

## 1.0 INTRODUCTION

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The staff of the Federal Energy Regulatory Commission (FERC or Commission) prepared this draft Environmental Impact Statement (EIS) to assess the potential environmental effects that may occur as a result of the proposed expansion of an existing liquefied natural gas (LNG) import terminal and associated natural gas pipelines proposed by Dominion Cove Point LNG, L.P. (Dominion Cove Point) and Dominion Transmission, Inc. (Dominion Transmission), collectively referred to in this EIS as Dominion. These facilities, collectively referred to in this EIS as the Cove Point Expansion Project, or Project, consist of two new LNG storage tanks and associated facilities at the existing LNG import terminal and 161 miles of natural gas pipeline and associated facilities in Maryland, Pennsylvania, Virginia, West Virginia, and New York. This document is a draft EIS that has been prepared for public review and comment. A final EIS will be subsequently prepared to respond to the comments received on this draft EIS. The FERC will use the EIS in its decision-making process to decide whether or not to authorize the Project.

On April 15, 2005, Dominion Cove Point filed an application in Docket No. CP05-130-000 under Section 3(a) of the Natural Gas Act (NGA) and Part 153 of the Commission's regulations for authorization to construct two new LNG storage tanks, additional vaporization capacity, and associated facilities at its existing Cove Point LNG import terminal in Calvert County, Maryland. These facilities would increase the sendout capacity of the terminal by 800 million standard cubic feet per day (MMScfd) and increase storage capacity by approximately 6.8 billion cubic feet (bcf).

On April 15, 2005, Dominion Cove Point filed an application in Docket No. CP05-132-000 under Section 7(c) of the NGA and Parts 157 and 284 of the Commission's regulations for authorization to construct and operate its TL-532 Pipeline consisting of 47.8 miles of 36-inch-diameter natural gas pipeline in Calvert, Charles, and Prince George's Counties, Maryland. The pipeline would extend from the Cove Point LNG terminal to Dominion's Marshall Hall Gate near Marshall Hall, Maryland. Dominion Cove Point also proposes to upgrade its existing Loudoun Measuring and Regulating (M&R) Station in Loudoun County, Virginia.

On April 15, 2005, Dominion Transmission filed an application in Docket No. CP05-131-000 under Section 7(c) of the NGA and Parts 157 and 284 of the Commission's regulations for a Certificate to construct and operate the PL-1 EXT2 Pipeline consisting of 81 miles of 24-inch-diameter natural gas pipeline in Juniata, Mifflin, Huntingdon, Centre, and Clinton Counties, Pennsylvania. Dominion would also construct 17,235 horsepower (hp) of compression at two new compressor stations in Juniata and Centre Counties, Pennsylvania. These facilities would move natural gas from the proposed new Perulack Compressor Station in Juniata County to Dominion's South Point Market Center, other interstate pipelines, Dominion's existing pipeline system, and the Leidy Hub in Clinton County, Pennsylvania. Dominion Transmission also proposes new and modified facilities to reinforce its existing natural gas transmission and storage system to support high demand periods. Dominion Transmission proposes to construct and operate 33 miles of 20- and 24-inch-diameter pipeline in three segments in Potter and Green Counties Pennsylvania and Wetzel County, West Virginia; make piping changes and other minor facility modifications at existing compressor and M&R stations in Virginia, West Virginia, Pennsylvania, and New York; and increase the maximum allowable operating pressure (MAOP) of existing facilities in Pennsylvania and Virginia.

## 1.1 PROJECT PURPOSE AND NEED

Dominion states that the expansion at the terminal and the additional pipeline projects are key to delivering new gas supplies to where they are needed in the Mid-Atlantic and Northeast; and that the project facilities in Maryland would bring more winter supplies to the Mid-Atlantic region and the project facilities in Pennsylvania, Virginia, West Virginia, and New York would allow supplies to be stored in the summer and moved to the Northeast for use during periods of peak need in the winter.

Each of the services proposed by Dominion has been fully subscribed by Statoil Natural Gas, LLC, for terms of 20 years. Table 1.1-1 lists the services and quantities that Dominion would provide as a result of the proposed Project.

### 1.1.1 Projected Domestic Supplies and Demand for Natural Gas

Speaking at a conference in April 2004, U.S. Federal Reserve Board Chairman Alan Greenspan pointed out that use of natural gas has increased over time while its availability has recently stagnated. Domestic natural gas prices are on the rise because of supply and demand issues. Chairman Greenspan stated that the U.S. needs to import more natural gas, including the expansion of LNG import terminals (Schneider, 2004).

