic and cultural resources of the area have been inventoried and potential impacts mitigated in the design for the selected alternative. There are no national parks, national landmarks, or national wild and scenic rivers present in the Project area. The FWS has assessed the Wallkill River's eligibility for designation as a wild and scenic river under the Wild and Scenic Rivers Act and determined that the segment of the river located within the Refuge meets the criteria for eligibility, however no further action has been taken to apply for inclusion of the Wallkill River in the Wild and Scenic Rivers System. The project does cross Stillwater Lake on COE administered lands and the Wallkill River on the Refuge; however, the FERC selected alternative would follow

existing pipeline corridors through these areas and be both limited in scope and duration. Therefore, the project would have limited impacts. In addition, the elements of the human environment and other resource issues were analyzed in detail in the EA. None of these would be significantly impacted. TGP would also follow the company committed measures in its application, the EA, the right-of-way grant, temporary use permits, and supporting documents. Examples of these mitigation measures include, but are not limited to, dry crossing construction techniques over water crossings (i.e. dam and pump method using an Aqua Barrier as a damming mechanism), restricting or avoiding construction at certain periods to avoid wildlife habitat uses, and implementing a noxious weed management program to control the spread of noxious weeds. TGP would also implement the avoidance, minimization, and mitigation measures specific to these resources as outlined in the EA and the Plans of Development (POD) submitted for the Federal lands.

4. The degree to which the effects on the quality of the human environment are likely to be highly controversial:

The term “controversial” in 40 CFR 1508.27 refers to situations where a substantial dispute exists as to the size, nature, or effect of a project, rather than opposition by some parties to the project. In this case, the proposed project and, more particularly, the selected alternative are not unique. Standard and accepted industry practices would be followed for pipeline construction and other project operations. The potential environmental effects of pipeline construction and restoration are well understood and there is no scientific controversy over the nature of the impacts. There is no substantial dispute about the technology that would be utilized, the standard industrial practices that would be followed, or the size, nature, or effects of the selected alternative.

Public input regarding the Project was solicited during comment periods published by the FERC and during open houses conducted by TGP. The FERC addressed comments received during the scoping process in the EA.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks:

No highly uncertain or unknown risks to the human environment were identified during analysis of the project and alternatives, including the selected alternative. As mentioned above, standard and accepted industry practices would be followed in the project. The potential effects of the project were fully considered and analyzed in the EA and, based on that analysis, there are no known effects on the human environment considered to be highly uncertain or involve unique or unknown risks.

6. The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration:

The actions considered in the selected alternative were considered in the EA within the context of past, present, and reasonably foreseeable future actions. Significant cumulative effects are not predicted. The selected alternative neither establishes a precedent for future actions with significant effects nor represents a decision in principle about a future consideration. Future pipeline proposals would be considered only through appropriate NEPA analysis, including adequate consideration of cumulative effects.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts – which include connected actions regardless of land ownership:

The selected alternative is not related to other actions with individually insignificant but cumulatively significant impacts, which include connected actions and non-federal actions. A complete analysis of the direct, indirect, and cumulative effects of the selected alternative and all other alternatives are described in the EA. The selected alternative was considered in the context of past, present, and reasonably foreseeable future actions. No individually or cumulatively significant impacts were identified for the selected alternative.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources:

The project will not adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places, nor will it cause loss or destruction of significant scientific, cultural, or historical resources. No historic properties were identified within the Project area. In accordance with Section 106 of the National Historic Preservation Act (NHPA), the FERC, as the lead Federal agency, consulted with the Pennsylvania Bureau for Historic Preservation (BHP) and New Jersey Historic Preservation Office (HPO). Cultural inventories and an addendum report for the Wallkill River NWR were completed for the FERC selected alternative. TGP conducted a Phase I archaeological survey of the proposed Project area which resulted in the identification of 41 archaeological sites in Pennsylvania, and 8 archaeological sites in New Jersey. Sites considered significant were recommended for avoidance or Phase II evaluation surveys. Three sites containing sensitive cultural resources were found on Federal lands during the Phase I and II surveys; one site on the COE administered land and two sites on the FWS administered lands. All sites on Federal lands were recommended for avoidance. TGP submitted cultural resource protection plans with the PODs for the Wallkill River NWR and Stillwater Lake. These plans were submitted to New Jersey HPO and Pennsylvania BHP for concurrence. Sites will be avoided to mitigate adverse effects to the resources.

