

EXECUTIVE SUMMARY

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The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared this final Environmental Impact Statement (EIS) to assess the environmental impact associated with the construction of facilities proposed by Rockies Express Pipeline LLC (Rockies Express), TransColorado Gas Transmission Company (TransColorado), and Questar Overthrust Pipeline Company (Overthrust) in accordance with the requirements of the National Environmental Policy Act (NEPA). These individual corporate entities have submitted separate and distinct proposals to the Commission; however, the FERC views the proposed facilities as interconnected projects that are necessary components of a larger, combined natural gas transportation system. As such, all three project proposals have been included in this draft EIS, and are collectively referred to as the Rockies Western Phase Project (or the Project), and all three entities – Rockies Express, TransColorado, and Overthrust – are collectively referred to as the Applicants. As currently proposed, the Rockies Western Phase Project would consist of the construction and operation of approximately 795.6 miles of natural gas pipeline and a total of 237,320 horsepower (hp) of new compression. Following completion of the proposed facilities, the Rockies Western Phase Project would transport up to 1.5 million dekatherms per day (Dth/d) of natural gas, or approximately 1.5 billion cubic feet (bcf) of natural gas per day.

Rockies Express is seeking a Certificate of Public Convenience and Necessity (Certificate) for its proposed Rockies Express West Project (REX-West Project) which would include the construction and operation of pipeline, compression, and ancillary facilities in Colorado, Wyoming, Nebraska, Kansas, and Missouri. These new facilities would transport natural gas produced in the Rocky Mountain and San Juan basins for delivery to major markets in the Midwest and eastern United States through interconnections with existing interstate natural gas pipeline systems. Rockies Express is not proposing to supply gas to local distribution companies at this time.

TransColorado is seeking a Certificate to construct and operate both new and expanded compression facilities on a portion of its existing interstate natural gas pipeline system in New Mexico and Colorado. This project, the Blanco to Meeker Project, would provide firm transportation of 250,000 Dth/d of natural gas from the Blanco Hub in New Mexico north along the TransColorado pipeline system to the Meeker Hub in Colorado.

Overthrust is seeking a Certificate to construct and operate new pipeline, compression, and ancillary facilities in Lincoln and Sweetwater Counties, Wyoming. This proposed project, the Wamsutter Expansion Project, would interconnect with the Entrega pipeline system near Wamsutter in Sweetwater County and transport natural gas to the Cheyenne Hub in Weld County, Colorado via the Entrega pipeline.

PROPOSED ACTION

The purpose of the Rockies Western Phase Project is to provide natural gas transportation service from supply basins in the Rocky Mountains to demand-intensive markets in the Midwest. A portion of this natural gas supply could eventually be delivered to the eastern United States via existing or planned natural gas pipeline systems. While the Cheyenne Hub is an established receipt point for natural gas producers in the Rocky Mountain region, transportation capacity from this location to eastern markets is currently insufficient to meet expanding market demand.

The REX-West portion of the Project would transport natural gas from the Cheyenne Hub in Colorado to its terminus at the Panhandle Eastern Pipe Line Company (PEPL) interconnect in Audrain County, Missouri, which would allow deliveries to various markets in the Midwest including Kansas City, St. Louis, and Chicago. Along the proposed route, Rockies Express would construct five interconnections where gas would be delivered from the REX-West pipeline into other pipeline systems.

Upon completion of the Blanco to Meeker Project, shippers on TransColorado would be able to transport additional volumes of gas from receipt points located at the Blanco Hub to interconnections with existing pipeline facilities at the Meeker Hub (including the proposed REX-West system). This would enable shippers on the TransColorado system to transport San Juan Basin gas from the Blanco Hub north through Colorado and then via the REX-West system for delivery to midwestern markets.

Overthrust has entered into an agreement with Rockies Express to provide firm transportation capacity of 625,000 Dth/d (expandable to 1.5 million Dth/d under certain conditions) of natural gas from the Opal Hub to the Wamsutter Hub. Rockies Express would then transport these volumes through the Entrega and REX-West pipelines for delivery to midwestern markets.

PUBLIC INVOLVEMENT

We initiated review of the individual Rockies Western Phase Project components using the FERC's Pre-Filing Process. This environmental review process was established to facilitate and encourage early involvement by citizens, governmental entities, non-governmental organizations, FERC staff, and other interested parties. During the Pre-Filing Process, we worked with the Applicants and interested stakeholders to identify and resolve issues, where possible, prior to the Applicants filing formal applications with the FERC.

As part of the Pre-Filing Process, the FERC staff worked with Rockies Express and Overthrust to develop a public outreach plan for issue identification and stakeholder participation. As part of the outreach plan, these companies met with local associations, neighborhood groups, and other non-governmental organizations to inform them about the project and address issues and concerns. Both Rockies Express and Overthrust sponsored public open houses in the project area to inform landowners, government officials, and the general public about their respective projects and invite them to ask questions and to express their project-related comments and concerns. Notifications of the open houses were mailed to all stakeholders and were published in local newspapers. Although TransColorado did not hold open house meetings, it did mail notification letters to landowners, government officials, and the general public informing them about the Blanco to Meeker Project.

On January 6, 2006, the FERC issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Rockies Express Pipeline Project, Request for Comments on Environmental Issues, and Notice of Public Scoping Meetings* (Rockies Express NOI) that explained the NEPA and pre-filing processes, briefly described the REX-West Project, provided a preliminary list of environmental issues, and invited written comments from the public. The Rockies Express NOI was published in the Federal Register on January 13, 2006. The Rockies Express NOI was sent to 6,040 parties, including federal, state, and local agencies; elected officials; environmental and public interest groups; Native American tribes; landowners along the pipeline route under consideration; local libraries and newspapers; and other interested stakeholders.