| Service Type                                             | Service Quantity                                   | Receipt Point                    | Delivery Point                                                                                                 |
|----------------------------------------------------------|----------------------------------------------------|----------------------------------|----------------------------------------------------------------------------------------------------------------|
| Cove Point LNG Firm LNG Terminalling Service             | 6.8 MMDth of LNG Storage, 800 MDth per Day Sendout | Cove Point LNG Terminal          | Cove Point Terminal Outlet                                                                                     |
| Cove Point LNG Rate Schedule Firm Transportation Service | 800,000 Dth per Day                                | Cove Point LNG Terminal Outlet   | 100 MDth per Day - Pleasant Valley, VA<br>700 MDth per Day - Loudoun, VA                                       |
| Dominion Transmission Firm Transportation Service        | 700,000 Dth per Day                                | Loudoun County, VA               | 200 MDth per Day - Chambersburg, PA<br>400 MDth per Day - Leidy, PA<br>100 MDth per Day - Dominion South Point |
| Dominion Transmission Storage Service                    | 6 MMDth Capacity, 100 MDth Demand                  | Dominion Transmission "ST Point" | Dominion Transmission "ST Point"                                                                               |

a/ All services have been fully subscribed by Statoil Natural Gas, LLC.  
Dth = dekatherms MDth = one thousand dekatherms MMDth = one million dekatherms

The Energy Information Administration of the U.S. Department of Energy (EIA) predicted that U.S. natural gas supplies would rise from about 19 trillion cubic feet (tcf) produced in 2002 to almost 24 tcf by 2025. However, during that same timeframe, domestic consumption of natural gas is projected to increase from a total of about 22 tcf in 2002 to about 31 tcf in 2025. To make up the difference between future domestic supplies and demand, the U.S. would have to increase imports of natural gas. The EIA indicated that in 2002, the U.S. imported about 3.5 tcf of natural gas, combining imports from Canada, Mexico, and LNG. In 2025, imports are predicted to increase to about 7 tcf, with LNG's portion growing from almost 0.2 tcf in 2002 to about 4.8 tcf in 2025 (EIA, 2004).

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### **1.1.2 Potential of LNG Imports**

LNG is natural gas that has been cooled to about minus 260 degrees Fahrenheit (°F) for shipment and storage as a liquid. LNG is more compact than the gaseous equivalent, with a volumetric difference of approximately 610 to 1. LNG can be transported long distances across oceans using specially designed ships. There are currently four existing marine LNG import terminals in the U.S. (at Everett, Massachusetts; Cove Point, Maryland; Elba Island, Georgia; and Lake Charles, Louisiana), built between 1971 and 1982. In 2001, LNG imports into the U.S. totaled about 238 bcf. A number of factors are contributing to interest in increasing the level of U.S. imports of LNG, including higher domestic natural gas costs; the leveling-off of domestic gas supplies; and technological advances in liquefying, shipping, storing, and regasification, which have reduced the cost of transporting and importing LNG (Gaul and Young, 2003).

There are currently 12 LNG exporting countries, which combined represent 28 percent of the world's natural gas reserves. The EIA estimated there is up to 3,350 tcf of stranded natural gas worldwide that is seeking markets. The existing LNG import terminals in the U.S. have a combined peak capacity of about 1.2 tcf. To address projected future domestic natural gas demands, up to 40 new LNG import facilities in North America are in the planning stages (Dismukes *et al.*, 2004). (Some of these proposed facilities are discussed in the Alternatives section of this EIS.) The EIA predicts that at least four new LNG import terminals would be built on the Atlantic and Gulf Coasts between 2007 and 2010 to meet the 58 percent projected increase in LNG imports over that timeframe. By 2010, those new terminals may be importing up to 812 bcf of LNG annually. By that date, LNG could account for about 39 percent of all natural gas imported into the U.S. (EIA, 2003).

## **1.2 PURPOSE AND SCOPE OF THE EIS**

The FERC is the federal agency responsible for authorizing onshore LNG import facilities. As such, the FERC is the lead federal agency for the preparation of this EIS in compliance with the requirements of the National Environmental Policy Act of 1969 (NEPA), the Council on Environmental Quality (CEQ) regulations for implementing the NEPA (40 CFR 1500-1508), and the FERC's regulations for implementing NEPA (18 CFR 380). The FERC will use the EIS as a tool to assist in its review of Dominion's applications to determine whether to authorize the Project. The Commission will consider the environmental issues, including our recommended mitigation measures, as well as non-environmental issues. Final authorization will be granted only if the Commission finds that the proposed Project is in the public interest. The environmental impact assessment and mitigation discussed in this EIS are important factors in this final determination.

The U.S. Army Corps of Engineers (Corps) and U.S. Department of Homeland Security, U.S. Coast Guard (Coast Guard) are cooperating agencies for the development of this EIS. A cooperating federal agency has jurisdiction by law or special expertise with respect to environmental impacts involved with the proposal and is involved in the NEPA analysis.

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Our<sup>1</sup> principal purposes in preparing this EIS are to:

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

Our analysis in this EIS focuses on facilities that are under the FERC’s jurisdiction (*i.e.*, the proposed LNG terminal expansion, natural gas pipelines, compressor stations, and associated facilities). Some of the proposed facilities included in the Project would involve only minor modifications to existing facilities with little or no environmental impact, and we have limited our analysis of these facilities in this EIS (see section 2.1.3).

