

1.0 INTRODUCTION

On December 19, 2003, Weaver's Cove Energy, L.L.C. and its affiliate Mill River Pipeline, L.L.C. filed applications with the Federal Energy Regulatory Commission (FERC or Commission) under sections 7(c) and 3(a) of the Natural Gas Act (NGA).¹ The applications were noticed by the FERC on December 30, 2003 and the notice was published in the Federal Register on January 9, 2004. In Docket No. CP04-36-000, Weaver's Cove Energy, L.L.C. seeks authorization to site, construct, and operate a liquefied natural gas (LNG) terminal in Fall River, Massachusetts. In Docket No. CP04-41-000, Mill River Pipeline, L.L.C. seeks a Certificate of Public Convenience and Necessity (Certificate) to site, construct, and operate two new natural gas pipelines and ancillary facilities to connect the proposed LNG terminal to the interstate gas transmission facilities of Algonquin Gas Transmission Company (Algonquin). Mill River Pipeline, L.L.C. also requests in Docket No. CP04-42-000 a blanket certificate to perform routine activities in connection with the future construction, operation, and maintenance of the proposed natural gas pipelines, and in Docket No. CP04-43-000 authority to provide open-access transportation of natural gas to others. Hereafter, Weaver's Cove Energy, L.L.C. and Mill River Pipeline, L.L.C. are referred to collectively as Weaver's Cove Energy.

Weaver's Cove Energy's proposed facilities would transport up to 800 million cubic feet per day (MMcfd) of imported natural gas to the U.S. market. In order to provide LNG import, storage, and pipeline transportation services, Weaver's Cove Energy requests Commission authorization to construct, install, and operate an LNG terminal and natural gas pipeline facilities.

The LNG terminal facilities would include:

- a ship unloading facility with a single berth capable of receiving LNG ships with cargo capacities of up to 145,000 cubic meters (m³);
- a 200,000 m³ (equivalent to 4.4 billion standard cubic feet of gas) full containment LNG storage tank;
- vaporization equipment, sized for a normal sendout of 400 MMcfd and a maximum sendout of 800 MMcfd;²
- four LNG truck loading stations; and
- ancillary utilities, buildings, and service facilities.

The natural gas pipeline facilities would include:

¹ On April 14, 2004, the Commission denied a request for a Preliminary Determination on Non-Environmental Issues (PD) for the Weaver's Cove LNG Project. Because the LNG terminal portion of Weaver's Cove Energy's application was filed under section 3 of the NGA, it is not necessary to determine whether construction, operation, and maintenance of the proposed facilities would meet the criteria of public convenience and necessity. Under section 3, the Commission will approve an application unless it finds that the proposal is "not consistent with the public interest". The denial of the PD prior to completion of the environmental review will not prejudice any further actions by the Commission. Final action on any FERC authorization will not occur until after the environmental review is completed, all environmental issues have been appropriately addressed, and a final Order is issued by the Commission.

² FERC's July 11, 2003 *Notice of Intent to Prepare and Environmental Impact Statement for the Proposed Weaver's Cove LNG Project, Request for Comments on Environmental Issues, and Notice of Joint Scoping Meeting* incorrectly indicated that the project would have an average sendout capacity of 400 million British thermal units per day (MMBtu/d) and a peak sendout capacity of 800 MMBtu/d. These sendout capacities were corrected to 400 and 800 million cubic feet per day, respectively, in the FERC's December 31, 2003 *Notice of Status Change of Environmental Review and Expiration of Scoping Period for the Proposed Weaver's Cove LNG Project*.

- two 24-inch-diameter natural gas sendout pipelines, totaling approximately 6.1 miles in length; and
- two meter and regulation stations.

Improvements would also need to be made to Algonquin’s existing 16-inch-diameter G-20 lateral pipeline and 22-inch-diameter G-22 lateral pipeline to accommodate the delivery of natural gas from Weaver’s Cove Energy’s sendout pipelines. The required improvements would involve uprating the maximum allowable operating pressure (MAOP) of the existing G-20 lateral from 750 pounds per square inch gauge (psig) to 983 psig and uprating the MAOP of the G-22 lateral from 750 psig to 972 psig. Hydrostatic testing would be required to uprate the MAOP of the laterals. In addition, certain tap and check valves would need to be replaced on both laterals.

The vertical line in the margin identifies text that has been modified in the final EIS and differs from the corresponding text in the draft EIS.

1.1 PURPOSE AND SCOPE OF THIS STATEMENT

The FERC is the federal agency responsible for authorizing applications to construct and operate onshore LNG import and interstate natural gas transmission facilities. As such, the FERC is the lead federal agency for the preparation of this Environmental Impact Statement (EIS) in compliance with the requirements of the National Environmental Policy Act of 1969 (NEPA), the Council on Environmental Quality (CEQ) regulations for implementing NEPA (40, Code of Federal Regulations (CFR) 1500-1508), and the FERC’s regulations implementing NEPA (18 CFR 380). A draft EIS was prepared and issued for public comment on July 30, 2004. This document is a final EIS that has been prepared to respond to comments received on the draft EIS. The distribution list for the final EIS is provided in Appendix A.

Our³ principal purposes in preparing this EIS are to:

- identify and assess potential impacts on the natural and human environment that would result from the implementation of the proposed actions;
- describe and evaluate reasonable alternatives to the proposed actions that would avoid or minimize adverse effects on the human environment;
- identify and recommend specific mitigation measures, as necessary, to minimize the environmental impacts; and
- facilitate public involvement in identifying the significant environmental impacts.

The FERC will consider the findings in this final EIS in its determination of whether the project should be approved. A final approval will only be granted if after a consideration of both environmental and non-environmental issues, the FERC finds that the proposed project is in the public interest. The environmental impact assessment and mitigation development discussed herein will be important factors in this final determination.

This EIS has also been prepared to help satisfy the requirements of the Massachusetts Environmental Policy Act (MEPA). The Massachusetts Executive Office of Environmental Affairs

³ The pronouns “we,” “us,” and “our” refer to the environmental staff of the FERC’s Office of Energy Projects.

(EOEA) issued a Certificate to Weaver's Cove Energy on August 28, 2003 that established a Special Review Procedure (SRP) to guide the MEPA review of the Weaver's Cove LNG Project. This SRP provides for a coordinated NEPA/MEPA review. It also allows the draft and final EISs to serve as the draft and final Environmental Impact Reports (EIRs) required under MEPA, provided the EISs address MEPA's EIR requirements, as specified in the MEPA scope for the project that was issued concurrently with the SRP on August 28, 2003. Additional discussion of the NEPA/MEPA coordination is provided in section 1.2.

Our analysis in this EIS focuses on the facilities that are under the FERC's jurisdiction (i.e., the LNG import terminal and two sendout pipelines proposed to be constructed by Weaver's Cove Energy) as well as an electric substation that would be constructed on the north end of the LNG terminal site to supply power to the LNG terminal facilities.

The topics addressed in this EIS include geology; soils and sediments; water use and quality; wetlands; vegetation; wildlife; fish and marine invertebrates; threatened, endangered, and special-status species; land use, recreation, and visual resources; cultural resources; socioeconomics and traffic; air quality and noise; reliability and safety; cumulative effects; and alternatives. The EIS describes the affected environment as it currently exists, discusses the environmental consequences of the proposed project, and compares the project's potential impact to that of alternatives. The EIS also responds to public comments on the draft EIS and presents our conclusions and recommended mitigation measures.

