

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY PROJECTS

In Reply Refer To:
OEP/DG2E/Gas Branch 2
Northwest Pipeline Corporation
Capacity Replacement Project
Docket Nos. CP05-32-000
CP05-32-001

July 2005

TO THE PARTY ADDRESSED:

The staff of the Federal Energy Regulatory Commission (Commission or FERC) has prepared this final environmental impact statement (EIS) on the natural gas pipeline facilities and abandonment activities proposed by Northwest Pipeline Corporation (Northwest) in the above-referenced dockets. The Capacity Replacement Project would be located in various counties in Washington.

The final EIS was prepared to satisfy the requirements of the National Environmental Policy Act (NEPA). The FERC staff concludes that approval of the proposed project, with appropriate mitigating measures as recommended, would have limited adverse environmental impact.

The U.S. Army Corps of Engineers (COE) is participating as a cooperating agency in the preparation of the EIS because the project would require permits pursuant to section 404 of the Clean Water Act (33 United States Code (USC) 1344) and section 10 of the Rivers and Harbors Act (33 USC 403). The COE would adopt the EIS pursuant to Title 40 Code of Federal Regulations Part 1506.3 if, after an independent review of the document, it concludes that its comments and suggestions have been satisfied.

The Washington State Department of Ecology (WDOE) and the Washington Department of Fish and Wildlife (WDFW) are participating as cooperating agencies in the preparation of this EIS. The WDOE has been designated the lead agency under the State Environmental Policy Act (SEPA) and is responsible for compliance with SEPA procedural requirements as well as for compiling and assessing information on the environmental aspects of the proposal for all agencies with jurisdiction in Washington. NEPA documents may be used to meet SEPA requirements if the requirements of the State of Washington Administrative Code (WAC) 197-11-610 and 197-11-630 are met. In compliance with SEPA requirements, this To the Party Addressed Letter includes the information required for a SEPA EIS Cover Letter and Fact Sheet. After the final EIS is issued by the FERC, the WDOE would adopt it if an independent review of the document confirms that it meets the WDOE's environmental review standards.

The purpose of the Capacity Replacement Project is to replace the majority of the delivery capacity of Northwest's existing 268-mile-long, 26-inch-diameter pipeline between Sumas and Washougal, Washington in response to a Corrective Action Order issued by the U.S. Department of Transportation. The proposed facilities are designed to provide up to 360 thousand dekatherms per day of natural gas transportation capacity.

This final EIS addresses the potential environmental effects (beneficial and adverse) of Northwest's proposal to:

- construct and operate 79.5 miles of new 36-inch-diameter pipeline in 4 separate loops¹ in Whatcom, Skagit, Snohomish, King, Pierce, and Thurston Counties;
- modify 5 existing compressor stations, one each in Whatcom, Skagit, Snohomish, Lewis, and Clark Counties for a total of 10,760 net horsepower of new compression;
- install various pig² launchers, pig receivers, and mainline valves;
- abandon the existing 26-inch-diameter pipeline between Sumas and Washougal with the exception of a short segment within and between the existing Jackson Prairie Meter Station and the Chehalis Compressor Station; and
- use 13 pipe storage and contractor yards on a temporary basis to support construction activities.

Northwest proposes to begin construction in March 2006³ and place the facilities in service by November 1, 2006. Abandonment of the 26-inch-diameter facilities that are currently in service cannot be completed until the Capacity Replacement Project is placed in service. All abandonment activities would be completed on or before December 31, 2006.

The FERC, the COE, the WDOE, and the WDFW have three alternative courses of action in considering Northwest's proposal. These options include granting authorizations with or without conditions, denying authorizations, or postponing action pending further study. In accordance with the Council on Environmental Quality (CEQ) regulations implementing NEPA, no agency decision on the proposed action may be made until 30 days after the U.S. Environmental Protection Agency (EPA) publishes a Notice of Availability of the final EIS in the Federal Register. However, the CEQ regulations provide an exception to this rule when an agency decision is subject to a formal internal appeal process that allows other agencies or the public to make their views known. This is the case at the FERC, where any Commission decision on the proposed action would be subject to a 30-day rehearing period. Therefore, the lead agency decision may be made at the same time that notice of the final EIS is published by the EPA, allowing the appeal periods to run concurrently.