On April 3, 2006, the FERC issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Blanco to Meeker Project and Request for Comments on Environmental Issues* (TransColorado NOI), indicating that the Blanco to Meeker Project is a necessary and supporting component of the overall Rockies Western Phase Project and that the environmental analysis for this

project would be included in the EIS prepared for the Rockies Express facilities. The TransColorado NOI was published in the Federal Register on April 11, 2006. The TransColorado NOI was sent to 89 parties, including federal, state, and local agencies; elected officials; environmental and public interest groups; Native American tribes; affected landowners; local libraries and newspapers; and other interested stakeholders.

Also on April 3, 2006, the FERC issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Wamsutter Expansion Project, Request for Comments on Environmental Issues, and Notice of Public Scoping Meeting* (Overthrust NOI), indicating that the Wamsutter Expansion Project is a necessary and supporting component of the overall Rockies Western Phase Project and that the environmental analysis for this project would be included in the EIS prepared for the Rockies Express facilities. The Overthrust NOI was published in the Federal Register on April 11, 2006. The Overthrust NOI was sent to 53 parties, including federal, state, and local agencies; elected officials; environmental and public interest groups; Native American tribes; landowners along the pipeline route under consideration; local libraries and newspapers; and other interested stakeholders.

On April 4, 2006, the FERC issued a letter stating that Rockies Express had added facilities to its proposal and that the scoping period for these additional Rockies Express facilities would be extended through May 5, 2006. A copy of this letter with the Rockies Express NOI attached was mailed directly to landowners added to the mailing list because of the newly proposed facilities.

The FERC also held 10 public scoping meetings to provide the public with an opportunity to learn more about the Rockies Western Phase Project and to comment on environmental issues that should be addressed in the draft EIS. A transcript of each scoping meeting, as well as all written comments received, are part of the public record for the Rockies Western Phase Project. For the Rockies Express facilities, we received statements from a total of 27 individuals at the scoping meetings and written comment letters from a total of 35 federal and state agencies, counties, municipalities, organizations, and concerned citizens. We received written comments on TransColorado's Blanco to Meeker Project from the Colorado Natural Heritage Program and Nebraska Natural Heritage Program. There were no statements made at the Overthrust scoping meeting; however, we received written comments on the Wamsutter Expansion Project from the Wyoming Game and Fish Department (WGFD), the U.S. Environmental Protection Agency (EPA), Rosebud Sioux Tribe, and the Department of Health and Human Services.

The FERC prepared a draft EIS for the Rockies Express Western Phase Project and issued a Notice of Availability (NOA) of the draft on November 3, 2006. In accordance with the Council on Environmental Quality's (CEQ's) regulations implementing NEPA, the NOA established a 45-day comment period ending December 28, 2006 and described procedures for filing comments on the draft EIS. The NOA also indicated that additional project information could be obtained from the Commission's Office of External Affairs and on the FERC's Internet website. A formal notice was also published in the Federal Register on November 9, 2006, indicating that the draft EIS was available and had been mailed to individuals and organizations on the mailing list prepared for the project.

The FERC mailed 6,025 copies of the draft EIS to interested parties, including federal, state, and local agencies; elected officials; environmental and public interest groups; Native American tribes; landowners along the pipeline route under consideration; local libraries and newspapers; and other interested stakeholders. The FERC also conducted public comment meetings in Sidney, Nebraska on December 11; North Platte, Nebraska on December 12; Beatrice, Nebraska on December 13; Moberly, Missouri on December 14; and St. Joseph, Missouri on December 15, 2006. A total of 21 people provided comments at these 5 meetings. A transcript of each meeting is part of the public record for the Rockies Express Western Phase Project. In addition, we received comment letters from 3 federal

agencies, 6 state agencies, 12 individuals and other organizations, and 4 from the Applicants. Comments on the draft EIS and FERC staff's responses to those comments are provided in Appendix K of this document. The substantive changes from the draft to the final EIS are indicated by vertical bars that appear in the margins of this document. The changes were made both in response to comments received on the draft EIS and as a result of updated information that became available after the issuance of the draft EIS. The final EIS was mailed to the agencies, individuals, and organizations on the mailing list provided in Appendix A, and was submitted to the EPA for formal issuance of a NOA.

COGENERATION FACILITIES

There are millions of horsepower of installed gas turbine capacity in the continental United States in addition to the installed reciprocating engine capacity. Most, if not all, of these turbines and reciprocating engines operate on simple cycles and do not capture any exhaust for useful purposes. More than two-thirds of the fuel energy to drive a pipeline compressor is discharged to the atmosphere as exhaust heat. Using the exhaust gas to generate electricity can recapture from approximately 10 to 24 percent of the energy lost to the atmosphere and convert it to usable energy.

A review of the available cogeneration technology (*e.g.*, exhaust capture, heat capture, recycling) indicates that there would be some potential environmental impacts if installed at the proposed REX-West compressor stations. For example, incorporating the technology into the REX-West Project would require a larger footprint for the compressor station and waste heat generation facilities. This increased footprint would result in increased impact on the previous land use, including soils, vegetation and wildlife habitat, archeological impacts, and stormwater drainage. Should water cooling be used, a large supply of water would be necessary, potentially causing impacts related to intake entrainment of aquatic species, effects of increased temperature of discharge, effect of treatment chemicals on the environment, as well as physical effects such as scour. In addition, we may see a slight increase in air emissions due to decreased efficiency of the compressor turbine, a potentially significant increase in air impacts due to decreased exhaust temperature, and an increase in noise impacts due to the air cooling fans and steam turbine.

