

EXECUTIVE SUMMARY

INTRODUCTION

This draft environmental impact statement (EIS) has been prepared by the staff of the Federal Energy Regulatory Commission (Commission) to satisfy the requirements of the National Environmental Policy Act.

The purpose of this document is to make public our analysis of the environmental impacts that would likely result from the construction and operation of the proposed East Texas to Mississippi Expansion Project (Project) and to request comments on our analysis.

This document has been prepared in cooperation with the following federal agencies: the U.S. Fish and Wildlife Service (FWS), the National Park Service (NPS), the U.S. Army Corps of Engineers (COE), and the Environmental Protection Agency.

PROJECT BACKGROUND

On February 17, 2006, we¹ approved the Gulf South Pipeline Company, LP's (Gulf South) request to use the Commission's Pre-Filing Review Process for the proposed East Texas Expansion Project. The purpose of our pre-filing review is to work in partnership with the project sponsor, other federal and state agencies, as well as concerned citizens and non-governmental organizations, to identify and address project-related issues prior to the filing of an application with the Commission for a Certificate of Public Convenience and Necessity (Certificate). On April 13, 2006, we also approved Gulf South's request to use the Commission's Pre-Filing Review Process for the proposed Mississippi Expansion Project. After reviewing the objectives and proposed actions of both Projects we decided to combine our pre-filing review of the two proposed Projects and recommended to Gulf South that it combine the East Texas and Mississippi Expansion Projects into one application to the Commission at the conclusion of our combined pre-filing review.

On September 1, 2006 Gulf South filed an application with the Commission pursuant to Section 7(c) of the Natural Gas Act and Part 157 of the Commission's regulations for a Certificate to construct, operate and maintain an interstate natural gas pipeline and associated ancillary and aboveground facilities, collectively known as the East Texas to Mississippi Expansion Project. We have prepared our analysis based on this application and subsequent filings by Gulf South.

PROPOSED ACTION

In order to transport natural gas from production fields in eastern Texas to markets in the Gulf coast, Midwestern, Northeastern, and Southeastern United States, Gulf South proposes to construct and operate approximately 243.3 miles of natural gas pipeline and associated ancillary facilities capable of transporting up to approximately 1.7 billion cubic feet per day of natural gas. Specifically, Gulf South proposes to construct and operate:

- approximately 240.0 miles of 42-inch-diameter natural gas pipeline extending easterly from DeSoto Parish, Louisiana to Simpson County, Mississippi;

¹ "We", "us" and "our" refer to the environmental staff of the Federal Energy Regulatory Commission's Office of Energy Projects.

- approximately 3.3 miles of 36-inch-diameter natural gas pipeline extending northward from Gulf South's existing Carthage Junction Compressor Station in Panola County, Texas to interconnect with existing natural gas facilities within Panola County;
- two new compressor stations, the Vixen and the Tallulah Compressor Stations, located in Ouachita and Madison Parishes, Louisiana, respectively;
- modifications to three existing compressor stations, the Carthage Junction, Hall Summit, and McComb Compressor Stations in Panola, County, Texas, Bienville Parish, Louisiana and Walthall County, Mississippi, respectively; and
- other ancillary facilities including six meter and regulator (M/R) facilities, eleven mainline valves, nine side valves, and six pig launcher and/or receiver facilities.

Dependent upon Commission approval, Gulf South proposes to complete construction and begin operating the proposed Project in September 2007.

PUBLIC OUTREACH AND COMMENTS

As described previously, Gulf South used the Commission's Pre-Filing Review Process prior to filing an application with the Commission for a Certificate to construct and operate the proposed Project. As part of our pre-filing review we issued a *Notice of Intent to Prepare an Environmental Impact Statement, Request for Comments on Environmental Issues* for the East Texas Expansion Project on March 28, 2006 followed by a *Notice of Site Visit and Public Meetings to Receive Environmental Comments* on June 7, 2006. We also issued a *Notice of Intent to Prepare an Environmental Impact Statement, Request for Comments on Environmental Issues and Notice of Public Scoping Meetings* for the Mississippi Expansion Project on May 23, 2006. The notices were published in the Federal Register and sent to affected landowners; federal, state, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; local libraries and newspapers; and other interested parties.

In response to our notices and four public meetings held along the proposed Project route we received numerous written and verbal comments from landowners, concerned citizens, public officials and government agencies representing the public. These comments expressed concerns with the location of the proposed pipeline and the affects of the proposed Project on numerous resources and land uses including soils, waterbodies, wetlands, wildlife, vegetation, threatened and endangered species, and safety and reliability, as well as timber production, the Wetland Reserve Program (WRP), and other state and federally managed lands.

In addition to comments provided by the general public, we also consulted with several federal and state agencies. Numerous informal conversations as well as several interagency meetings were held to discuss the proposed action, the impacts of constructing and operating the proposed Project, and possible mitigation measures to minimize project-related impacts.

Comments filed with the Commission as well as interagency meeting notes have been placed in the Commission's public record for the proposed Project and are available for review by the public on the Commission's eLibrary system.

ENVIRONMENTAL IMPACTS AND MITIGATION

Construction and operation of the proposed Project would result in impacts to soils, groundwater, surface water, wetlands, vegetation, wildlife, fisheries, threatened and endangered species, cultural

resources, and air and noise quality. The primary issues associated with the proposed Project are related to impacts to wetlands, waterbodies, land use and special interest areas.