1.2 COORDINATION OF NEPA/MEPA REVIEW

On February 14, 2003 (and supplemented on May 8, 2003), Weaver's Cove Energy filed a request with the FERC to use the NEPA Pre-filing Process. At that time, Weaver's Cove Energy was in the preliminary design stage of the project and no formal application had been filed with the FERC. Weaver's Cove Energy's request to use the NEPA Pre-filing Process was approved on May 20, 2003, and a pre-filing docket number (PF03-4-000) was established to place information filed by Weaver's Cove Energy and related documents issued by the FERC into the public record. The NEPA Pre-filing Process provided opportunities for interested stakeholders to become involved early in project planning, facilitated interagency cooperation, and assisted in the identification of issues prior to Weaver's Cove Energy filing its application with the FERC.

The project must also undergo an environmental review pursuant to MEPA regulations. The MEPA process is specifically designed to inform project proponents and participating agencies; ensure public participation in the state environmental permitting process; maximize consistency between agency actions; ensure that state permitting agencies have adequate information on which to base their permit decisions and section 61 Findings; and ensure that potential environmental impacts on state resources are fully described and avoided, minimized, or mitigated to the maximum feasible extent. The MEPA review does not alter the permitting authority of any agency; however, no Massachusetts agency can issue a permit until the Secretary of the EOEA has determined that the final EIR is adequate and 60 days have elapsed following publication of the notice of availability in the Environmental Monitor.

To initiate MEPA review and facilitate the NEPA Pre-filing Process, Weaver's Cove Energy filed an Expanded Environmental Notice Form (ENF) with the Secretary of the EOEA on June 30, 2003. Weaver's Cove Energy included in the ENF a request to the Secretary of the EOEA to conduct a coordinated review of the project with the FERC. The Secretary of the EOEA responded to this request on August 28, 2003, and issued a Certificate of the Secretary of Environmental Affairs establishing a SRP. The Secretary of the EOEA also issued a Certificate of the Secretary of Environmental Affairs on the ENF. Copies of these Certificates are included in Appendix B.

In the Certificate on the ENF, the Secretary of the EOEА determined that the project requires the preparation of an EIR pursuant to sections 11.03 (1) (a) 1, and (3) (a) 1.b. of the MEPA regulations. Specifically, the Secretary of the EOEА indicated that an EIR is required because the project would involve alteration of more than 50 acres of land and alteration of 10 acres of non-vegetated wetlands. The project also meets MEPA filing thresholds related to wetlands alteration (section 11.03 (3) (b) 1.c), dredging (section 11.03 (3) (b) 3), and dredged material disposal (section 11.03 (3) (b) 4). In the Certificate on the ENF, the Secretary of the EOEА also issued a scope to guide the preparation of the EIR and indicated that MEPA’s jurisdiction extends to any aspect of the project that has the potential to cause significant “Damage to the Environment” as defined in MEPA statute and that is within the subject matter of required or potentially required state permits and approvals.

In the Certificate on the ENF establishing a SRP, the Secretary of the EOEА indicated that the SRP would benefit the project by allowing for a coordinated NEPA/MEPA review of an EIS/EIR document consistent with the requirements and constraints imposed by FERC regulations.⁴ Under the established SRP, the FERC’s draft and final EISs could serve as the EOEА’s draft and final EIRs provided the EISs address MEPA’s EIR requirements, as specified in the MEPA scope for the project that was issued concurrently with the SRP on August 28, 2003. Table 1.2-1 is a cross reference index to aid reviewers in finding information relevant to the EIR process in the EIS, and to identify which sections of the EIS correspond to the form and content of the EIR specified in the Secretary of the EOEА’s scope and requirements of 301 Code of Massachusetts Regulations (CMR) 11.07.

Pursuant to the established SRP, the EOEА reviewed the draft EIS and issued a Certificate on October 1, 2004 following the close of the comment period. In the Certificate the Secretary of the EOEА determined that the draft EIS did not sufficiently address several issues critical to understanding the project design and how the project meets state regulatory requirements and thus required Weaver’s Cove Energy to prepare a supplemental draft EIR. The Secretary of the EOEА stated that its decision was directed at the deficiencies of the joint federal/state document only as it relates to the state requirements under MEPA. A copy of the Certificate containing this decision is included in Appendix B. Weaver’s Cove Energy submitted a supplemental draft EIR to the Secretary of the EOEА on November 1, 2004.⁵ On December 17, 2004, the Secretary of the EOEА determined that the supplemental draft EIR did not adequately and properly comply with the MEPA and its implementing regulations. The Secretary of the EOEА required that Weaver’s Cove Energy prepare a second supplemental draft EIR. Because the decision of the Secretary of the EOEА was based on the inadequacy of the supplemental draft EIR to meet state regulatory requirements, the FERC continued to complete its analysis of the project for federal review purposes and to prepare this final EIS pursuant to the CEQ’s NEPA-implementing guidelines.

⁴ The term coordinated review as used in the Secretary of the EOEА’s Certificate and in MEPA regulations refers to the practice of allowing a single set of documents to serve simultaneously as both an EIS under NEPA and an EIR under MEPA. This is not the same as a joint review since both the FERC and the EOEА will retain independent authority to judge the adequacy of the information in the document pursuant to their respective statutory and regulatory responsibilities.

⁵ A similar procedure was used for the Phase III/HubLine Project. Specifically, the FERC issued the draft EIS and the Secretary of the EOEА determined that a supplemental draft EIR was needed. The applicant prepared the supplemental draft EIR, which was accepted by the Secretary of the EOEА. Following issuance of the supplemental draft EIR, the FERC prepared the final EIS.

TABLE 1.2-1

Cross Reference Index for MEPA Requirements

MEPA Requirement	Applicable Draft EIS Section
Secretary's Certificates	Appendix B
Summary	Executive Summary and Section 5.0
Project Description	Section 2.0
Alternatives to the Project	Section 3.0
Regional Planning Issues	Section 4.8.2
Cumulative Impacts	Section 4.13
Existing Environment	Section 4.0
Wetlands/Drainage	Sections 4.4 and 4.5
Waterways/Chapter 91	Section 4.3.2
Water Quality/Dredging/Sediment Management	Sections 2.4.1.3, 3.4, 4.2.2, and 4.3.2
Coastal Zone Impacts	Section 4.8.4
Safety	Section 4.12
Environmental Justice	Section 4.9.7
Land Alteration	Section 4.8.1
Transportation	Sections 4.8.4 and 4.9.4
Air Quality	Section 4.11.1
Noise	Section 4.11.2
Article 97	Section 4.8.6
Archaeology	Section 4.10
Site Remediation	Sections 4.2.2 and 4.3.1
Construction Period	Sections 2.4 and 2.5
Assessment of Impacts	Section 4.0
Statutory and Regulatory Standards and Requirements	Section 1.4
Mitigation Measures	Sections 4.0 and 5.0 and Appendix H
Proposed section 61 Findings	Appendix H
Comments and Responses to Comments	Section 4.0 and Appendices C and K

1.3 PROJECT PURPOSE AND NEED

Weaver's Cove Energy proposes to bring a new LNG supply to New England to serve the natural gas needs of the New England market, particularly in southeastern Massachusetts and Rhode Island. The Weaver's Cove LNG Project would specifically provide:

- a new LNG import terminal and competitive source of imported LNG in the New England market area;
- a new facility for the storage of LNG;
- access to natural gas reserves in production areas throughout the world that are inaccessible by conventional pipelines;
- a new supply of natural gas to New England;
- strengthened gas supply to southeastern Massachusetts and Rhode Island; and

- a competitive source of LNG delivered by truck to LNG storage facilities throughout the region.

We received comments on the draft EIS suggesting that one or more of these purposes may be unimportant, could be ignored, or may be satisfied by other means such as conservation or renewable energy sources. Some commentators, for example, questioned whether additional natural gas supplies are needed. Other commentators questioned the importance of LNG storage and in particular the need to truck LNG from the LNG import terminal to satellite LNG storage facilities. Several reports have addressed these issues in detail and identified each of these specific purposes as important in New England. The following paragraphs provide a summary of recent assessments of New England's energy supply and infrastructure needs.