At its open meeting on September 21, 2006, the Commission expressed interest in examining the potential for energy efficiency in connection with its consideration of major pipeline infrastructure projects. Accordingly, FERC staff issued a data request to Rockies Express on September 28, 2006, inquiring about the possibility of installing waste heat cogeneration facilities at the two gas turbine-driven compressor stations (Wamsutter and Steele City). On October 27, 2006, Rockies Express filed its response regarding cogeneration opportunities with FERC and supplemented its response on December 7, 2006.

Rockies Express stated that it does not believe that waste heat cogeneration is feasible for installation during construction of the facilities, but that subsequent third party installation of waste heat electric generation is possible. Should waste heat cogeneration be installed at these stations to support steam cycling, Rockies Express estimates approximately 4.4 megawatts (MW) could be generated at the Wamsutter Compressor Station and 6.5 MW generated at the Steele City Compressor Station at full load.

Rockies Express states that the compressor drive units (turbines, electric motors, and reciprocating engines) were picked primarily due to availability of the units, given the project schedule. Rockies Express has committed to an ongoing monitoring of its pipeline system to enhance the efficiency of its gas delivery system and has proposed an internal pipe coating option which would increase the efficiency of the system by reducing internal pipe friction and therefore reducing the amount of compression required.

We believe that longer range planning could enable an applicant to obtain units more suitable to installation of waste heat cogeneration. With longer term planning, both an ideal setting and suitable engines could be picked that would both efficiently ensure transportation of the natural gas and maximize electricity generated.

ALTERNATIVES CONSIDERED

No Action or Postponed Action Alternatives

The No Action and Postponed Action Alternative were considered for the Rockies Western Phase Project as a whole. We also considered the No Action and Postponed Action Alternatives for each individual application¹. While the No Action or Postponed Action Alternative would eliminate the environmental impacts identified in this EIS, U.S. markets would be denied the project objective of delivering up to 1.5 Dth/d of natural gas from the supply regions in the west to meet the increasing demand in the Midwest and eastern United States. Furthermore, denying authorization of the Project could also result in more expensive and less reliable natural gas supplies for the end users and/or greater reliance on alternative fossil fuels, such as coal or fuel oil. In addition, the No Action Alternative for the U.S. Bureau of Land Management (BLM) would result in the BLM denying the pending Right-of-Way Grant applications filed by Rockies Express, Overthrust, and TransColorado. This would not preclude the Applicants from modifying their applications and re-filing a new application at a later date. Therefore, we conclude that the No Action and Postponed Action Alternatives are not preferable to the proposed action.

System Alternatives

A system alternative for Rockies Express' REX-West Project would have to be able to transport large volumes of natural gas from the Rocky Mountain basins directly to markets in the Midwest and into other pipeline systems that could deliver the natural gas eastward. Currently, there are no existing pipeline systems that could take the REX-West proposed volumes of Rocky Mountain gas supply directly eastward. We are unaware of any existing pipeline systems that have expansion plans that could meet the purpose and need of the REX-West Project. Therefore, the use of existing pipeline systems is not a viable alternative.

The purpose of TransColorado's Blanco to Meeker Expansion Project is to transport gas from the Blanco Hub area to the Meeker Hub. TransColorado's proposal to reverse the flow in the existing TransColorado pipeline represents an efficient means to accomplish this objective without the environmental impacts associated with constructing new pipeline facilities; thus, no system alternatives were evaluated.

Of the existing pipelines adjacent to and in the vicinity of Overthrust's proposed route, none have the capacity to transport the additional 750,000 Dth/d of natural gas to the Rockies Express system, as proposed for the Wamsutter Expansion Project. To transport this amount of natural gas on one of the existing interstate pipeline systems in the Wamsutter Expansion Project area, capacity on one of these systems would need to become available through expansion or some other means. We do not believe that constructing additional pipeline (whether looping or not) would present an environmental advantage over

¹ Evaluating the project components separately, we concluded that if the REX-West Project were denied, TransColorado and Overthrust's facilities would likely also be denied. If the Blanco to Meeker or Overthrust Project were denied, it would not preclude the remaining two projects from being approved. However, there would likely be some delay or need for additional or redesigned facilities to meet all of the Rockies Western Phase Project objectives.

the proposed Wamsutter Expansion Project, since Overthrust's proposed route is already collocated with other utilities for the majority of its length and as such, minimizes environmental impacts.

Major Route Alternatives

Four major route alternatives were analyzed for the REX-West Project (the Railroad Corridor, Northern Route, Platte Route, and Echo Springs Route Alternatives) and one was analyzed for the Wamsutter Expansion Project (the Rock Springs Alternative) to determine if impacts could be avoided or reduced on environmentally sensitive resources, such as population centers, recreation and designated scenic areas, and wildlife and natural habitat management areas that would be crossed by a proposed pipeline (see section 3.3 of this EIS). We conclude that none of the identified major route alternatives confers a significant environmental advantage compared to the proposed action and we are not recommending them.

Route Variations

Based on issues raised during scoping and the draft EIS comment period, we analyzed six route variations for the REX-West Project to determine if impacts on specific localized features could be reduced. We have recommended that four of these variations (the Woolsoncroft, Emmendorfer-Hall, and Unternaehrer Variations, and a variation on the Crutchfield property) be incorporated into the final routing of the REX-West Project (see also section 3.4). We did not identify any route variations for the Blanco to Meeker or Wamsutter Expansion Projects.