After notice of the final EIS is published by the EPA, the COE would issue its own Record of Decision (ROD) adopting the EIS. The ROD would include the COE's section 404(b)(1) analysis. After issuance of the ROD, the COE could issue the section 404 and section 10 permits.

After the final EIS is issued by the FERC, the WDOE would adopt it by identifying the document and stating why it is being adopted using the adoption form in WAC 197-11-965. The adoption form would be circulated to agencies with jurisdiction and to persons or organizations that have expressed an interest in the proposal. No action may be taken on the proposal until 7 days after the statement of adoption form has been

¹ A loop is a segment of pipeline that is usually installed adjacent to an existing pipeline and connected to it at both ends. The loop allows more gas to be moved through the system.

² A pig is an internal tool that can be used to clean and dry a pipeline and/or to inspect it for damage or corrosion.

³ Northwest has requested that three river crossings be authorized to begin in late 2005 if weather permits.

issued. Once the 7-day waiting period and adoption procedures are complete, state and local agencies can issue permits.

The key environmental issues facing the agency decision makers relate to impacts on residential areas, waterbodies, and wetlands. These issues are addressed in this final EIS. This final EIS also evaluates alternatives to the proposal, including system alternatives, new pipeline corridors, and alternative configurations of Northwest's system; route variations and non-standard parallel offsets; abandonment alternatives; and construction method alternatives. The permits, approvals, and consultations required for the project are listed in section 1.5 of this final EIS; Appendix U lists the authors and principal contributors to the final EIS.

The final EIS has been placed in the public files of the FERC, the COE, and the WDOE and is available for public inspection at:

Federal Energy Regulatory Commission
Public Reference Room
888 First Street, NE, Room 2A
Washington, DC 20426
(202) 502-8371

U.S. Army Corps of Engineers
Seattle District Library
4735 East Marginal Way South
Seattle, WA 98134
(206) 764-3728

Washington State Department of Ecology
Northwest Regional Office
Central File Room
3190 160th Avenue, SE
Bellevue, WA 98008
(425) 649-7190 or (425) 649-7239

Washington State Department of Ecology
Southwest Regional Office
Central File Room
300 Desmond Drive
Lacey, WA 98503
(360) 407-6365

The final EIS is available for viewing on the FERC Internet website (www.ferc.gov) using the eLibrary link (see instructions for using eLibrary below). The final EIS is also available for viewing on the WDOE's Internet website at http://www.ecy.wa.gov/programs/sea/nw_capacity_replacement.

A limited number of copies are available from the FERC's Public Reference Room identified above, at no cost to the public. In addition, copies of the final EIS have been mailed to federal, state, and local government agencies; elected officials; Native American tribes; local libraries and newspapers; intervenors in the FERC's proceeding; and other interested parties (i.e., landowners, miscellaneous individuals, and environmental groups who provided scoping comments, commented on the draft EIS, asked to remain on the mailing list, or wrote to the FERC or one of the cooperating agencies asking to receive a copy of the final EIS).

Additional information about the project is available from the Commission's Office of External Affairs, at **1-866-208-FERC** or on the FERC Internet website (www.ferc.gov) using the eLibrary link. Click on the eLibrary link, click on "General Search" and enter the docket number excluding the last three digits in the Docket Number field. Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-866-208-3676, or for TTY, contact (202) 502-8659. The eLibrary link on the FERC Internet website also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission now offers a free service called eSubscription that allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. To register for this service, go to the eSubscription link on the FERC Internet website.

Information concerning the involvement of the COE is available from Olivia Romano at (206) 764-6960. Information concerning the involvement of the WDOE is available from Sally Toteff at (360) 407-6957. Information concerning the involvement of the WDFW is available from Gary Sprague at (360) 902-2539.

Magalie R. Salas
Secretary