Each year the Energy Information Administration (EIA) of the U.S. Department of Energy (DOE) assesses the key energy issues, including economic growth, energy prices, energy consumption, energy intensity, electricity generation, energy production and imports, and carbon dioxide emissions. According to the EIA's Annual Energy Outlook 2005 with Projections to 2025 Report (EIA, 2005a), energy consumption is predicted to increase nationally an average of about 1.4 percent per year until 2025. Energy consumption is expected to increase in all sectors, particularly in the transportation sector (1.8 percent increase per year), electric generation sector (1.8 percent increase per year), and the commercial sector (1.9 percent increase per year). Nationally, the demand for natural gas is projected to increase during the same timeframe at an annual rate of 1.5 percent. The EIA estimates that natural gas demand nationally could be as high as 30.7 trillion cubic feet (Tcf) annually by 2025, which represents an almost 33 percent increase in demand over the 2002 level of about 23 Tcf (EIA, 2005a). Several other studies, including those by Global Insights, Inc.; the National Petroleum Council (NPC), Energy Ventures Analysis, Inc.; PIRA Energy Group; Deutsche Bank; and McKinsey & Company/National Energy Board Canada, also predict similar trends in gas consumption.

Use of natural gas for electricity generation and industrial applications are expected to account for almost 75 percent of the projected growth in natural gas demand. This compares to increases in projected demand for coal of 1.5 percent per year, petroleum of 1.5 percent per year, and renewable fuels, including ethanol and wind, of 1.5 percent per year during the same period. As described in the EIA's report, the projections for natural gas demand and other fuels are sensitive to cost and other factors. For example, the EIA reduced its projections for energy consumption from all energy sources except nuclear energy between 2004 and 2005 due in part to higher energy prices; lower projected growth rates in industrial production; specific updates in the chemical, pulp, and paper industries; revisions to the capital cost of generating technologies; and revisions to transportation sector vehicle miles traveled.

The EIA projections for New England are similar to the nation as a whole. The EIA estimates that energy consumption in New England will rise from 3.565 quadrillion British thermal units (Btu) in 2003 to about 4.493 quadrillion Btu in 2025. Consumption of natural gas during this same period is expected to increase from 0.820 quadrillion Btu to about 1.110 quadrillion Btu, which represents an average annual increase in gas consumption of about 1.4 percent per year over 22 years. During this same period, consumption of energy from both petroleum and coal is predicted to increase 1.0 and 1.1 percent a year, respectively, whereas consumption of energy from nuclear power is only expected to increase 0.1 percent. The consumption of renewable energy is expected to increase by 1.1 percent a year. The majority of the increase in renewable energy generation in New England is expected to come from wind power.

Natural gas is used in New England for home heating and cooking, commercial heating, a variety of industrial applications, and increasingly for electrical power generation. In December 2003, the FERC issued the New England Gas Infrastructure Report (NE Report), Docket No. PL04-01-000, which

analyzed the interstate natural gas supply and storage in New England. The purpose of this report was to determine if there is adequate natural gas pipeline and storage capacity to meet the increasing demand from gas-fired electric generation and other uses. The report was prepared by the Commission in consultation with the DOE and included contacts with state public utility commissions, the New England Conference of Public Utility Commissions, the New England Independent System Operators, and the Northeast Gas Association. The FERC also contracted with Energy and Environmental Analysis, Inc, and Merrimack Energy Group for pipeline, gas use, and transportation contract information.

As explained in the NE Report, natural gas provides approximately 18 percent of New England's energy needs, and natural gas is used to heat approximately one third of New England homes. Natural gas is also an important fuel for generating electricity. According to a March 2005 report to the New England Governors by the Power Planning Committee of the New England Governors' Conference, Inc. (Governors Conference Report), entitled *Meeting New England's Future Natural Gas Demands, Nine Scenarios and Their Impacts*, natural gas accounted for 40 percent of the fuel used to generate electricity in 2003. Natural gas is currently supplied to the region by four separate sources: eastern and south-central United States, which together provide approximately 55 percent of the region's supply; western Canada and Sable Island in eastern Canada, which together account for about 30 percent of the region's supply; and LNG from the Distrigas LNG terminal in Everett, Massachusetts, which provides about 15 percent of the region's supply.⁶ The Distrigas LNG facility is currently the only operating LNG import terminal in the region; it contains two storage tanks with a combined storage capacity of about 3.5 billion cubic feet (Bcf) of natural gas. This LNG import terminal is owned and operated by Tractabel LNG North America, L.L.C. (Tractabel).

In considering the current balance of gas supply to New England, it is important to recognize that the sources of natural gas are not static. Based on a review of historical well production data from the lower 48 states and western Canada that analyzed initial production rates, production decline rates, and total well recoveries for each major producing basin, a 2003 study by the NPC concluded that:

“...conventional gas production will inevitably decline in the future, and that the overall level of indigenous production will be largely dependent on the industry's ability to increase its production of nonconventional gas. Nonconventional gas includes gas from tight formations, shales, and coal seams. Given the relatively low production rates from nonconventional wells, the analysis further suggests that even in a robust future price environment, industry will be challenged to maintain overall production at its current level” (NPC, 2003).

The situation is compounded in New England by the failure of natural gas production and reserves off of Sable Island, Nova Scotia to meet initial expectations. In fact, current production offshore of Nova Scotia is already experiencing some decline. The supply available to New England may also be affected by other regional markets. For example, growth in the New York and mid-Atlantic areas will likely compete with New England for the natural gas from producing basins in the Gulf of Mexico. In short, there is strong evidence that indigenous sources of natural gas supplies will not be able to keep up with future demand without the addition of new sources of gas in the form of LNG from overseas.

The winter months from December through February are the peak natural gas use period in New England. During this period, New England's interstate pipeline systems, which include Algonquin, Granite State Gas Transmission, Inc., Iroquois Gas Transmission System, L.P. (Iroquois), Maritime and Northeast Pipeline L.L.C. (M&N), Portland Natural Gas Transmission System (PNGTS), and Tennessee Gas Pipeline Company (Tennessee Gas), are operating at almost full capacity. New England has no

⁶ The recent Governors Conference Report states that the Distrigas LNG terminal serves as a critical link in the region's energy infrastructure and supplies 20 percent of the region's annual natural gas.

underground natural gas storage and relies on bulk underground storage in New York and Pennsylvania to augment supplies. For New England customers to have access to the gas in underground storage in New York and Pennsylvania, capacity must be available on interstate pipelines to carry the gas from storage to New England. However, interstate pipelines operating at or near full capacity between the storage fields and New England limit access to gas in underground storage, and many New England customers rely on aboveground LNG storage located within New England and imported LNG to meet demand. The Distrigas LNG facility receives between 60 and 70 LNG tanker shipments per year. In 2003, the Distrigas LNG terminal received the equivalent of 158 Bcf of natural gas (Power Planning Committee, Inc., 2005). In addition to the Distrigas LNG terminal, there are 46 liquefaction and satellite storage tanks in New England operated by local distribution companies, which have a combined LNG storage capacity of about 15 Bcf of natural gas. The LNG for these satellite LNG storage tanks is supplied by trucks from the Distrigas facility. In 2003, Distrigas trucked about 14 Bcf of LNG to these satellite LNG storage tanks (Power Planning Committee, Inc., 2005). Cumulatively, the vaporization capacity of these storage facilities (which totals approximately 0.715 billion cubic feet per day (Bcfd) for Distrigas and 1.22 Bcfd for the satellite LNG storage tanks) can supply as much as 30 percent of the region's peak day needs according to the Northeast Gas Association.