Construction of the proposed pipeline would cross 848 surface waterbodies. Conventional open-cut construction techniques would be used to cross all but 64 of these waterbodies which would be crossed using horizontal directional drills (HDD). Proposed HDDs would cross 21 major and/or navigable streams; two designated Louisiana Natural and Scenic Rivers (Black Lake Bayou and Saline Bayou); two Nationwide Rivers Inventory (NRI)-listed streams (the Big Black River and the Pearl River); the rivers most likely to contain habitat for federally-listed fish species (the Mississippi River, Red River, and Pearl River); and six of the eight impaired waterbodies that occur along the proposed Project route.

Construction of the proposed Project would affect 301 wetlands, disturbing approximately 114.9 acres of wetlands. Special-status and high quality wetlands including wetlands in the National Resource Conservation Service (NRCS)-administered WRP and Prior Converted Wetlands program, as well as several high quality forested wetland areas would be affected by construction and operation of the proposed Project. The most significant impacts to wetlands resulting from construction and operation of the proposed Project would be the long-term impacts to forested wetlands. Specifically, construction activities would result in impacts to forested wetlands as numerous acres would be cleared during construction, converted to emergent and scrub-shrub wetlands and maintained in those states within the permanent right-of-way during operation.

Construction and operation of the proposed Project, specifically the maintenance of the permanent right-of-way would temporarily affect and preclude certain uses of maintained lands resulting in short- and long-term impacts to forests, timber production, and special interest areas. The proposed Project would cross and be located in the vicinity of several recreational and special interest areas, including Prior Converted Wetlands, Conservation Reserve Program and WRP lands administered by the NRCS; the Ouachita Wildlife Management Area; the NRI-listed Pearl and Big Black Rivers; two Louisiana Natural and Scenic Rivers, Black Lake Bayou and Saline Bayou; the NPS-managed Natchez Trace Parkway; and the Tensas National Wildlife Refuge.

Because construction activities are temporary in nature, most of the impacts resulting from construction would also be temporary. Detailed descriptions of environmental impacts, impacts to other resources including land uses and socioeconomics, and a description of cumulative impacts are described in Section 3.0 of this document.

In order to minimize and mitigate the environmental impacts of constructing and operating the proposed Project, Gulf South has developed and would implement several measures and plans including, but not limited to the following:

- Upland Erosion Control, Revegetation and Maintenance Plan (Plan);
- Wetland and Waterbody Construction and Mitigation Procedures (Procedures);
- Plan for the Unanticipated Discovery of Contaminated Media;
- Spill Prevention, Control and Countermeasures Plan;
- Plan for the Containment of Inadvertent Release of Drilling Mud During Horizontal Directional Drilled Wetland and Waterbody Crossings (HDD Contingency Plan); and
- Plan for the Unanticipated Discovery of Historic Properties, Human Remains or Potential Paleontological Evidence During Construction.

Gulf South's proposed Plan and Procedures are consistent with our guidance documents regarding erosion control and the mitigation of impacts on wetlands and waterbodies.

In addition to the implementation of these measures and plans, Gulf South would be required to obtain several federal, state and local permits and authorizations that would also minimize and mitigate environmental impacts resulting from construction and operation of the proposed Project. Specifically, Gulf South would comply with the requirements of the COE, FWS, and the Environmental Protection Agency.

To further avoid, minimize and mitigate environmental impacts we are making several site-specific recommendations regarding construction- and operation-related impacts to threatened and endangered species, land uses and special interest areas. We are recommending that Gulf South provide site specific construction plans in high quality wetland areas, and plans that address additional measures to minimize impacts to soils, water resources and vegetation. We are also recommending that Gulf South continue consultations with the FWS, NRCS, COE and other federal and state agencies regarding the need for additional requirements or recommendations to further reduce impacts.

A detailed description of Gulf South's proposed mitigation measures as well as our recommendations to further minimize and mitigate impacts are included in Sections 3.0 and 4.0 of this document.

ALTERNATIVES CONSIDERED

We have evaluated the No Action Alternative, the Postponed Action Alternative, alternative energy sources, the potential effects of energy conservation, system alternatives, a route alternative, route variations, and aboveground facility site alternatives to determine whether they would be technically and economically feasible and environmentally preferable to the proposed action. In this analysis we also considered the potential impacts to environmental resources and land uses, and evaluated alternatives that would avoid or minimize impacts to environmental resources such as wetlands and waterbodies; and land uses such as timber production and federally and state managed lands. We are not recommending the adoption of any route variations at this time. However, due to the need for additional information, we are recommending that Gulf South complete more detailed evaluations of possible route variations at the Barton property and at the proposed crossing of the Pearl River.

CONCLUSION

As part of our review, we developed measures we believe would appropriately and reasonably avoid, minimize, or mitigate environmental impacts that would result from construction and operation of the proposed Project. We are recommending that these mitigation measures be attached as conditions to any authorization issued by the Commission. We conclude that if the proposed Project is found to be in the public interest and is constructed and operated in accordance with Gulf South's proposed minimization and mitigation measures as well as our recommended mitigation measures, the proposed facilities would have limited adverse environmental impacts. In support of this conclusion we offer the following:

- The proposed Project would be collocated with existing utility rights-of-way for approximately 185 miles, or about 76 percent of the proposed route;
- Gulf South would develop site-specific wetland crossing plans for significant areas containing mature cypress and tupelo trees, if recommended by federal and state resources agencies, and would compensate for all unavoidable wetland impacts through the purchase of wetland mitigation bank credits in the area of the proposed Project;

- Gulf South would implement its Plan and Procedures which would minimize and mitigate impacts to natural resources during construction and operation of the Project; and
- Gulf South would implement an environmental inspection and monitoring program that would ensure compliance with all proposed and recommended mitigation measures.