EXECUTIVE SUMMARY

INTRODUCTION

The staff of the Federal Energy Regulatory Commission (Commission) has prepared this Draft Environmental Impact Statement (EIS) to fulfill requirements of the National Environmental Policy Act (NEPA). 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 Midcontinent Express Pipeline Project (proposed Project). This Draft EIS has been prepared in cooperation with the U.S. Fish and Wildlife Service (FWS), the National Park Service (NPS), the Natural Resources Conservation Service (NRCS), the U.S. Army Corps of Engineers (COE), the Louisiana Department of Environmental Quality (LDEQ), the Texas Parks and Wildlife Department (TPWD), and the Alabama Department of Conservation and Natural Resources (ADCNR).

PROJECT BACKGROUND

On February 14, 2007 Midcontinent Express Pipeline LLC (MEP) filed a request with the Commission to implement its Pre-Filing Review Process for the proposed Project. We[1] approved MEP's request on February 22, 2007. On October 9, 2007 MEP 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 of Public Convenience and Necessity (Certificate) to construct, operate, and maintain an interstate natural gas pipeline and associated ancillary and aboveground facilities, collectively known as the MEP Project. We prepared our analysis based on this application, coordination with local, state and other federal agencies, written public comments, comments received at public meetings, information gathered at site visits, environmental information request responses, and subsequent filings made by MEP.

PROPOSED ACTION

The proposed Project is expected to transport up to approximately 1,400,000 dekatherms per day (Dth/d) of natural gas from production fields in Texas, Oklahoma, and Arkansas to eastern markets. MEP anticipates that additional supporting contracts could provide for capacity expansion of up to 1,500,000 Dth/d within the first 5 years of service. MEP proposes to construct and operate:

- approximately 504.3 miles of new 30-, 36-, and 42-inch-diameter interstate natural gas pipeline extending from Bryan County, Oklahoma to a terminus in Choctaw County, Alabama;
- an approximately 4.1-mile-long, 16-inch-diameter lateral pipeline in Richland and Madison Parishes, Louisiana;
- a total of approximately 111,720 horsepower (hp) of compression at one booster and four new mainline compressor stations;
- 13 new metering and regulating (M/R) stations; and
- other appurtenant ancillary facilities including, mainline valves (MLV), pig[2] launcher and receiver facilities.

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

2 A "pig" is a mechanical device used to clean or inspect the pipeline.

Dependent upon Commission approval, MEP proposes to complete construction and begin operating the proposed Project in February 2009.

PUBLIC OUTREACH AND COMMENTS

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 and Notice of Public Scoping Meetings* for the proposed MEP Project on April 27, 2007. Subsequently, on August 14, 2007, the FERC issued a *Supplemental Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Midcontinent Express Pipeline Project, Request for Comments on Environmental Issues, and Notice of Public Site Visit* (Supplemental NOI). The Supplemental NOI was issued to inform the public of Project modifications proposed by MEP that were not described in the NOI. These 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; newspapers; and other interested parties. In response to our notices, public site visits, and at several public meetings held along the proposed pipeline route, we received numerous comments from landowners, concerned citizens, public officials, and government agencies regarding the proposed Project. These comments expressed concerns with the location of the proposed pipeline and the effects of the proposed Project on various resources and land uses including: soils, waterbodies, wetlands, wildlife, vegetation, threatened and endangered species, safety, air quality, noise impacts, timber production, and state- and federally-managed lands.

This Draft EIS was filed with the U.S. Environmental Protection Agency (EPA) and mailed to various federal, state and local agencies; elected officials; Native American tribes, newspapers, public libraries; television and radio stations; intervenors to the FERC's proceedings; and other interested parties (i.e. landowners, miscellaneous individuals, and environmental groups who provided scoping comments or asked to remain on the mailing list). A formal notice indicating that the Draft EIS is available for review and comment will be published in the Federal Register. The public has 45 days after the date of publication in the Federal Register to comment on the Draft EIS. To ensure the public has sufficient opportunities to comment on this Draft EIS, we will hold public comment meetings along the proposed pipeline route as described in the Letter to the Parties included at the beginning of the Draft EIS. Comments received during this period will be considered and addressed in the Final EIS.

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, land use, socioeconomics, cultural resources, and air and noise quality.

Construction of the proposed pipeline would temporarily affect 1,027 surface waterbodies, ranging from small intermittent streams to the Mississippi River crossing exceeding 2,700 feet in width. Conventional open-cut waterbody construction techniques or horizontal directional drills (HDD) would be used to complete all waterbody crossings. Waterbodies that are proposed or recommended to be crossed using the HDD method include all: navigable waterbodies; designated Louisiana Natural and Scenic Rivers; Nationwide Rivers Inventory-listed streams; and the rivers most likely to contain habitat for federally-listed fish species. Most major waterbodies and impaired streams would also be crossed via HDD, either as proposed or as we have recommended. We also recommended that MEP continue consultations regarding crossing methods for FWS-identified streams containing significant recreational fisheries.