The EIS describes the affected environment as it currently exists, discusses the environmental consequences of the proposed Project, and compares the Project’s potential impacts to the potential impacts of other alternatives. The topics addressed in this EIS include alternatives; geology; soils; water resources; wetlands; vegetation; fish and wildlife; threatened, endangered, and other special status species; land use, recreation, and visual resources; socioeconomics; cultural resources; air quality and noise; reliability and safety; and cumulative impacts. The EIS also presents our conclusions and recommended mitigation measures.

### **1.3 PERMITS, APPROVALS, AND REGULATORY REQUIREMENTS**

As the lead federal agency for the Cove Point Expansion Project, the FERC is required to comply with various federal environmental laws and regulations, including, but not limited to, the Endangered Species Act (ESA) of 1973, the Magnuson-Stevens Fishery Conservation and Management Act (MSA) of 1976, the National Historic Preservation Act (NHPA) of 1966, and the Coastal Zone Management Act (CZMA) of 1972. 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 any federal agency (*e.g.*, 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) Section 1536(a)(2)(1988)). The FERC, or Dominion as a non-federal party, is required to consult with the U.S. Fish and Wildlife Services (FWS) and the National Oceanic and Atmospheric Administration, National Marine Fisheries Service (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 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 impacts, and to

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<sup>1</sup> “We,” “us,” and “our” refer to the environmental staff of the FERC’s Office of Energy Projects (OEP).

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recommend measures to avoid or reduce potential impacts on habitat and/or species. See section 4.7 of this EIS for the status of our compliance with Section 7 of the ESA.

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 NOAA Fisheries on all actions or proposed actions authorized, funded, or undertaken by the agency that may adversely affect EFH (MSA Section 305(b)(2)). Although absolute criteria have not been established for conducting EFH consultations, NOAA Fisheries recommends consolidating 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)) in order to reduce duplication and improve efficiency. The proposed Project would include an increase in LNG ship traffic in Chesapeake Bay, but no construction or dredging that would directly affect marine resources. See section 4.6.1 of this EIS for a discussion of the status of our consultations with NOAA Fisheries regarding EFH.

Section 106 of the NHPA, as amended in 1992, requires the FERC to take into account the effects of its undertakings on properties listed in or eligible for listing in the National Register of Historic Places (NRHP), including prehistoric or historic sites, and districts, buildings, structures, objects, or properties of traditional religious or cultural importance. The NHPA also requires the FERC to afford the Advisory Council on Historic Preservation (ACHP) an opportunity to comment. In accordance with the ACHP's regulations for implementing Section 106, found at 36 CFR 800, we are using the services of the applicant, Dominion, and its consultants to prepare information, analyses, and recommendations to assist in meeting our obligations to comply with the NHPA. Section 4.10 of this EIS summarizes the status of our compliance with Section 106 of the NHPA.

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 state of Maryland, the Maryland Department of the Environment (MDE) is the agency responsible for administering its Coastal Program. Because Section 307 of the CZMA requires federal agency activities to be consistent to the maximum extent practicable with the enforceable policies of a state management program, Dominion will be required to receive a determination of consistency with Maryland's Coastal Program. Section 4.8.1.2 of this EIS summarizes actions taken to comply with the CZMA. Future actions of the Coast Guard may require additional CZMA authorization approvals.

At the federal level, required permits and approval authority outside of the FERC's jurisdiction include compliance with the Clean Water Act (CWA) of 1972, the Rivers and Harbors Act of 1899, the Clean Air Act (CAA), and the Coast Guard regulations relating to LNG waterfront facilities under 33 CFR 127 and 66.

The Corps has the authority to issue permits for work or structures in navigable waters under section 10 of the Rivers and Harbors Act and the discharge of dredged or fill material into waters of the United States under section 404 of the CWA. The Corps would regulate activities that would temporarily or permanently affect wetlands and waterbodies crossed or affected by the

Project. The EPA has the authority to review and veto Corps decisions on section 404 permits. 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. The Corps and Coast Guard are cooperating federal agencies assisting in the preparation of this EIS.

Numerous state agencies have delegated responsibilities under the CZMA, CWA, and CAA. Major permits, approvals, and consultations required for the Cove Point Expansion Project are identified in table 1.3.5-1. 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 authorization issued by the FERC.<sup>2</sup>