Aboveground Facilities and Site Alternatives

Rockies Express

While determining alternative locations for compressor stations, Rockies Express reviewed multiple sites near the hydraulically-optimal location for each compressor station site, using a set of 13 criteria to arrive at the preferred locations. The Meeker and Wamsutter Compressor Stations are existing station locations for which no alternative sites were analyzed. Rockies Express considered several alternate sites for the Echo Springs Compressor Station; however, due to hydraulic requirements associated with the nearby Wamsutter Compressor Station, the proposed site was selected. The proposed location of the Cheyenne Compressor Station site was chosen due to the geometry of the existing pipelines at the Cheyenne Hub and the location of the Rockies Express/Entrega terminal facilities. No alternative sites were identified for this station. Numerous potential sites were pre-selected and reviewed by Rockies Express for the proposed Julesburg, Steele City, and Turney Compressor Stations. Based on Rockies Express' review and our evaluation (including site visits) of the proposed aboveground facility sites and several of the sites originally considered, we conclude that the proposed locations are environmentally acceptable.

TransColorado

Because of the nature of TransColorado's Blanco to Meeker Expansion Project, there are significant limitations on identifying alternatives to the proposed action, including potential alternate aboveground facility sites. Alternate locations for the additional compression at the Greasewood Compressor Station were considered by TransColorado but rejected based on the desire to minimize overall disturbance. Alternatives for siting the proposed Conn Creek Compressor Station are limited by the engineering requirement for the facility to be within 1 mile of the existing interconnect at the Oxy Meter Station. The proposed locations of the Blanco Compressor Station and Blanco Hub Meter Station places the compressor station sufficiently close to existing gas facilities to minimize the length of the

receipt pipeline. No alternatives were considered for the piping changes at the existing TransColorado compressor stations.

Overthrust

Overthrust considered landownership, constructability, surrounding land use, and access when siting the proposed Rock Springs and Roberson Compressor Stations. Because Overthrust's aboveground facilities would be adjacent to existing natural gas facilities and potential alternative tie-in locations do not exist within the vicinity of the project, no alternative compressor station sites were evaluated.

PROJECT IMPACTS

Geology

The proposed Rockies Western Phase Project would be located within the Wyoming Basin province, the Great Plains province, the Central Lowlands province, and the Colorado Plateau province. Construction of the proposed Project would result in the temporary disturbance of the natural topography along the pipeline right-of-way and at aboveground facility locations; however, following completion of construction, the Applicants would restore surface contours and drainage patterns as closely as possible to pre-construction conditions. Any blasting would be conducted in accordance with all appropriate federal, state, and local requirements. We have recommended that in the event blasting is required for the REX-West Project, Rockies Express should file a site-specific Blasting Specification Plan.

Because extensive development at oil and gas facilities exists in the REX-West and Wamsutter Expansion Project areas, Rockies Express developed a plan to address the unanticipated discovery of any non-reported or abandoned oil or gas wells during construction, and Overthrust would identify any underground gathering lines in the construction right-of-way. In addition, if requested by the owner/operator, Overthrust would implement special construction techniques to maintain day-to-day operation. By implementing these and other measures to avoid and/or protect existing oil and gas production facilities, we believe that the REX-West and Wamsutter Expansion projects would not interfere with current oil and gas production in the Project area.

Because the Rockies Western Phase Project crosses an area of relatively low seismic risk, we do not expect seismic hazards to pose a significant risk to the proposed pipeline facilities. No areas of subsidence were evident in the immediate vicinity of the proposed REX-West or Blanco to Meeker facilities. The Wamsutter Expansion pipeline would cross portions of an abandoned underground mine; however, no subsidence is known to be associated with this mine. Seasonal and flash flooding hazards are a potential concern where the pipeline route crosses major streams and small watersheds, respectively. To minimize these effects, the pipeline would be buried at a sufficient depth to avoid possible scour at waterbody crossings and implementation of the measures contained in each Applicant's *Wetland and Waterbody Construction and Mitigation Procedures* (Procedures) would minimize potential adverse impacts on the pipeline from scour.

The segment of the proposed REX-West Project route extending from about MP 0 to MP 100 has high potential to contain significant fossils. Consultations regarding paleontological resources along the proposed route determined that additional surveys were not required. Rockies Express would still prepare and implement a Paleontological Mitigation Plan to protect significant fossil resources that may be encountered during project construction. Because all aboveground structures associated with the Blanco to Meeker Project would be constructed either in or adjacent to existing pipeline facilities, the potential for disturbance of any new areas of paleontological significance is low; however, TransColorado is preparing an Unanticipated Paleontological Discoveries Plan in consultation with the BLM. Thirteen locations along the Wamsutter Expansion Project contain identified fossil occurrences; however, none of

these fossils were deemed significant. Overthrust would conduct spot checking at nine other locations, all of which are in areas with low probability for significant fossil discoveries during construction.

Soils

Pipeline construction activities such as clearing, grading, trench excavation, and backfilling, as well as the movement of construction equipment along the rights-of-way may result in adverse impacts on soil resources. Impacts on soils would be effectively minimized through the use of the proposed erosion control and revegetation measures. The Applicants would implement the mitigation measures contained in their respective *Upland Erosion Control, Revegetation, and Maintenance Plan* (Plan), with approved modifications; as well as in the BLM Plan of Development (POD) in order to control erosion and sedimentation during construction and to ensure revegetation. In addition, the Applicants would apply appropriate revegetation seed mixtures in consultation with local experts and landowners.