Construction of the proposed pipeline would affect 378 wetlands, disturbing approximately 308.4 acres. Special-status wetlands, including several extensive and high-quality cypress-tupelo forested wetlands, would be temporarily and permanently 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 and permanent conversion of forested wetlands to emergent or scrub-shrub wetlands within the maintained portion of the permanent right-of-way. Surface impacts to wetlands in the NRCS-administered Wetland Reserve Program (WRP) would be avoided with use of HDD crossing methods.

In consultation with the FWS, we identified 21 federally-listed threatened and endangered species that could be affected by the proposed Project. Based on our review of these species, their habitats, and potential impacts, we have determined that construction and operation of the proposed Project may affect, but is not likely to adversely affect all 21 federally-listed threatened and endangered species. We recommended that MEP adopt certain measures to provide additional protection for the interior least tern. We also recommended that construction not begin until all outstanding surveys are finished and the FERC notifies MEP that all consultations with the FWS regarding Endangered Species Act issues are complete.

Recently proposed route variations, areas not yet surveyed, and some meter stations and contractor work areas are still under review by the State Historic Preservation Offices (SHPO). To date, one eligible prehistoric site and 11 potentially eligible prehistoric sites have been identified for listing on the National Register of Historic Places. Consultation with the SHPOs and mitigation, if necessary will be completed prior to any construction.

Construction and operation of the proposed Project would temporarily and permanently affect several land uses, resulting in short- and long-term impacts to agricultural, forests, timber production, and special use areas. Consultation with the appropriate land-managing agencies is ongoing to minimize impacts on these areas.

Operation of the proposed Project compressor stations would permanently affect both the air quality and noise environment near the compressor stations. However, we have determined that there would be no significant impacts due to air emissions from the compressor stations, nor from construction activities. We recommended that MEP develop a noise control plan and also complete post-construction noise surveys and implement additional mitigation measures, if required, to ensure that actual noise levels resulting from Project operations would not exceed significant or existing levels.

To minimize and mitigate the environmental impacts of constructing and operating the proposed Project, MEP has developed or we have recommended development and implementation of 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);
- Exotic and Invasive Species Control Plan;
- Well Monitoring and Mitigation Plan;
- Plan for the Unanticipated Discovery of Contaminated Media;
- Spill Prevention, Control, and Countermeasures Plan (SPCC 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.

Detailed descriptions of environmental impacts including a description of cumulative impacts, MEP's proposed impact avoidance and mitigation measures, and our recommendations to further minimize and mitigate impacts are included in Sections 2.0, 3.0, 4.0 and 5.0 of the Draft EIS.

ALTERNATIVES CONSIDERED

We evaluated the No Action Alternative, the Postponed Action Alternative, alternative energy sources, and the potential effects of energy conservation, system alternatives, route alternatives, route variations, and aboveground facility site alternatives to determine whether they would be technically and economically feasible and environmentally preferable to the proposed action. During the Pre-filing process, scoping comments from the public and agencies resulted in MEP adopting 156 route variations. In our analysis, we considered the potential impacts to environmental resources and land uses. We also evaluated alternatives that would avoid or minimize impacts to environmental resources, such as wetlands and waterbodies, and land uses, such as timber production and state- and federally-managed lands. We recommended two additional route variations along with additional consultation between MEP and the NRCS regarding a possible route variation near one WRP site.

CONCLUSION

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

- the proposed Project's mainline would be collocated with existing utility rights-of-way for approximately 257.2 miles, or about 51 percent of the proposed route;
- MEP would implement the Project Plan and Procedures and other plans, which would minimize and mitigate impacts to natural resources during construction and operation of the proposed Project;
- we recommended the limitation of MEP's eminent domain authority to acquire permanent rights-of-way to 50-feet-wide; and to reduce its proposed nominal construction right-of-way width to 100 feet along most of the proposed mainline route;
- we recommended that MEP use HDD methods to cross several streams containing threatened and endangered species and to consult further with the FWS regarding streams containing significant recreational fisheries;
- we recommended that MEP develop impact avoidance or minimization measures for extensive forested wetland crossings and crossings of high-quality cypress-tupelo forested wetlands;
- MEP would compensate for all unavoidable wetland impacts; and
- MEP would implement an environmental inspection and monitoring program that would ensure compliance with all proposed and recommended mitigation measures.