| TABLE 1.3.5-1<br>Environmental Permits and Agency Reviews for the Cove Point Expansion Project |                                                                          |                                                                                                                                    |                                                                                                                                                                              |
|------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Regulation/<br>Permit/Approval                                                                 | Agency                                                                   | Agency Actions                                                                                                                     | Status                                                                                                                                                                       |
| <b>FEDERAL</b>                                                                                 |                                                                          |                                                                                                                                    |                                                                                                                                                                              |
| Sections 3 and 7 of the NGA                                                                    | FERC                                                                     | Pending – preparing EIS, prior to decision on Section 3 authorization and Certificate of Public Convenience and Necessity.         | Dominion filed applications 4/15/05.                                                                                                                                         |
| Section 106 of the NHPA                                                                        | ACHP                                                                     | ACHP may comment on the undertaking.                                                                                               | Pending, as necessary.                                                                                                                                                       |
| Section 404 of the CWA;<br>Section 10 of the Rivers<br>and Harbors Act                         | Corps                                                                    | Jurisdictional Determination and application for Individual Permit public interest review.                                         | Dominion initiated pre-application consultation in April 2004. Application for Maryland facilities submitted September 2005; Pennsylvania facilities expected November 2005. |
| 33 CFR 127;<br>Notice to Mariners;<br>Marine Transportation<br>Security Act                    | Coast Guard                                                              | Letter of Intent/Letter of Recommendation                                                                                          | Dominion initiated consultation in November 2004, and submitted a Letter of Intent to Coast Guard in April 2005.                                                             |
| Section 305 of the MSA;<br>Marine Mammal<br>Protection Act                                     | NOAA Fisheries                                                           | Concurrence that proposed activities would not impact essential fish habitat.                                                      | Dominion initiated consultation for Cove Point LNG terminal in September 2004. Response pending.                                                                             |
| Section 7, ESA                                                                                 | NOAA Fisheries                                                           | Review and consultation regarding federally listed and proposed endangered and threatened species and designated critical habitat. | Dominion initiated consultation in September 2004.                                                                                                                           |
|                                                                                                | FWS                                                                      | Review and consultation regarding federally listed and proposed endangered and threatened species and designated critical habitat. | Dominion initiated consultation in September 2004. FWS provided comments on various facilities.                                                                              |
| 49 CFR 192;<br>49 CFR 193                                                                      | U.S. Department of<br>Transportation, Office of<br>Pipeline Safety (DOT) | Evaluations of compliance with federal safety standards; permits for crossing of federal highways.                                 |                                                                                                                                                                              |

<sup>2</sup> 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).

TABLE 1.3.5-1

## Environmental Permits and Agency Reviews for the Cove Point Expansion Project

| Regulation/<br>Permit/Approval                                                                                                | Agency                                                                                                   | Agency Actions                                                                                         | Status                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <b>STATE OF MARYLAND</b>                                                                                                      |                                                                                                          |                                                                                                        |                                                                                                        |
| Clean Air Act                                                                                                                 | Maryland Department of the Environment (MDE)                                                             | Review and approve application for amendment to existing air emissions permit for Cove Point Terminal. | Dominion will file application with MDE in September 2005.                                             |
| Clean Water Act Section 401                                                                                                   | MDE                                                                                                      | Review and approve Joint Permit application for crossing of tidal or non-tidal waterways.              | Dominion will file application with MDE in September 2005.                                             |
| Coastal Zone Management Act                                                                                                   | MDE                                                                                                      | Make coastal zone consistency determination.                                                           | Dominion initiated consultation with MDE in October 2004.                                              |
| Section 106 of the NHPA                                                                                                       | Maryland Historical Trust (MHT)                                                                          | Review and comment on cultural resources.                                                              | Consultation ongoing.                                                                                  |
| State Listed Endangered and Threatened Species                                                                                | Maryland Department of Natural Resources (MDNR)                                                          | Review and provide clearance for state-listed species.                                                 | Dominion received comments on Cove Point Terminal in December 2004, began field surveys in March 2005. |
| Hydrostatic Test Water Withdrawal and Discharge                                                                               | MDE                                                                                                      | Review and issue permit for withdrawal and discharge of hydrostatic test water.                        | Dominion anticipates filing application for Cove Point Terminal in 2007.                               |
| Forest Conservation Act                                                                                                       | MDNR                                                                                                     | Review and issue permit for forest clearing.                                                           | Dominion has initiated consultation with MDNR, anticipates filing permit application in late 2005.     |
| <b>STATE OF VIRGINIA</b>                                                                                                      |                                                                                                          |                                                                                                        |                                                                                                        |
| General Permit for Stormwater Discharges from Construction                                                                    | Virginia Department of Environmental Quality                                                             | Review and issue permit for construction.                                                              | Dominion has obtained permit for Leesburg Station.                                                     |
| State Listed Endangered and Threatened Species                                                                                | Virginia Department of Conservation and Recreation, and Virginia Department of Game and Inland Fisheries | Review and consultation regarding state listed endangered and threatened species.                      | Dominion has completed consultation.                                                                   |
| Section 106 of the NHPA                                                                                                       | Virginia Department of Historic Resources                                                                | Review and comment on cultural resources.                                                              | Consultation completed.                                                                                |
| <b>STATE OF PENNSYLVANIA</b>                                                                                                  |                                                                                                          |                                                                                                        |                                                                                                        |
| Clean Water Act, Section 401                                                                                                  | Pennsylvania Department of Environmental Protection (PADEP)                                              | Review and approve Joint Permit application for crossing of tidal or non-tidal waterways.              | Dominion is preparing permit application.                                                              |
| Permit for Construction Activity Stormwater Discharge/ Erosion and Sediment Control                                           | Delegated to County Conservation Districts and Permit issued by PADEP Regional Offices                   | Review and issue permit                                                                                | Dominion is preparing permit application.                                                              |
| Hydrostatic Testing Permit                                                                                                    | PADEP Bureau of Water Quality Protection                                                                 | Statewide permit                                                                                       | Statewide permit issued November 2004.                                                                 |
| Joint Federal/ State Application in Pennsylvania Water Obstruction and Encroachment Permit/ Submerged Lands License Agreement | PADEP, Regional Offices                                                                                  | Review and issue permit                                                                                | Dominion is preparing permit application.                                                              |
| Section 401 WQC/NPDES                                                                                                         | PADEP                                                                                                    | Review and issue permit                                                                                | Dominion is preparing permit application.                                                              |