Construction of the REX-West aboveground facilities would affect a relatively small amount of prime farmland soils and farmlands of statewide importance. While these soil resources would be permanently lost, the acreage affected would not significantly reduce the agriculture production in the REX-West Project area. None of the proposed TransColorado or Overthrust facilities would affect agricultural lands or soils designated as prime farmland.

The Applicants have prepared plans that provide measures for clean-up procedures designed to minimize soil contamination that could result from accidental spills or leaks of fluids from construction-related equipment or materials. To protect topsoil during construction, Rockies Express and Overthrust have proposed to use the ditch-plus-spoil-side topsoil segregation method and other measures in accordance with their respective Plans. We conclude that each Applicant's use of its Plan, would minimize the Rockies Western Phase Project's impact on soils.

Water Resources

Groundwater

The major aquifer systems underlying the Rockies Western Phase Project include the Upper Cretaceous, Uinta-Animas, High Plains, and Upper Colorado River Basin aquifers. None of the aquifers crossed by the proposed Project have been identified as EPA-designated sole-source aquifers.

The REX-West pipeline right-of-way would cross within 150 feet of 7 water wells in Colorado, 17 water wells in Nebraska, and 1 water well in Missouri. Rockies Express identified a number of public water supply systems and 29 wellhead protection areas (WHPAs) along the proposed route. Based on the additional consultations conducted by Rockies Express, no additional special construction practices would be required for the crossings of WHPAs by the project beyond those contained in Rockies Express' Plan and Procedures. No municipal water supply wells have been identified within 150 feet of any areas that would be disturbed by construction of the Blanco to Meeker or Wamsutter Expansion projects.

Groundwater impacts during construction would be minimized or avoided by the use of standard construction practices outlined in each Applicant's Plan and Procedures and in their spill prevention plans.

Surface Water

The REX-West Project would cross 1,320 surface waters, including 149 perennial stream/river crossings, 684 intermittent/ephemeral stream crossings, 55 ponds and 412 ditches. No perennial waterbodies would be crossed or impacted by the Blanco to Meeker Project. The Wamsutter Expansion

Project would cross 1 perennial and 93 intermittent waterbodies. Rockies Express proposes to open-cut all perennial waterbody crossings except the Missouri River, Big Creek, and Little Blue River that be crossed by the horizontal directional drill (HDD) method. Overthrust would use the HDD method to cross Deadman Wash.

There are eight waterbodies that would be crossed by the REX-West Project that are considered sensitive because of significant fisheries resources and an additional five waterbodies are considered sensitive because of the presence of special status species. Fourteen waterbodies are designated as impaired waters by the EPA. None of the waterbodies crossed by the Wamsutter Expansion Project are considered major or sensitive and one waterbody was identified as impaired.

Rockies Express and Overthrust would minimize impacts on surface waters by implementing the construction and mitigation procedures contained in their Procedures, POD, and/or HDD Contingency Plans.

Rockies Express would require about 257 million gallons of water to hydrostatically test the entire mainline and 700,000 gallons to test the Echo Springs Lateral. TransColorado would require test water volumes that range from 10,000 gallons for each compressor station location to 25,000 gallons for the receipt pipeline at the Blanco Compressor Station (total test water volume 55,000 gallons). The total estimated volume of water to be used for testing Overthrust's facilities is about 16.3 million gallons. Rockies Express and Overthrust would make use of a "cascading" process, by which the test water from one section is transferred for reuse to subsequent sections. The vast majority of the test water for the Rockies Western Phase Project is expected to be drawn from surface waters (i.e. rivers, creeks, and holding ponds), with the exception of the Echo Springs Lateral, for which test water would be purchased and brought to the site via trucks. The Applicants would minimize the potential effects of hydrostatic testing on surface water resources by adhering to the measures in their Procedures.

Wetlands

Based on National Wetland Inventory data, construction of the REX-West Project would temporarily disturb about 84 acres of emergent wetland and about 28.3 acres of forested wetlands. No permanent impacts on emergent wetlands are anticipated, but the project would result in the conversion of about 8.5 acres of forested wetland to emergent or scrub-shrub wetland. No wetlands were identified within the construction sites for the Blanco or Conn Creek Compressor Stations or the expansion of the existing Greasewood Compressor Station. The Wamsutter Expansion pipeline route would cross two wetlands. To minimize impacts on wetlands, Overthrust would reduce the construction right-of-way width through wetland areas and would follow the measures identified in the Procedures and POD. To lessen impacts on wetlands crossed by the REX-West Project, we have recommended that Rockies Express revise its Procedures to reduce its nominal right-of-way while crossing wetlands.

Field surveys conducted by Rockies Express identified 14 wetlands between MP 40 and MP 350 that may be considered part of the Southwest Playas or Rainwater Basin Complex (RWBC). However, based on subsequent field delineations, only 5 of the 14 were confirmed to be wetlands. We note that Rockies Express' Procedures detail measures to be implemented to mitigate for potential impacts resulting from excavation and removal of vegetation within construction areas, and require the construction area to be restored to pre-construction conditions.

Vegetation

Rockies Express' proposed facilities would disturb about 7,148.0 acres of agricultural land, 4,111 acres of prairie grassland, 571 acres of deciduous forest 83 acres of rangeland, and 63 acres of developed

land. Construction of the Blanco to Meeker Project would disturb about 8.5 acres of sagebrush grassland, 5.8 acres of sagebrush shrubland, and 1.7 acres of juniper woodland. Construction of the Wamsutter Expansion Project would disturb about 413 acres of sagebrush steppe, 333 acres of desert shrubland, 221 acres of sagebrush scrub, 71 acres of greasewood, 64 acres of barren land, 43 acres of juniper, and 19 acres of and salt desert.