The critical importance of the Distrigas LNG facility and the satellite LNG storage tanks, including the existing KeySpan LNG facility located in Providence, Rhode Island, has been widely recognized. In his February 2005 comments on the draft EIS, Rhode Island Governor Donald Carcieri stated that on peak winter days, the existing KeySpan LNG facility provides 25 percent of Rhode Island's natural gas. The importance of stored natural gas was also recognized in the March 2005 Governors Conference Report. This report states that the Distrigas LNG facility and the satellite LNG storage tanks are critical to meeting the region's peak winter natural gas demand. More specifically, the report indicates that:

“Stored natural gas is a critical economic and engineering component of the region's natural gas delivery system. Were it not for gas storage, our economy would be constrained by the willingness of the market to invest in expansion of pipeline capacity to meet both long-term demand growth and the day-to-day demand fluctuations. Thus natural gas storage bolsters system reliability by allowing for an economic means to meet winter peak demand requirements by maintaining vital pressure in the pipeline system. Storage also contributes to the diversity of the regional gas supply portfolio and reduces our reliance on the availability and price-competitiveness of any individual supply source.”

Our analysis indicates that natural gas infrastructure expansion in New England to date has kept up with demand, yet with little margin for error. It appears that: 1) the existing natural gas infrastructure capacity can meet demand through 2005; 2) by 2009 there will be demand for an additional 500 MMcfd of additional peak day demand; and 3) with the addition of the proposed projects that either have certificates or are in some stage of the certification process, projected demand can be met through 2010.⁷ These conclusions are generally supported by the Governors Conference Report. Specifically, the conference report indicates that the anticipated additional demand for natural gas by 2009 will be between 420 MMcfd and 590 MMcfd, and the region's existing gas delivery systems⁸ will be able to meet peak day demands for gas for space heating and electric generation at least through 2010 if the region has continued use of the Distrigas LNG facility and the satellite LNG storage tanks. However, the region could have insufficient gas supply to meet the needs of all customers for space heating as early as 2005 or

⁷ We note that some of the projects assumed in the FERC's analysis such as the Islander East Pipeline Project have not yet been constructed. Additionally, it is possible that some of these projects may never be constructed.

⁸ The Governors Conference Report assumed the existing gas delivery systems include one recently approved LNG tank in Connecticut and two previously approved pipeline system expansions.

2006 in the extreme case that stored gas from the satellite LNG tanks is depleted as a result of an extended cold weather period lasting many days (Power Planning Committee, Inc., 2005).

The NE Report concludes that there is little opportunity for the existing natural gas system to rely on excess capacity as a buffer against curtailment. On the demand side, the New England market is characterized by relatively inelastic uses (residential and gas-fired generation) that do not provide meaningful opportunities for fuel switching in the event of supply disruption or high prices (Carcieri, 2004). Moreover, should the unexpected occur, a localized curtailment of service is the likely outcome. According to the Governors Conference Report, the consequences of a shortfall in pipeline capacity or supplies could be dire. Furthermore, a shortfall in pipeline reserve margins and subsequent pressure drop in the local distribution company's distribution pipelines could set off an extended gas outage that would risk public safety in freezing temperature conditions (Power Planning Committee, Inc., 2005).

The NE Report also concludes that a new source of LNG in proximity to both Boston and Providence would be a valuable addition to New England's natural gas infrastructure and could reduce but not eliminate the need for new pipeline capacity. This report also indicates that construction of additional peakshaving LNG storage facilities, which are used by local distribution companies as a short-term hedge against service curtailment or higher than anticipated demand, would help to ensure more reliable service until additional pipeline capacity is constructed.

In summary, natural gas provides a large percentage of New England's energy needs and will remain important in the region as energy demands continue to increase. LNG storage facilities currently play and will continue to play an important role in satisfying New England's energy needs both in terms of storage and as a new source of natural gas supply. The Weaver's Cove LNG Project would supply a new competitive source of imported LNG to help meet the increasing future demand for natural gas. The Weaver's Cove LNG Project's trucking services would also provide a new source of LNG to other peakshaving and satellite LNG storage facilities, which are critical to maintain a reliable source of natural gas to the region during peak use periods and to maintain price stability.

1.4 PERMITS, APPROVALS, AND REGULATORY REQUIREMENTS

As the lead federal agency for the Weaver's Cove LNG Project, the FERC is required to comply with section 7 of the Endangered Species Act of 1973 (ESA), the Magnuson-Stevens Fishery Conservation and Management Act (MSA), section 106 of the National Historic Preservation Act (NHPA), and section 307 of the Coastal Zone Management Act of 1972 (CZMA). Each of these statutes has been taken into account in the preparation of this document.

Section 7 of the ESA, as amended, states that any project authorized, funded, or conducted by a federal agency (e.g., the FERC) should not "jeopardize the continued existence of any endangered species or threatened species or result in the destruction or adverse modification of habitat of such species which is determined...to be critical" (16 United States Code (USC) § 1536(a) (2) (1988)). The FERC, or the applicant as a non-federal party, is required to consult with the U.S. Fish and Wildlife Service (FWS) and the National Oceanic and Atmospheric Administration (NOAA) Fisheries to determine whether any federally listed or proposed endangered or threatened species or their designated critical habitat occur in the vicinity of the proposed project. If, upon review of existing data or data provided by the applicant, the FERC determines that these species or habitats may be affected by the proposed project, the FERC is required to prepare a biological assessment (BA) to identify the nature and extent of adverse impact, and to recommend measures that would avoid the habitat and/or species, or would reduce potential impacts to acceptable levels. See section 4.7.1 of this EIS for the status of this review.

The MSA, as amended by the Sustainable Fisheries Act of 1996 (Public Law 104-267), established procedures designed to identify, conserve, and enhance Essential Fish Habitat (EFH) for those species regulated under a federal fisheries management plan. The MSA requires federal agencies to consult with the NOAA Fisheries on all actions or proposed actions authorized, funded, or undertaken by the agency that may adversely affect EFH (MSA §305(b) (2)). Although absolute criteria have not been established for conducting EFH consultations, the NOAA Fisheries recommends consolidated EFH consultations with interagency coordination procedures required by other statutes, such as NEPA, the Fish and Wildlife Coordination Act, or the ESA (50 CFR 600.920(e)) to reduce duplication and improve efficiency. As part of the consultation process, the FERC has prepared an EFH Assessment included in section 4.6.2 of this EIS. NOAA Fisheries is a cooperating agency assisting in the preparation of this EIS.

Section 106 of the NHPA requires the FERC to take into account the effects of its undertakings on properties listed on or eligible for listing on the National Register of Historic Places (NRHP), including prehistoric or historic sites, districts, buildings, structures, objects, or properties of traditional religious or cultural importance, and to afford the Advisory Council on Historic Preservation (ACHP) an opportunity to comment on the undertaking. The FERC has requested that Weaver's Cove Energy, as a non-federal party, assist in meeting the FERC's obligation under section 106 by preparing the necessary information and analyses as required by the ACHP procedures in 36 CFR 800. See section 4.10 of this EIS for the status of this review.

The CZMA calls for the "effective management, beneficial use, protection, and development" of the nation's coastal zone and promotes active state involvement in achieving those goals. As a means to reach those goals, the CZMA requires participating states to develop management programs that demonstrate how these states will meet their obligations and responsibilities in managing their coastal areas. In the Commonwealth of Massachusetts, the Office of Coastal Zone Management (OCZM) of the EOE is the agency responsible for administering Massachusetts' Coastal Zone Management Program (CZMP). In the State of Rhode Island, the Coastal Resources Management Council (CRMC) is responsible for administering Rhode Island's CZMP. Because section 307 of the CZMA requires federally licensed or permitted activities to be consistent to the maximum extent practicable with the enforceable policies of a management program, the FERC has requested that Weaver's Cove Energy seek a determination of consistency with Massachusetts' and Rhode Island's CZMPs. See section 4.8.4 of this EIS for additional discussion of these CZMPs.