TABLE 1.3.5-1

**Environmental Permits and Agency Reviews for the Cove Point Expansion Project**

| <b>Regulation/<br/>Permit/Approval</b>                                                          | <b>Agency</b>                                                                           | <b>Agency Actions</b>                                                                     | <b>Status</b>                              |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------|
| Threatened and Endangered Species                                                               | Pennsylvania Fish and Boat Commission (PFBC)                                            | Review for state-listed fish, reptiles, and amphibians                                    | Dominion completed consultation June 2004. |
| Threatened and Endangered Species                                                               | Pennsylvania Game Commission (PGC)                                                      | Review for state-listed mammals and birds                                                 | Dominion completed consultation July 2004. |
| Threatened and Endangered Species                                                               | Pennsylvania Department of Conservation and Natural Resources (PADCNR)                  | Review for state-listed plants                                                            | Dominion completed consultation June 2004. |
| Section 106 of the NHPA                                                                         | Pennsylvania Historic and Museum Commission, Bureau of Historic Preservation (PHMC-BHP) | Review and comment on cultural resources.                                                 | Consultation ongoing.                      |
| <b>STATE OF WEST VIRGINIA</b>                                                                   |                                                                                         |                                                                                           |                                            |
| Clean Water Act, Section 401                                                                    | West Virginia Department of Environmental Protection (WVDEP)                            | Review and approve Joint Permit application for crossing of tidal or non-tidal waterways. | Dominion is preparing permit application.  |
| Permit for Construction Activity Stormwater Discharge/ Erosion and Sediment Control             | WVDEP                                                                                   | Review and issue permit.                                                                  | Dominion is preparing permit application.  |
| Hydrostatic Testing Permit                                                                      | WVDEP                                                                                   | Review and issue permit.                                                                  | Dominion is preparing permit application.  |
| Section 106 of the NHPA                                                                         | West Virginia Division of Culture and History                                           | Review and comment on cultural resources.                                                 | Consultation is ongoing.                   |
| <b>STATE OF NEW YORK</b>                                                                        |                                                                                         |                                                                                           |                                            |
| State Pollutant Discharge Elimination System Permit for Stormwater Discharges from Construction | New York State Department of Environmental Conservation (NYSDEC)                        | Review and issue permit.                                                                  | Dominion is preparing permit application.  |
| State Permit to Construct/Operation Compression                                                 | NYSDEC                                                                                  | Review and issue permit.                                                                  | Dominion is preparing permit application.  |
| State Listed Endangered and Threatened Species                                                  | NYSDEC                                                                                  | Review and issue permit.                                                                  | Consultation is ongoing.                   |
| Section 106 of the NHPA                                                                         | New York State Historic Preservation Office                                             | Review and comment on cultural resources.                                                 | Consultation completed.                    |

## 1.4 PUBLIC REVIEW AND COMMENT

On August 17, 2004, we approved Dominion's request to use the Commission's Pre-Filing Process for this Project. Pre-filing is an environmental review process that allows and encourages early involvement by citizens, governmental entities, and other interested parties. The purpose of the Pre-Filing Process is to involve interested stakeholders early in the project planning process and to identify and resolve issues prior to filing of the formal application.

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On October 14, 2004, the FERC issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Cove Point Expansion Project, Request for Comments on Environmental Issues, and Notice of Public Scoping Meetings and Site Visits* (NOI). The NOI was sent to approximately 1,500 interested parties including federal, state, and local officials; agency representatives; conservation organizations; local libraries and newspapers; and property owners along the proposed pipeline routes. The NOI established a 45-day comment period for scoping. On November 1, 2004, we identified additional stakeholders in the project area and extended the public comment period until December 10, 2004. On March 16, 2005, in response to Dominion's inclusion of additional facilities in its proposed Project, the FERC issued a Notice of New Public Comment Period in order to provide adequate opportunity for newly identified stakeholders that may have an interest in the additional facilities to become involved in our Pre-Filing Process. The Commission staff opened a new 30-day public comment period for the newly identified facilities.

Four public scoping meetings were held during the Pre-Filing Process to receive comments on issues to be included in the draft EIS. Meetings were held on November 3, 4, 16, and 18, 2004, in Lewistown, Pennsylvania; State College, Pennsylvania; Solomons, Maryland; and Waldorf, Maryland, respectively. The locations and times of each meeting were announced in the NOI. Statements were made by 36 people at the scoping meetings, including 4 in Pennsylvania and 32 in Maryland. Transcripts of each scoping meeting have been entered into the public record for the Project. On November 4 and 17, 2004, June 1, 2005, and July 28, 2005, the FERC also conducted site visits, open to the public, of portions of the proposed pipeline routes.