The impact on grasslands and agricultural habitats (which would likely revegetate within a few years) would be less than that of sagebrush and forested areas (which may take from 10 to 50 years to revegetate). To reduce impacts on vegetation within the construction and permanent rights-of-way and to improve the probability of successful revegetation of disturbed areas, the Applicants would implement the measures included in their respective Plans. Rockies Express contacted the National Resource Conservation Service (NRCS) to develop seed mixes for native prairies and would use either the NRCS-recommended seed mixes, or those requested by the landowner during easement negotiations to restore areas disturbed by construction of the REX-West Project. We conclude that impacts on prairie grasses vegetation would be minimized through the use of these restorative seed mixes and the implementation of the Plan.

A number of federal and state agencies submitted comments requesting that disturbed areas be revegetated with native plant species that are currently found in the project area. The Applicants propose to control the introduction and spread of noxious weeds by implementing the construction and restoration procedures detailed in their Plans. We have recommended that prior to construction, Rockies Express file a noxious weed control plan in consultation with land management agencies and local weed control experts. TransColorado developed a noxious weed protection plan that identifies specific measures it would implement to prevent the spread of noxious weed during and following construction. Overthrust has proposed measures to control the spread of noxious weeds and would adopt BLM-recommended stipulations pertaining to the appropriate use of herbicides and pesticides along with record-keeping requirements.

Wildlife

Construction-related impacts on wildlife species and their habitats include displacement, mortality, behavior disruptions, and habitat fragmentation or loss. Because the Applicants would make use of existing rights-of-way as much as possible and would adhere to the Plan, Procedures, and other measures discussed in this EIS, we conclude that the Project would not substantially alter local wildlife populations, and that the impact of habitat fragmentation on wildlife would be minimal. Potential Project impacts on big and small game were also determined not to be significant.

A variety of migratory bird species, including both songbirds and raptors, are associated with the habitats identified along the Rockies Western Phase Project. Construction could cause direct and indirect impacts on raptors and other migratory birds. In order to minimize these impacts, we have made recommendations so that Rockies Express and TransColorado comply with seasonal buffer zones for nesting raptors established by resource agencies. Overthrust has consulted with the FWS and has agreed not to conduct blasting within restricted buffers around active raptor nests that are identified during preconstruction surveys. If Overthrust later determines that blasting is required and the location is within a buffer zone of an active raptor nest, Overthrust has agreed to consult with the FWS to develop additional protective measures to avoid impacts on nesting species.

Fisheries

The REX-West Project would cross 1 perennial stream in Colorado, 11 in Nebraska, 28 in Kansas, and 38 in Missouri. The pipeline would also cross two intermittent streams in Missouri that the

MDC reports as supporting fisheries resources. The construction and operation of the Blanco to Meeker Project would not affect any fisheries. Fishery resources potentially affected by the Wamsutter Expansion Project are confined to Bitter Creek. The Applicant's Procedures contain measures that would minimize construction impacts on fish and aquatic/streambank habitat.

No waterbodies supporting coldwater fisheries or essential fish habitat would be affected by the Rockies Western Phase Project.

Rockies Express is currently proposing to use dry construction methods (*i.e.*, open cut/dam-and-pump or HDD) at 12 of the 13 sensitive fishery streams crossed by the project. Overthrust has proposed to use a dry-ditch crossing method for Bitter Creek.

Special Status Species

Agency consultations initially resulted in the identification of 60 special status species (*i.e.*, those that are federally listed or candidates for federal listing, BLM sensitive species, and those with state status) that might occur in the general REX-West Project area, 23 that could be in the general vicinity of the Blanco to Meeker Project, and 69 for the Wamsutter Expansion Project area. Of these, 67 were determined to not have suitable habitat within the proposed project construction footprint or would otherwise not be affected by project construction or operation. These 67 species were eliminated from further analysis, while the remaining were evaluated in the EIS.

The FWS has previously determined that any depletion to the Platte River system is likely to adversely affect the whooping crane, least tern, piping plover, bald eagle, pallid sturgeon, and western prairie fringed orchid and would contribute to the destruction or adverse modification of designated critical habitat for the whooping crane. Thus any consumptive use of water from the Platte River Basin would be considered a depletion requiring formal consultation under Section 7. Because Rockies Express proposes to withdraw at least 240 acre-feet of water from the Platte River system for the purposes of hydrostatic testing and dust control, we have entered formal consultation with the FWS for the six above-referenced federally listed species.

In addition, in order to avoid adverse impacts on the Indiana bat, we have recommended that Rockies Express not construct in areas identified as Indiana bat maternity roost habitat between April 1 and September 30, unless Rockies Express agrees to use the targeted survey option for the Indiana bat in coordination with the FWS. We have also made recommendations for six additional species.

This EIS is serving as a biological assessment for the purposes of complying with Section 7 of the Endangered Species Act. Neither Rockies Express, TransColorado, nor Overthrust would be allowed to begin construction until we have completed all necessary Section 7 consultations.

Land Use

Construction of the REX-West project facilities would require about 12,110.6 acres of land, of which about 4,375.1 acres would be retained for the permanent right-of-way and aboveground facilities. The Blanco to Meeker Project would require about 19.4 acres of land, of which 12.7 acres would be retained for the aboveground facilities and permanent right-of-way. The Wamsutter Expansion Project would require about 1,393.6 acres of land, of which about 473.8 acres would be retained for the permanent right-of-way and aboveground facilities.