At the federal level, required permits and approval authority outside of the FERC's jurisdiction include compliance with the Clean Water Act (CWA), the Rivers and Harbors Act, the Clean Air Act (CAA), and U.S. Coast Guard (Coast Guard) regulations relating to LNG waterfront facilities.

The U.S. Army Corps of Engineers (COE) is the primary agency responsible for reviewing the dredging aspects of the project and has authority to issue dredging and wetland permits pursuant to section 10 and section 404 of the River and Harbors Act and CWA, respectively. The U.S. Environmental Protection Agency (EPA) has the authority to review and veto COE decisions on section 404 permits. The EPA is also responsible for reviewing the stormwater and hydrostatic test water discharge activities of the project and has authority to issue National Pollutant Discharge Elimination System (NPDES) permits pursuant to section 402 of the CWA (some NPDES permits are issued jointly with the Massachusetts Department of Environmental Protection (DEP)). The Coast Guard has the primary responsibility for reviewing and approving the navigational and security aspects of the project in accordance with 33 CFR 127 and 66. All three of these federal agencies are cooperating agencies assisting in the preparation of the EIS.

Weaver's Cove Energy must also obtain Water Quality Certifications pursuant to section 401 of the CWA. The federal authority to issue Water Quality Certifications in Rhode Island and Massachusetts has been delegated to state agencies, specifically, the Department of Environmental Management (DEM) in Rhode Island and the DEP in Massachusetts.

In addition to the federal permits and approvals discussed above, Weaver's Cove Energy would obtain other permits and approvals from state and local agencies. Table 1.4-1 lists the major federal, state, and local permits, approvals, and consultations for the Weaver's Cove LNG Project.

The FERC encourages cooperation between applicants and state and local authorities, but this does not mean that state and local agencies, through application of state and local laws, may prohibit or unreasonably delay the construction or operation of facilities approved by the FERC. Any state or local permits issued with respect to jurisdictional facilities must be consistent with the conditions of any Certificate the FERC may issue.⁹

1.5 PUBLIC AND AGENCY OUTREACH CONDUCTED BY WEAVER'S COVE ENERGY

Since initiating the project in 2002, Weaver's Cove Energy has conducted several meetings¹⁰ with federal and state agencies to discuss the project. Prior to the issuance of the draft EIS, these included at the federal level several meetings with representatives of the FERC, three meetings with representatives of the Coast Guard, four meetings with representatives of the COE, five meetings with representatives of the EPA, three meetings with representatives of NOAA, and one meeting with representatives of the U.S. Department of Transportation (DOT). Weaver's Cove Energy's meetings with representatives of Massachusetts agencies included: six meetings with the DEP; one meeting with the Office of Commonwealth Security; 12 meetings with the Energy Facility Siting Board (EFSB); four meetings with the OCZM of the EOE; one meeting with the MEPA Office of the EOE; one meeting with the State Police; one meeting with the Executive Office of Public Safety; and two meetings with the Department of Energy Resources. In Rhode Island, Weaver's Cove Energy has met with representatives of the CRMC twice, representatives of the DEM three times, and representatives of the State Police once. Weaver's Cove Energy has continued to consult and meet with agencies prior to the issuance of this final EIS.

Weaver's Cove Energy initiated a community outreach and information effort in early 2003. Beginning in March 2003, representatives from Weaver's Cove Energy met individually with 27 property owners in the area immediately to the east of the LNG terminal site to introduce the project and present Weaver's Cove Energy's voluntary real estate program. Weaver's Cove Energy indicated that this voluntary real estate program is being offered to nearby property owners to provide compensation for inconveniences during the construction of the facility and to preserve the existing character and uses of these properties. One program was offered to the owners of properties located closest to the proposed terminal site (25 parcels between the railroad tracks and North Main Street, owned by 14 people, zoned for industrial use). Another program was offered to the property owners further from the proposed terminal site (15 parcels, owned by 13 people, east of North Main Street, zoned "General Residence"). A package of materials on the project and the appropriate real estate program documents were provided to each landowner and negotiations are ongoing.

⁹ See, e.g., *Schneidewind v. ANR Pipeline Co.*, 485 U.S. 293 (1988); *National Fuel Gas Supply v. Public Service Commission*, 894 F.2d 571 (2d Cir. 1990); and *Iroquois Gas Transmission System, L.P., et al.*, 52 FERC ¶ 61,091 (1990) and 59 FERC ¶ 61,094 (1992).

¹⁰ In some cases these meetings included more than one agency. For example, Weaver's Cove Energy met jointly with the FERC and the Coast Guard on July 30, 2003. For the purposes of this final EIS, this joint meeting is described as one meeting with the FERC and one meeting with the Coast Guard.

TABLE 1.4-1

Major Permits, Approvals, and Consultations for the Weaver's Cove LNG Project

Agency	Permit/Approval/Consultations	Anticipated Application Filing/Consultation Date
FEDERAL		
Federal Energy Regulatory Commission	Authorization to construct and operate an LNG import facility under section 3 (a) of the Natural Gas Act (NGA) (15 USC § 717b (a), and Part 153, 18 CFR §§153.1 et seq.)	Application Submitted December 2003; Draft EIS Issued July 2004
	Certificate of Public Convenience and Necessity to construct, install, own, operate, and maintain two pipelines under section 7(c) of the NGA (15 USC § 717(f) (c))	
	Blanket Certificate to perform certain routine activities and operations under Subpart F of Part 157 (18 CFR § 157.1 et seq.)	
	Blanket Certificate to provide open access transportation of natural gas to others under Subpart G of Part 284 (18 CFR § 284.1 et seq.)	
	Assessment of environmental impact under the National Environmental Policy Act (42 USC §§ 4321 et seq., 18 CFR Part 380)	
Advisory Council on Historic Preservation	Comment on the project under section 106 of the National Historic Preservation Act (16 USC § 470(f))	Consultation pending FERC review
U.S. Army Corps of Engineers (COE)	Authorization for activities that will occupy, fill, or grade land in a floodplain, streambed, or channel of a stream under section 10 of the Rivers and Harbors Act of 1899 (33 USC § 403)	Submitted March 2004
	Authorization to discharge dredged or fill material into waters of the United States under section 404 of the Clean Water Act (CWA) (33 USC § 1344)	Submitted March 2004
U.S. Department of Commerce, National Oceanic and Atmospheric Administration (NOAA) Office of Coastal Zone Management	Federal Consistency Certification (1465 and 15 CFR Part 930, 16 USC §§ 145) (permitting authority delegated to the Massachusetts Office of Coastal Zone Management and the Rhode Island Coastal Resources Management Council)	Submitted July 2004 (see Massachusetts and Rhode Island Permits)
NOAA Fisheries	Consultation regarding compliance with section 7 of the Endangered Species Act; the Magnuson-Stevens Fishery Conservation and Management Act; and the Marine Mammal Protection Act (16 USC §§ 1856 et seq.)	Consultation ongoing

TABLE 1.4-1 (cont'd)