In response to the NOI and Notice of New Public Comment Period, we received seven letters from U.S. Senators, one letter from a Native American group, five letters from state agencies, two from county and local municipal offices, and 87 from individuals and organizations. Issues and concerns raised during the scoping process are summarized in table 1.4-1. With the exception of project need and general support or opposition to the Project, the issues and concerns summarized in table 1.4-1, as well as others that we have identified for this Project or that we routinely analyze during our review, are addressed in this EIS. Project need will be addressed in detail in a separate review by the Commission. While we acknowledge general support or opposition to the Project, these opinions do not factor into our analysis in this EIS.

This draft EIS was filed with the EPA. A formal notice indicating that the draft EIS is available was published in the *Federal Register* (FR), and the document has been mailed to approximately 1,550 individuals and organizations on the mailing list prepared for the Project (see appendix A). In accordance with the CEQ regulations implementing NEPA, the public has the opportunity to comment on the draft EIS in the form of written comments or at public comment meetings that are held in the project area. We will review and use the comments to prepare the final EIS for the Project. All timely comments received on this draft EIS will be addressed in the final EIS.

TABLE 1.4-1

**Issues Identified and Comments Received During the Public Scoping Process  
for the Cove Point Expansion Project**

| Resource Topic      | Issue                                                                                                                                                | Number of Comments Received | EIS Section Where Comment is Addressed |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------------|
| <b>GENERAL</b>      |                                                                                                                                                      |                             |                                        |
|                     | Relationship of various Dominion companies/entities involved in Project                                                                              | 1                           | 1.1                                    |
|                     | Purpose and Need                                                                                                                                     | 25                          | 1.1                                    |
|                     | Status of Coast Guard review of Project and Letter of Recommendation                                                                                 | 2                           | 1.3.5                                  |
|                     | Support Project                                                                                                                                      | 10                          | 1.4                                    |
|                     | Opposed to Project, requests that FERC does not approve                                                                                              | 5                           | 1.4                                    |
|                     | Opposed to pipeline route on property in Calvert County                                                                                              | 3                           | 1.4                                    |
|                     | Dominion's treatment of the public and landowners during easement negotiations, land surveys, and in general in Calvert County, MD. Landowner rights | 10                          | 1.4                                    |
|                     | FERC's public involvement process, public meetings, comment period. FERC's involvement in pipeline siting, availability of CEII on FERC web page     | 9                           | 1.4                                    |
|                     | Maryland State and County input into FERC process                                                                                                    | 2                           | 1.4                                    |
|                     | Pipeline route selection                                                                                                                             | 10                          | 2.1                                    |
|                     | In favor of future expansion for residential distribution service                                                                                    | 1                           | 2.1                                    |
|                     | Construction and operational right-of-way requirements                                                                                               | 2                           | 2.2                                    |
|                     | Construction schedule, timing of construction                                                                                                        | 1                           | 2.4                                    |
|                     | Future plans and abandonment                                                                                                                         | 1                           | 2.8                                    |
|                     | General impact on environment in Calvert County, MD                                                                                                  | 4                           | Various                                |
| <b>ALTERNATIVES</b> |                                                                                                                                                      |                             |                                        |
|                     | Country should focus on renewable energy sources as well as gas                                                                                      | 1                           | 3.1                                    |
|                     | Alternate LNG plant sites in northern states closer to end users                                                                                     | 6                           | 3.2                                    |
|                     | Alternative LNG plant sites in Virginia                                                                                                              | 1                           | 3.2                                    |
|                     | Expansion of other existing LNG terminals instead of Cove Point                                                                                      | 1                           | 3.2                                    |
|                     | Build additional storage capacity near end markets instead of expansion Project                                                                      | 1                           | 3.2                                    |
|                     | Additional compression on existing pipeline as alternative to new TL-532 Pipeline                                                                    | 1                           | 3.2                                    |
|                     | Recommend evaluation of alternative that requires no additional pipeline in MD                                                                       | 5                           | 3.2                                    |
|                     | New pipelines from Gulf Coast to East Coast as alternative to imported LNG                                                                           | 1                           | 3.2                                    |
|                     | Recommend least environmental damaging pipeline route in MD                                                                                          | 9                           | 3.4                                    |
|                     | Include Calvert Co preservation regulations/ Comprehensive Plan in analysis                                                                          | 14                          | 3.4                                    |
|                     | Use of existing pipeline easement in Calvert County, including through White Sands area                                                              | 11                          | 3.4                                    |
|                     | Use of existing easement through Hunters Ridge subdivision                                                                                           | 1                           | 3.4                                    |
|                     | Recommend use of CAPE alternatives (Route 2/4 and Constellation corridors)                                                                           | 24                          | 3.4                                    |
|                     | Recommend full study of all pipeline route alternatives in Calvert County comparable to proposed route                                               | 2                           | 3.4                                    |
|                     | Use or replace existing pipeline with larger pipeline as alternative to TL-532                                                                       | 6                           | 3.4                                    |
|                     | Alternate routes in general in Calvert County, including existing utility easements                                                                  | 22                          | 3.4                                    |
|                     | Describe factors that will determine final route selection                                                                                           | 1                           | 3.4                                    |
|                     | Route variation on Beard Property                                                                                                                    | 2                           | 3.4                                    |
|                     | Route variation on David Campbell Property (G-50)                                                                                                    | 1                           | 3.4                                    |
|                     | Route variations that follow field edges and existing roadways in general                                                                            | 1                           | 3.4                                    |
|                     | Put PL-1 EXT2 Pipeline entirely within existing Texas Eastern right-of-way so it doesn't have to be widened                                          | 1                           | 3.4                                    |