The majority of comments we received during the scoping period and the draft EIS comment period raised concerns regarding the Rex-West Project's potential impact on agricultural

land. Construction and operation of the REX-West facilities would affect about 7,148.0 acres of agricultural land. (The Blanco to Meeker and Wamsutter Expansion Projects would not affect agricultural land). Rockies Express has proposed a number of mitigation measures to minimize impacts on agricultural land and would restore all disturbed areas in accordance with its Plan and other applicable federal, state, and local permit requirements. To further protect agricultural lands, we have recommended that Rockies Express develop and implement a post-construction monitoring program to evaluate crop productivity and the success of right-of-way restoration in active cropland for a period of 5 years following construction (including an evaluation of any compression-related soil heating impacts). Rockies Express has proposed to restore agricultural terraces to their original profile and contours, as much as practicable, and ensure proper functioning of terraces after construction. Rockies Express has provided a typical terrace construction/repair plan; however, we continue to believe that site/property-specific construction and restoration plans for terrace farms are necessary and have recommended that Rockies Express develop site-specific procedures for all agricultural terrace lands crossed by the REX-West Project.

Rockies Express has also provided a Depth of Cover Plan to address areas where environmental conditions and farming practices may warrant deeper depths of cover and includes measures that would be implemented to actively monitor depth of cover over the pipeline in agricultural areas. Rockies Express states that its right-of-way agents have offered landowners additional depth of cover (4 feet) in these locations and that agents will continue to negotiate in good faith with landowners for easements, including depth of cover provisions. Rockies Express states that it is unaware of any location where additional depth of cover has not been offered where it has been identified as an issue or concern by the landowner. In order for us to verify that landowners' depth of cover concerns are being addressed and to facilitate compliance inspection, we have recommend that prior to construction, Rockies Express should file a final depth of cover table that contains each milepost stretch where Rockies Express has reached an agreement with a landowner to construct with at least 4 feet of cover.

Rockies Express identified 26 residential structures within 50 feet of the proposed REX-West construction right-of-way. Rockies Express has provided site-specific construction plans for each of these residential structures. There is one residence about 0.25 mile northwest of TransColorado's proposed Blanco Compressor Station site. No residences are near Overthrust's pipeline or aboveground facilities. Based on our review of Rockies Express's site-specific residential construction mitigation plans and proposed mitigation measures and TransColorado's proposed facilities, we conclude that impacts on residences from project construction and operation would be minimized.

The proposed REX-West pipeline would cross three wildlife management areas in Nebraska: the Elwood Reservoir Wildlife Management Area (WMA), Frerichs Waterfowl Production Area, and Rose Creek WMA. In addition, the Missouri Department of Conservation identified several state-managed areas that would be crossed by the REX-West pipeline including the Pigeon Hill Conservation Area and the Jentell Brees Access to the Missouri River. The Wamsutter Expansion Project would cross the Salt Wells Wild Horse Herd Management Area. Both Rockies Express and Overthrust have consulted with federal and state agencies to develop measures to minimize impacts on these areas. Rockies Express has provided site-specific construction and restoration plans, developed in consultation with appropriate local officials or managers, for crossing the Village of Bertrand Golf Course in Phelps County, Nebraska and the Potts Memorial Park in Chariton County, Missouri.

A majority of the proposed Rockies Western Phase Project would be located within or adjacent to existing pipeline rights-of-way and previously disturbed agricultural lands and herbaceous rangeland. Visual impacts associated with pipeline construction in rangeland and agricultural areas along the route would be temporary and would result from the presence of construction equipment and post-construction visual scarring. The proposed aboveground facilities that are not adjacent to existing natural gas facilities

have the potential for visual impact, as they would be new permanent, industrial facilities located in relatively flat, open areas. However, these facilities would primarily be in rural herbaceous rangeland and agricultural areas that have not been designated as primary viewsheds or scenic corridors and have only nominal viewer traffic; therefore, visual impacts from the aboveground facilities are expected to be low. We conclude that there would be no significant visual impacts resulting from the construction and operation of the Rockies Western Phase Project.

Socioeconomics

Construction of the Rockies Western Phase Project would result in a temporary increase in local population, traffic, and demand for temporary housing and public services. Rockies Express anticipates that up to 2,880 non-local workers (across 7 construction spreads) would temporarily relocate to the project area during the construction period. Workers on a given construction spread would likely remain in the area for 8 to 12 weeks before relocating to the next construction area down the line. Given the vacancy rates in the project area, existing lodging opportunities in some localities may be insufficient to meet the demand for short-term housing required by this construction workforce.

Construction and operation of the Project would have a beneficial impact on local economies. The operation and maintenance of the pipeline, aboveground facilities, and the permanent staff associated with them would generate substantial tax revenues (property, sales, income, and ad valorem taxes) for the states crossed by the project.

Cultural Resources

The process of fully complying with Section 106 of the National Historic Preservation Act (NHPA) has not yet been completed for the entire project. The Wyoming State Historic Preservation Office (SHPO) has not yet commented on the survey reports covering the proposed REX-West and Overthrust facilities in that state. TransColorado needs to file the comments of the New Mexico SHPO on the elements of the proposed undertaking in that state. For the entire Project, in general, additional surveys and evaluative testing have not been completed, and plans to avoid eligible sites have not been finalized.

To ensure that the FERC's responsibilities under the NHPA and its implementing regulations are met, we have recommended that the Applicants defer construction and use of facilities until they file with the Secretary all additional required cultural resource inventory and evaluation reports, necessary avoidance or treatment plans, and any additional information that the SHPOs or the BLM has requested. We also have recommended that the comments of the SHPOs on all reports and plans be filed. The FERC will provide the Advisory Council on Historic Preservation an opportunity to comment if any historic properties would be adversely affected.