Major Permits, Approvals, and Consultations for the Weaver's Cove LNG Project

Agency	Permit/Approval/Consultations	Anticipated Application Filing/Consultation Date
U.S. Department of the Interior U.S. Fish and Wildlife Service	Consultation regarding compliance with section 7 of the Endangered Species Act, the Migratory Bird Treaty Act, and the Fish and Wildlife Coordination Act (16 USC § 1531 et seq.)	Consultation ongoing
U.S. National Park Service	Consultation regarding the National Wild and Scenic River Act (16 USC § 1271-1287)	Consultation ongoing
U.S. Environmental Protection Agency	Water Quality Certification under section 401 of the CWA, (33 USC § 1341, 40 CFR § 131) (permitting authority delegated to the Massachusetts Department of Environmental Protection and the Rhode Island Department of Environmental Management)	See Massachusetts and Rhode Island Permits
	National Pollutant Discharge Elimination System (NPDES) permits for stormwater and wastewater under section 402 of the CWA, (33 USC § 1342 and 40 CFR §§ 122-125), (some NPDES permits are issued jointly with Massachusetts Department of Environmental Protection)	Second Quarter 2005
	Section 404 of the CWA (veto power for wetland permits issued by the COE)	See COE Permits
	Spill Prevention, Control and Countermeasures Plan (33 USC § 1321(j) and 40 CFR § 112)	Second Quarter 2005
	Clean Air Act permits for the construction of a stationary source of air pollutant emissions and for operation of the source (42 USC §§ 7401 et seq., 40 CFR § 52.21) (permitting authority delegated to the Massachusetts Department of Environmental Protection)	See Massachusetts Permits
U.S. Department of Homeland Security U.S. Coast Guard	Letter of Intent (33 CFR 127); Waterfront Facilities Handling Liquefied Natural Gas and Liquefied Hazardous Gas; Permission to establish Aids to Navigation (33 CFR Part 66, 14 USC §§ 84-86)	Submitted May 2004
Federal Aviation Administration	Stack Construction Notification (Form 7460) (49 USC § 44718)	Submitted June 2004; Determination of No Hazard Issued October 2004

TABLE 1.4-1 (cont'd)

Major Permits, Approvals, and Consultations for the Weaver's Cove LNG Project

Agency	Permit/Approval/Consultations	Anticipated Application Filing/Consultation Date
STATE		
Massachusetts Executive Office of Environmental Affairs		
Office of Coastal Zone Management	Federal Consistency Review with CZMP Program Policies (15 CFR 923, 15 CFR 930, G.L. c 21A § 4A, 301 CMR 20.00 and 21.00)	Informational Draft Submitted July 2004
Environmental Policy Act Office	Compliance with MEPA regulations (G.L. c. 30 §§ 61 through 62H, 301 CMR 11.00)	Submitted June 2003; Supplemental Draft EIR Submitted November 2004
Massachusetts Energy Facilities Siting Board	Review and comment on FERC-regulated energy projects (69J, G.L. c. 164 §§ 69H, 980 CMR)	No formal application required
Massachusetts Department of Environmental Protection		
	Water Quality Certification pursuant to section 401 of the CWA (G.L. c. 21, 314 CMR 4.00 and 9.00)	Submitted April and May 2004
	Non-Major Comprehensive Plan Approval (310 CMR 7.02(4))	Submitted May 2004
	Water Supply Cross Connection Permit (G.L. c. 111 § 160A, 310 CRM 22.22)	Second Quarter 2005
	Asbestos Abatement Permit (310 CMR 7.15, 453 CMR 6.12) (application to be filed by former site owner)	Second Quarter 2005
	Chapter 91, Waterways License (G.L. c. 91, 310 CMR 9.00)	Submitted April and May 2004
	Wetlands Protection Act Permit (G.L. c. 131 § 40, 310 CMR 10.00) (permit application will be filed with local Conservation Commissions); a superceding Order of Conditions would be necessary form the Massachusetts Department of Environmental Protection in the event of an appeal of the Local Order of Conditions	Submitted May and June 2004
	Massachusetts Contingency Plan approval(G.L. c. 21E, 310 CMR 40.00)	Consultation Ongoing
Massachusetts State Fire Marshall	Storage of Liquids and Inflammable Materials (G.L. c. 148 §§ 9, 10, 28, and 37, G.L. c. 22 § 14, 527 CMR 9.00, 520 CMR 12.00, G.L. c 148 §§ 9, G.L. c 148 § 13, G.L. c. 148 §28)	Second Quarter 2005
Massachusetts Department of Public Safety	Tank Approval for Storage Tanks over 10,000 Gallons (G.L. c. 148 § 37, 520 CMR 12.00); Hazardous Substances Tank Approval (527 CMR 18.00)	Second Quarter 2005
Massachusetts Department of Fisheries, Wildlife, and Environmental Law Enforcement, Natural Heritage and Endangered Species Program	State-listed threatened and endangered species consultations (G.L. c.131 § 5B, 321 CMR 10.00)	Consultation ongoing

TABLE 1.4-1 (cont'd)

Major Permits, Approvals, and Consultations for the Weaver's Cove LNG Project

Agency	Permit/Approval/Consultations	Anticipated Application Filing/Consultation Date
Massachusetts Historical Commission	Review and comment on undertakings potentially affecting cultural resources (section 106, National Historic Preservation Act, G.L. c. 9 § 26 through 27c, 950 CMR 71.00)	Consultation ongoing
Massachusetts Board of Underwater Archaeological Resources	Review and comment on undertakings potentially affecting underwater cultural resources (section 106, National Historic Preservation Act)	Consultation ongoing
Massachusetts Division of Marine Fisheries	Marine fisheries consultations	Consultation ongoing
Massachusetts Highway Department	State Highway Access Permit (G.L. c. 81 § 21)	Second Quarter 2005
Rhode Island Department of Environmental Management	Water Quality Certification pursuant to section 401 of the CWA	Submitted July 2004
	State-listed threatened and endangered species consultations	Consultation ongoing
Rhode Island Coastal Resources Management Council	Federal Consistency Review with CZMP Program policies for dredging and disposal (15 CFR 923, 15 CFR 930, sections 300.1, 300.8, and 300.9)	Submitted July 2004
Rhode Island Historic Preservation and Heritage Commission	Review and comment on undertakings potentially affecting cultural resources (section 106, National Historic Preservation Act)	Consultation ongoing
LOCAL		
City of Fall River, Towns of Somerset, Freetown, and Swansea	Order of Conditions for Wetlands and Riverfront Areas, issued through the local Conservation Commission (G.L. c. 131 § 40, 310 CMR 10.00)	Submitted May and June 2004; Order Issued July 2004 (Freetown); Applications Denied (Swansea – September 2004; Fall River – November 2004); Hearings ongoing (Somerset)
Fall River City Council	Removal of curbing for installation of private driveway, Permit to Install LNG, Permit to Store LNG, Permit to Install Tank, Registration of Tank (§ 30-35)	Second Quarter 2005
Fall River Water and Sewer Department	Permit to Connect from Sewer Commissioner, Department of Public Works, and City Engineer (§§ 74-112, 74-200, and 74-191); Water Hook Up Permit from administrator of public utilities, (§§ 74-323 and 74-333)	Second Quarter 2005

In July 2003, Weaver's Cove Energy sponsored informational open houses. Elected and appointed officials were invited to an initial open house on July 21, 2003. The first public open house was held the following day on July 22. A second public open house was held on July 29, 2003 to coincide with the FERC/EOEA public scoping meeting. Invitations to the public open houses were sent to landowners within a 1/2 mile radius of the LNG terminal site (601 residences/businesses), landowners adjacent to or along the proposed pipeline rights-of-way (283 residences/businesses), and approximately 40 elected officials and agency representatives. In addition, invitations were hand delivered to landowners between 1/2 mile and 1 mile radius of the LNG terminal site (about 3,700 addresses). In addition to the mailings and hand delivered invitations, notices were published in the *Fall River Herald News*, *Fall River Spirit*, *Somerset Spectator*, and *O Jornal*, a Portuguese language newspaper.