TABLE 1.4-1

**Issues Identified and Comments Received During the Public Scoping Process  
for the Cove Point Expansion Project**

| <b>Resource Topic</b>                    | <b>Issue</b>                                                                                                                 | <b>Number of Comments Received</b> | <b>EIS Section Where Comment is Addressed</b> |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------------|
| <b>GEOLOGY AND SOILS</b>                 |                                                                                                                              |                                    |                                               |
|                                          | Impact of pipeline construction on soils, sediment and erosion control                                                       | 7                                  | 4.2                                           |
|                                          | Dust control                                                                                                                 | 1                                  | 4.2, 4.11.1                                   |
|                                          | Maintenance and repair of erosions controls on adjacent right-of-way                                                         | 1                                  | 4.2                                           |
| <b>WATER RESOURCES</b>                   |                                                                                                                              |                                    |                                               |
|                                          | Impact on water supply wells from pipeline construction                                                                      | 2                                  | 4.3.1                                         |
|                                          | Impact on Chesapeake Bay from LNG tankers                                                                                    | 5                                  | 4.3.2                                         |
|                                          | Impact on surface waters and springs from pipeline construction                                                              | 6                                  | 4.3.2                                         |
|                                          | Impact on local floodplain management ordinances in MD                                                                       | 1                                  | 4.3.2                                         |
|                                          | Impact on sensitive waters, including Maryland designated Critical Areas                                                     | 4                                  | 4.3.2                                         |
|                                          | Impact on surface waters crossed by horizontal directional drill (HDD) vs. non-HDD                                           | 1                                  | 4.3.2                                         |
|                                          | Impact on St Leonard's Creek, including from test borings, and by open cut crossing if proposed HDD crossing is not possible | 18                                 | 4.3.2                                         |
| <b>VEGETATION</b>                        |                                                                                                                              |                                    |                                               |
|                                          | Affect of exclusion zone around LNG tankers on submerged aquatic vegetation                                                  | 1                                  | 4.3.2                                         |
|                                          | Affect of pipeline construction and operation on vegetation, including sensitive areas such as Zachiah Swamp Run             | 5                                  | 4.4                                           |
|                                          | Invasive species on pipeline right-of-way                                                                                    | 1                                  | 4.4                                           |
|                                          | Right-of-way restoration, including use of native species                                                                    | 1                                  | 4.4                                           |
| <b>WETLANDS</b>                          |                                                                                                                              |                                    |                                               |
|                                          | Impact of construction and operation on wetlands, including sensitive wetlands                                               | 6                                  | 4.5                                           |
|                                          | Post construction monitoring of wetlands                                                                                     | 1                                  | 4.5.2                                         |
| <b>FISH AND WILDLIFE</b>                 |                                                                                                                              |                                    |                                               |
|                                          | Affect of security exclusion zone around LNG tankers on fish                                                                 | 1                                  | 4.6.1                                         |
|                                          | Affect of pipeline construction and operation on fish, including in tidal creeks                                             | 1                                  | 4.6.1                                         |
|                                          | Affect of pipeline construction and operation on wildlife, including forest interior dwelling birds                          | 9                                  | 4.6.2                                         |
| <b>THREATENED AND ENDANGERED SPECIES</b> |                                                                                                                              |                                    |                                               |
|                                          | Affect of pipeline construction and operation on bald eagles                                                                 | 2                                  | 4.7.1                                         |
| <b>LAND USE, RECREATION, VISUAL</b>      |                                                                                                                              |                                    |                                               |
|                                          | Impact on, and status of, conservation easements at Cove Point LNG facility                                                  | 3                                  | 4.8.1                                         |
|                                          | Impact on agricultural land preservation easements/land trusts in Maryland and Calvert County                                | 18                                 | 4.8.1                                         |
|                                          | Affect of pipeline easement on future land use, need to monitor easements                                                    | 10                                 | 4.8.1                                         |
|                                          | Affect of pipeline on rural character of Calvert County                                                                      | 13                                 | 4.8.1                                         |
|                                          | Calvert County Comprehensive Plan-conflicts with, include in analysis                                                        | 6                                  | 4.8.1                                         |
|                                          | Poor restoration of land following construction of original pipeline                                                         | 1                                  | 4.8.1                                         |
|                                          | Compatibility with Loudoun County, VA General Plan, including visual impacts                                                 | 1                                  | 4.8.1                                         |
|                                          | Question presence of easements for existing Texas Eastern pipeline in PA                                                     | 1                                  | 4.8.1                                         |
|                                          | Impact of TL-532 pipeline and permitting process on health of landowners                                                     | 1                                  | 4.8.1                                         |
|                                          | Residences in proximity to pipeline                                                                                          | 2                                  | 4.8.2                                         |
|                                          | Impact of LNG tankers on recreational and commercial fishing                                                                 | 1                                  | 4.8.3                                         |
|                                          | Impact on Piscataway National Park/Potomac River viewshed                                                                    | 4                                  | 4.8.3                                         |
|                                          | Visual affect of new pipeline right-of-way                                                                                   | 2                                  | 4.8.4                                         |