Air Quality

Air quality impacts associated with construction projects generally arise from fugitive dust generation and the operation of construction equipment to clear land, excavate ground, and grade the ground after installation of the facilities. Because pipeline construction moves through an area quickly, air emissions are typically intermittent and short-term. Emissions from fugitive dust, construction activities, and open burning would be controlled to the extent required by state and local agencies. We conclude that emissions from construction-related activities would not significantly affect local or regional air quality and would not cause nor contribute to an exceedance of the ambient air quality standards.

Operational emissions resulting from the proposed Project would be associated with the operation of the nine natural gas-fired compressor stations proposed by the Applicants. These compressor stations would be used to compress natural gas for transportation through the pipeline. The Applicants would be required to obtain all necessary air quality permits for construction and operation for the stations prior to commencing construction. We do not anticipate that the proposed natural gas-fired compressor stations would have any significant air quality impact issues.

Noise

Potential noise impacts would include short-term increases in noise during construction, and increases in noise levels associated with operation of new compressors and related equipment. Construction activity and associated noise levels would vary depending on the phase of construction in progress at any one time. We do not anticipate significant noise impacts associated with construction of the Rockies Western Phase Project.

The modeling analyses for each proposed new/modified compressor station incorporated noise reduction measures to achieve the levels presented in this EIS. Based on the estimates presented in the acoustical analysis, noise levels would remain below a day-night sound level (L_{dn}) of 55 decibels on the A-weighted scale (dBA) at noise sensitive areas (NSAs). To ensure that the Rockies Western Phase Project achieves this level of noise control, we have recommended that the Applicants file a noise survey for each new compressor station. If the noise attributable to the operation of any of the new Compressor Stations exceeds an L_{dn} of 55 dBA at any nearby NSA, we have recommended that the Applicant file a report on what changes are needed and that it install additional noise controls to meet that level within 1 year of the in-service date.

Reliability and Safety

The Applicants would meet or exceed the U.S. Department of Transportation pipeline materials and construction standards for natural gas pipeline facilities. Following construction, the Applicants would initiate a pipeline integrity management program to ensure public safety during operation of the proposed Rockies Western Phase Project facilities.

Cumulative Impacts

We evaluated six current, proposed, or reasonably foreseeable future projects or activities that may cumulatively or additively impact resources that would be affected by the construction and operation of the Rockies Western Phase Project. The majority of cumulative impacts discussed in this EIS would be temporary and minor. However, long-term cumulative impacts on vegetation and land uses could occur if the other reasonably foreseeable future projects considered would be constructed and affect similar vegetation/land uses.

CONCLUSIONS

The conclusions and recommendations presented in this section are those of the FERC environmental staff. While our conclusions and recommendations were developed with input from the BLM and FWS as cooperating agencies, the BLM will present its own conclusions and recommendations in its Records of Decision for the various components of the Rockies Western Phase Project.

Our review of the information provided by Rockies Express, TransColorado, and Overthrust and further developed from data requests; field investigations; scoping; literature research; alternatives analysis; and contacts with federal, state, and local agencies and individual members of the public

indicates that the proposed REX-West, Blanco to Meeker, and Wamsutter Expansion Projects would result in limited adverse environmental impact during construction and operation. We conclude that if the Rockies Western Phase Project were constructed and operated in accordance with applicable laws and regulations, the Applicants' proposed mitigation, and the additional mitigation recommendations presented in section 5.2 of this EIS, the Rockies Western Phase Project would result in no significant impact that is unavoidable, it would have limited adverse environmental impact, and would be an environmentally acceptable action. We believe that all environmental impacts would be reduced to less than significant levels if the proposed and additional mitigation recommendations are fully implemented. Although many factors were considered in this determination, the principal reasons are:

- more than 99 percent of the REX-West facilities would be collocated with existing rights-of-way, while the Wamsutter Expansion Project would parallel existing rights-of-way for its entire length;
- the Project would be consistent with or in conformance with federal resource management plans;
- the Applicants would implement resource- or activity-specific plans, procedures, and agreements to protect natural resources, avoid or limit environmental impact, and promote restoration of all disturbed areas during construction and operation of the Project;
- Rockies Express would use an Agricultural Inspector knowledgeable in Midwestern farming practices, who would provide input and guidance during construction in agricultural areas;
- Rockies Express has developed Depth of Cover and Terrace Construction/Repair Plans that, along with our recommended revisions to these plans, would ensure that site-specific farming practices and related landowner concerns are met;
- the use of the HDD method would avoid disturbances to the beds and banks of the Missouri River (Kansas/Missouri border), Big Creek (Missouri), and Little Blue River (Nebraska) along the REX-West mainline and Deadman Wash (Wyoming) along the Wamsutter Expansion mainline;
- the appropriate consultations with the FWS, the SHPOs, the BLM, other affected land management agencies, and any appropriate compliance actions resulting from these consultations, would be completed before the Applicants would be allowed to begin construction in any given area; and
- an environmental inspection and monitoring program would be implemented to ensure compliance with all mitigation measures, Certificate conditions, requirements contained in the BLM's POD, and other stipulations included in permits from other authorizing federal, state, and local agencies.

In addition, we have developed specific mitigation measures (including a compliance monitoring program) that would further reduce the environmental impact that would otherwise result from construction of the various Project components. The additional studies or field investigations which we recommend typically result in site-specific mitigation and further reduction of impact; therefore, we are recommending that these mitigation measures be attached as conditions to any Certificate issued by the Commission.