Weaver's Cove Energy also established a project web site (www.weaverscove.com) in late July 2003, which is periodically updated with project information.

Within 3 days of filing its application with the FERC and in accordance with the Commission's regulations and Orders 609 and 609-A, Weaver's Cove Energy notified affected landowners and residents within 1/2 mile of the LNG terminal site that it filed its application. Weaver's Cove Energy also published a notice of its application in newspapers that are in general circulation in the project area and placed copies of its application at the Fall River City Hall and in the Fall River, Somerset, Freetown, and Swansea libraries.

1.6 PUBLIC REVIEW AND COMMENT

On May 2, 2003, FERC staff participated in an interagency meeting in Fall River, Massachusetts to discuss the project and the environmental review process with Weaver's Cove Energy and other key federal and state agencies. These agencies included the COE, Coast Guard, DEP, EFSB, EOEA, CRMC, and DEM.

On July 11, 2003, the FERC issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Weaver's Cove LNG Project, Request for Comments on Environmental Issues, and Notice of Joint Public Scoping Meeting* (NOI). The NOI was sent to 1,241 interested parties including federal, state, and local officials; agency representatives; conservation organizations; Native American tribes; local libraries and newspapers; residents within a 1/2 mile of the proposed LNG terminal; and property owners along the proposed pipeline routes and adjacent to the utility corridors in which the pipelines would be located. Issuance of the NOI signified the start of the time period for receiving written comments. On December 31, 2003, the FERC issued a *Notice of Status Change of Environmental Review and Expiration of Scoping Period for the Proposed Weaver's Cove LNG Project*. This second notice announced the filing of an application by Weaver's Cove Energy and a final opportunity to submit comments. The EOEA established a closing date in August 2003 for receiving comments while the FERC's comment period closed on January 30, 2004. Due to errors and omissions in the mailing list provided by Weaver's Cove Energy, the FERC sent the second notice to an additional 64 landowners along the pipeline routes on January 23, 2004 and provided a 30-day comment period for these landowners ending on February 23, 2004. The FERC staff continued to receive, accept, and consider scoping comments until June 28, well beyond the February 23 deadline. In total, 805 comment letters were received either by the EOEA, EFSB, and/or FERC in response to the notices.

On July 29, 2003, staff of the FERC and EOEA conducted a joint public scoping meeting in Swansea, Massachusetts to provide an opportunity for the general public to learn more about the proposed project and to participate in our analysis by commenting on issues to be included in the EIS. Twenty-two people commented at the meeting. A transcript of these comments is part of the public record for the Weaver's Cove LNG Project.

The EFSB conducted a public hearing on January 27, 2004 in Fall River to receive comments on the proposed project. The EFSB submitted a transcript of this hearing, its comments on the project, and written comments it received to the FERC on January 30, 2004.

On May 4, 2004, the FERC conducted an inspection of the proposed terminal site that was open to and attended by the public, including several state and local officials. The next day, the FERC conducted a cryogenic design and technical conference in Swansea, Massachusetts to discuss design and engineering aspects of the Weaver's Cove LNG Project. The meeting was limited to existing parties to the proceeding (i.e., anyone who specifically requested to intervene as a party). Attendees included agency representatives (DOT Office of Pipeline Safety (OPS), EFSB, and EPA), elected officials and their representatives, industry representatives, and other interested parties.

In addition to the public notice and scoping process discussed above, the FERC conducted agency consultations or participated in interagency meetings to identify issues that should be addressed in this EIS. These consultations included: meetings with representatives of the CRMC and DEM on July 28 and December 8, 2003; a meeting with representatives of the EFSB on July 28, 2003; meetings with representatives of the DEP on July 28, December 9, and December 10, 2003; meetings with representatives of the OCZM of the EOEA on July 28 and December 8, 2003; a meeting with a representative of the Massachusetts Division of Marine Fisheries (DMF) on December 8, 2003; meetings with representatives of the Coast Guard on July 30 and November 4, 2003; meetings with representatives of the COE, NOAA Fisheries, and EPA on July 30 and December 9, 2003; an interagency meeting with the COE, NOAA Fisheries, EPA, OCZM, CRMC, and DEP on March 9, 2004; and an interagency meeting with NOAA Fisheries, EPA, OCZM, CRMC, and DEP on June 30, 2004.

The FERC attended a meeting with the Coast Guard at the Fall River City Council on September 23, 2003 to discuss the proposed LNG project with city councilors. A representative of Weaver's Cove Energy provided an overview of the project at this meeting and several residents provided comments on the project. The FERC also participated in a public meeting with the Coast Guard, CRMC, DEM, and Rhode Island Economic Development Corporation on June 30, 2004 in Tiverton, Rhode Island. This meeting was sponsored by Rhode Island State Representative Joseph Amaral to enable the public to provide comments on the proposed project to the state and federal agencies. The FERC participated in a public meeting with the Coast Guard and others on September 1, 2004 in Bristol, Rhode Island that was sponsored by Rhode Island State Representative Raymond Gallison. This meeting, like the one in Tiverton, provided a public forum for interested parties to comment on the project. In addition, FERC Chairman Pat Wood, FERC Commissioner Suedeem Kelly, and other FERC staff met with the following elected officials on January 24, 2005 to discuss the proposed project: U.S. Senator Edward Kennedy, U.S. Senator John Kerry, U.S. Congressman James McGovern, Ranch Kimball (representing Massachusetts Governor Mitt Romney), Massachusetts State Representative David Sullivan, and City of Fall River Mayor Edward Lambert. A transcript of this meeting is available on the FERC's website under the docket number for the Weaver's Cove LNG Project.

Finally, prior to the publication of the draft EIS, the FERC prepared an advance draft EIS that was distributed in whole or part to the COE, NOAA Fisheries, EPA, Coast Guard, MEPA, OCZM, DEP, DEM, and CRMC for review. Sections of the draft EIS were written with the cooperation and assistance of these agencies.

The FERC prepared a draft EIS for the Weaver's Cove LNG Project and issued a Notice of Availability (NOA) of the draft EIS and the draft General Conformity Determination on July 30, 2004. In accordance with CEQ's regulations implementing NEPA, the NOA established a 45-day comment period ending on September 20, 2004, described procedures for filing comments on the draft EIS, and announced the time, date, and location of public comment meetings. The NOA also indicated that additional project

information could be obtained from the Commission's Office of External Affairs and on the FERC's Internet website. The EOEI noticed the issuance of the draft EIS (draft EIR) in the Environmental Monitor on August 25, 2004 and established a comment period ending on September 24, 2004. A formal notice was also published in the Federal Register on August 6, 2004, indicating that the draft EIS was available and had been mailed to individuals and organizations on the mailing list prepared for the project.

Due to the large number of comments received on the draft EIS, the FERC continued to accept and respond to comments received after the close of the comment period. Also, on January 19, 2005, the FERC extended the comment period for those persons who requested additional information under the FERC's critical energy infrastructure information (CEII) regulation. These individuals were granted an additional 30 days after the information was made available to submit any comments on the draft EIS related to the information obtained as part of the CEII request.

The FERC mailed 1,891 copies of the draft EIS to interested parties, including federal, state, and local officials and agencies; special interest groups; parties to the proceedings; areas libraries and newspapers; and individuals and affected landowners who requested a copy of the draft EIS. The FERC also conducted public comment meetings in Swansea, Massachusetts on September 8 and in Middletown, Rhode Island on September 9, 2004. A total of 67 people provided comments at these two meetings. In addition, the FERC received 729 comment letters in response to the draft EIS (554 of these letters were mass mailings such as comment cards or form letters). The MEPA received another 38 comment letters regarding the draft EIS. Transcripts of the public meeting comments and the comment letters are part of the public record for the Weaver's Cove LNG Project. Table K-2 in Appendix K summarizes the comments received on the draft EIS by mid-January 2005 and our responses to these comments. Our responses to the comments are also provided in the various sections of this final EIS. The substantive changes in the final EIS are indicated by vertical bars that appear in the margins. The changes were made both in response to comments received on the draft EIS and as a result of updated information that became available after issuance of the draft EIS.