TABLE 1.4-1

**Issues Identified and Comments Received During the Public Scoping Process  
for the Cove Point Expansion Project**

| Resource Topic            | Issue                                                                                                                                               | Number of Comments Received | EIS Section Where Comment is Addressed |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------------|
| <b>SOCIOECONOMICS</b>     |                                                                                                                                                     |                             |                                        |
|                           | Additional LNG tanker traffic                                                                                                                       | 2                           | 4.9.2                                  |
|                           | Impact of large LNG corporation on small renewable energy companies                                                                                 | 1                           | 4.9.2                                  |
|                           | Economic affect of TL-532 Pipeline on affected landowners and communities in MD                                                                     | 30                          | 4.9.2                                  |
|                           | Impact of TL-532 Pipeline construction traffic on Calvert County, MD                                                                                | 1                           | 4.9.6                                  |
|                           | Impact of housing TL-532 Pipeline construction workers in Calvert County, MD                                                                        | 1                           | 4.9.3                                  |
|                           | Pipeline easement payments/value                                                                                                                    | 2                           | 4.9.5                                  |
|                           | Taking of pipeline easement by eminent domain                                                                                                       | 8                           | 4.9.5                                  |
|                           | Impact of pipeline on property values and taxes                                                                                                     | 7                           | 4.9.5                                  |
|                           | Impact of Centre Relay Compressor Station on adjacent business                                                                                      | 1                           | 4.9.5                                  |
| <b>CULTURAL RESOURCES</b> |                                                                                                                                                     |                             |                                        |
|                           | Impact on historic nature of Calvert County, MD, including St. Leonard's Creek and specific properties crossed by TL-532 Pipeline                   | 8                           | 4.10                                   |
|                           | Impact of TL-532 Pipeline on African American historical significance of Woodville Road property                                                    | 1                           | 4.10                                   |
|                           | Loudoun County Department of Planning request to review survey reports                                                                              | 1                           | 4.10.2                                 |
| <b>AIR AND NOISE</b>      |                                                                                                                                                     |                             |                                        |
|                           | Additional emissions from LNG terminal expansion                                                                                                    | 6                           | 4.11.1                                 |
|                           | Additional emissions from safety patrol boats                                                                                                       | 1                           | 4.11.1                                 |
|                           | Noise generated by pipeline construction                                                                                                            | 1                           | 4.11.2                                 |
|                           | Affect of pipeline construction noise on farm animals (race horses)                                                                                 | 1                           | 4.11.2                                 |
|                           | Noise and odor at Perulack Compressor Station                                                                                                       | 1                           | 4.11.2                                 |
|                           | Noise and odor at Centre Relay Compressor Station                                                                                                   | 2                           | 4.11.2                                 |
| <b>SAFETY</b>             |                                                                                                                                                     |                             |                                        |
|                           | Terrorism and homeland security                                                                                                                     | 14                          | 4.12.5                                 |
|                           | Proximity of LNG terminal to Calvert Cliffs nuclear plant, nearby developments                                                                      | 11                          | 4.12.5                                 |
|                           | LNG-related risks, including marine transport of LNG                                                                                                | 18                          | 4.12.1, 4.12.5                         |
|                           | Danger posed by additional pipeline in Calvert County, MD which already has multiple transmission lines and energy facilities mixed with residences | 15                          | 4.12.1, 4.12.6                         |
|                           | Concerns regarding history and status of existing TL-522 pipeline and rights-of-way in Calvert County, MD, including White Sands development        | 9                           | 4.12.6                                 |
|                           | Leaks in local distribution system allegedly caused by quality of Dominion gas                                                                      | 1                           | 4.12.2                                 |
|                           | Pipeline safety in general, including human health concerns                                                                                         | 25                          | 4.12.6                                 |
|                           | Environmental and economic impact of disaster, and how it will be addressed                                                                         | 2                           | 4.12.1                                 |
| <b>CUMULATIVE IMPACTS</b> |                                                                                                                                                     |                             |                                        |
|                           | Impact of multiple transmission lines in Calvert County, MD, and its landowners                                                                     | 2                           | 4.13                                   |
|                           | Impact on St Leonard's Creek from multiple right-of-way crossings                                                                                   | 1                           | 4.13                                   |
|                           | Existing pipeline on Beard Property                                                                                                                 | 1                           | 4.13                                   |