As a non-federal party, TGP assisted the FERC in meeting obligations under section 106 of the NHPA through initiating consultation in November 2008 with 17 state and federally recognized Native American tribes having a potential interest in lands affected

by the Project. Of the tribes contacted, four indicated that they would like to be kept informed about the Project, one requested to be a consulting party for the portion of the Project in Pennsylvania, and two tribes requested to be notified of unanticipated discoveries during construction. The FERC will continue to be in contact with the tribes that responded during consultation. TGP has prepared an Unanticipated Discovery Plan, in Chapter 3.0 of the ECP that will be used in the event any unanticipated historic properties or human remains would be encountered during construction.

9. The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973, or the degree to which the action may adversely affect: 1) a proposed to be listed endangered or threatened species or its habitat, or 2) a species on BLM's sensitive species list:

Mitigating measures to reduce impacts to wildlife and fisheries have been incorporated into the design of the selected alternative. TGP contacted FWS and conducted field surveys regarding federally and state listed threatened or endangered species potentially occurring in or near the Project area. The Project on Federal lands is located within the range of the Indiana bat and the bald eagle, however, no Indiana bats were captured on COE managed lands during mist net surveys and no bald eagle nests were observed. On the FWS land, one Indiana bat was captured during the mist net survey and several roost trees were identified. Seasonal restriction will be implemented for tree clearing activities and construction due to the presence of the Indiana bat and other avian species to avoid impacts on these species. In addition, FWS land provides habitat for the federally listed bog turtle and dwarf wedgemussel, state listed mussels, and state listed avian species. A Bog Turtle Construction Monitoring Plan that includes FWS recommended conservation measures to avoid or reduce impacts on bog turtles has been developed by TGP. FWS has concurred that the Project is not likely to adversely affect the bog turtle or Indian bat in letters dated January 4, January 19, and February 3, 2010. Available survey information for the presence of federally and state listed mollusks, including the dwarf wedgemussel, in the Project area has concluded that the Project is not likely to adversely affect the dwarf wedgemussel. However, survey data and consultation will not be completed until spring 2010. TGP has agreed to accept all FWS recommendations that result from the survey data, and no construction will take place until all survey requirements are completed. The National Marine Fisheries Service determined that the proposed project would not affect any threatened or endangered species under its jurisdiction in a letter dated November 11, 2009. By implementing company committed protection measures; and the terms, conditions and recommendations set forth in the FWS concurrence letters, TGP would avoid adverse impacts to all species. The EA was accepted by FWS as a Biological Assessment under Section 7 of the Endangered Species Act and concurrence was provided for all listed species except the dwarf wedge mussel which will be surveyed in early spring 2010.

10. Whether the action threatens a violation of a federal, state, local, or tribal law, regulation or policy imposed for the protection of the environment, where non-federal requirements are consistent with federal requirements:

The project does not violate any known federal, state, local or tribal law or requirement imposed for the protection of the environment. State, local, and tribal interests were given the opportunity to participate in the EA process. Notices were sent to Native American tribes and as of the published date of the EA, none of the tribes had responded to the cultural resource inventory findings with any information, concerns, or issues.

This unsigned FONSI for the 300 Line Project proposed by the Tennessee Gas Pipeline Company is available for public review and comment for 30 days from the date of publication in a local newspaper. The EA prepared for this proposal is available on the FERC website at www.ferc.gov.

Based on the analysis of potential environmental impacts presented in the EA, and in consideration of the significant criteria in 40 CFR 1508.27, I have determined that with applicable mitigating measures, the FERC selected alternative would not result in significant impacts on the human environment. An environmental impact statement (EIS) is not required.

The decision to approve or deny the FERC selected alternative and if appropriate a signed FONSI with rationale, will be released after consideration of public comments.