The final EIS was mailed to the agencies, individuals, and organizations on the mailing list provided in Appendix A and submitted to the EPA for formal issuance of a NOA. In accordance with CEQ's regulations implementing NEPA, no agency decision on a proposed action may be made until 30 days after the EPA publishes a NOA of the final EIS. However, the CEQ regulations provide an exception to this rule when an agency decision is subject to a formal internal process that allows other agencies or the public to make their views known. In such cases, the agency decision may be made at the same time the notice of the final EIS is published, allowing both periods to run concurrently. Should the FERC issue authorization for Weaver's Cove Energy's for the proposed action, it would be subject to a 30-day rehearing period. Therefore, the FERC could issue its decision concurrently with the EPA's NOA.

There has been considerable opposition to the proposed project by elected and public officials, municipality representatives, special interest groups, and the public. Based on public meeting comments and comment letters on the draft EIS, elected and public officials that have identified themselves or have been identified by others as opposed to the project include but not necessarily limited to the following: U.S. Senator Edward Kennedy, U.S. Senator John Kerry, U.S. Senator Jack Reed, U.S. Congressman Barney Frank, U.S. Congressman James McGovern, U.S. Congressman Edward Markey, Massachusetts Governor Mitt Romney, Massachusetts State Representative David Sullivan, Rhode Island State Representative Bruce Long, Rhode Island State Representative Joseph Amaral, Rhode Island State Representative Raymond Gallison, Massachusetts Attorney General Tom Reilly, Rhode Island Attorney General Patrick Lynch, Mayor Edward Lambert of Fall River, the Fall River City Council, the Swansea Board of Selectmen, the Somerset Board of Selectmen, the Newport City Council, the Bristol Town Council, the Portsmouth Town Council, the Jamestown Town Council, the Little Compton Town Council,

the Town of Narragansett Planning Board, the Conservation Commission of Somerset, and the Massachusetts House Committee on Homeland Security and Federal Affairs. On May 24, 2004, the Massachusetts Senate, and on May 27, 2004, the Massachusetts House of Representatives, passed a non-binding resolution in opposition to the Weaver's Cove LNG Project which was sponsored by Senator Joan Menard and House Representative Robert Correia. On March 15, 2005, six Rhode Island representatives proposed a resolution in opposition to the proposed Weaver's Cove LNG and KeySpan LNG Facility Upgrade Projects and the associated LNG ship traffic in Narragansett and Mount Hope Bays.

Table 1.6-1 briefly summarizes the primary issues identified and comments received during the scoping process, which helped us focus the analysis in the draft EIS on the potentially significant environmental issues related to the proposed action. Since the issuance of the draft EIS, the most frequently raised concerns about the project have been related to the safety of operating an LNG facility in a populated urban setting. Specific safety concerns have been expressed regarding the impacts on the surrounding area if there is a fire at the proposed terminal, or a fire associated with an LNG ship spill in route to the terminal. Considerable concern has also been raised about the potential for the terminal and LNG ships to be targets of a terrorist attack and the impact of such an attack on surrounding communities. We have also received numerous comments regarding alternatives; environmental justice; the impacts of potential bridge closures during LNG ship transit; the effect of the proposed facilities on surrounding property values and insurance rates; the demand of the project on local services, especially the costs of providing police and fire protection; and a variety of other environmental issues, including the impact of dredging on water quality and aquatic resources, the risk of contamination associated with placing the dredged sediments on the terminal site, and the compatibility of the project with existing land uses and development plans.

1.7 NONJURISDICTIONAL FACILITIES

Electrical power to operate the LNG terminal facilities would be provided by a new 115/13.8 kV substation that would be constructed by National Grid/Massachusetts Electric Company on the north end of the southern parcel of the LNG terminal site just south of the existing 320-foot tall electric transmission tower. The new substation would receive electricity from the existing 115 kV power lines that cross the Taunton River at the northern edge of the project site. The substation would include two 115 kV to 13.8 kV transformers, circuit breakers, a distribution bus, and lightning protection; all of which would be located within a 0.6 acre fenced area. Just outside the fence, there would be a small control building and parking for service vehicles. Access to the substation would be from the LNG terminal emergency service road. An environmental assessment of these nonjurisdictional facilities is included in this EIS.

TABLE 1.6-1

**Primary Issues Identified and Comments Received During the Public Scoping Process
for the Weaver's Cove LNG Project**

Issue	Specific Comments	EIS Section Where Comments are Addressed
ALTERNATIVES	alternatives including the no action alternative, alternative energies, the geographic range of potential alternatives, system alternatives, alternative onshore terminal sites including sites in less populated areas, the potential for offshore alternatives, alternative disposal options, and alternative pipeline routes and construction methods to minimize dredging, water and aquatic resource impacts, and visual and residential impacts	3.0
SOILS AND SEDIMENTS	the nature and level of potential contamination of soils and sediments, the effect and compatibility of placing the dredged sediments on the site, and potential impacts on the existing site remediation systems	4.2
WATER RESOURCES	dredging requirements including proposed equipment and timing, project impacts on water quality, need for future dredging, impacts of increased turbidity and the potential for release of chemicals into the water column, impacts on river flow, impacts of pipeline crossings	4.3
WETLANDS	impacts on wetlands and other sensitive habitats including salt marsh, forested wetlands, and intertidal areas, and mitigative measures to avoid or minimize wetland impacts	4.4
AQUATIC RESOURCES	impacts on fishery resources including federally managed species, quahogs, fish migration, spawning, and juvenile fish development, and mitigative measures to avoid or minimize impacts	4.6.2
LAND USE	land use impacts including impact on the future use of the property, effect on other ship and boat traffic in the Taunton River and Mount Hope Bay, consistency of the project with existing development and growth plans, impact on future commuter train service, impact on docks and marinas, impact on future plans to modify Route 79, consistency with coastal zone management policies and existing property deed restrictions, effect on the status of the Taunton River as a candidate for designation as a Wild and Scenic River, potential for easements to be acquired by eminent domain, the public benefit of dredging, recreational impacts including the impact on the Battleship Cove tourist area, and visual impacts associated with tree clearing, the storage tank, and lighting	4.8
SOCIOECONOMICS	socioeconomic issues including environmental and economic justice, impacts on traffic and emergency services during construction and operation of the proposed facilities, potential for and economic impact of bridge closures, impacts on property values and insurance rate, the demand of the project on local police and fire services, responsible parties to provide and finance required local services, and employment opportunities	4.9
CULTURAL RESOURCES	impacts on cultural resources including architectural resources and marine archaeological sites	4.10
AIR QUALITY AND NOISE	air and noise impacts including the effects of dust and emissions from construction equipment and during operations, the potential for odors, and noise associated with construction and operation of the proposed facilities	4.11
RELIABILITY AND SAFETY	reliability and safety issues including the nature of LNG, the safety of storing, shipping, and trucking LNG, the nature and adequacy of safety codes and regulations, safety and security measures to protect ships and the terminal and the expectation of the local community to be able to provide these services, the potential for terrorism, and the impact of thermal radiation and a vapor cloud in the event of an accident or attack, and evacuation plans	4.12
CUMULATIVE IMPACTS	cumulative impacts on the Taunton River and Mount Hope Bay as a result of the project and existing industrial activities	4.13