

EXECUTIVE SUMMARY

INTRODUCTION

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared this Final 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 Southeast Expansion Project (Project).

This EIS has been prepared in cooperation with the U.S. Fish and Wildlife Service (FWS), the U.S. Army Corps of Engineers (COE), and the U.S. Environmental Protection Agency (EPA).

PROJECT BACKGROUND

On June 28, 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 Southeast 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 December 11, 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 regulation 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 Project. We have prepared our analysis based on this application and subsequent filings by Gulf South.

On April 13, 2007, we issued the Draft EIS for the proposed Project.

PROPOSED ACTION

In order to transport natural gas from producers in eastern Texas and northern Louisiana, Gulf South proposes to construct and operate approximately 110.8 miles of natural gas pipeline and associated ancillary facilities capable of transporting up to approximately 1.272 billion cubic feet per day of natural gas. Specifically, Gulf South proposes to construct and operate:

- Approximately 110.8 miles of 42-inch-diameter natural gas pipeline in Simpson, Smith, Jasper, and Clarke Counties, Mississippi; and Choctaw County, Alabama;
- Three new compressor stations: the Delhi Compressor Station located in Richland Parish, Louisiana, and the Harrisville and Destin Compressor Stations located in Simpson and Clarke Counties, Mississippi, respectively;
- Other ancillary facilities, including five meter and regulation (M/R) facilities, eight mainline valves, one side valve, and two pig launcher and/or receiver facilities.

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

Dependent upon Commission approval, Gulf South proposes to complete construction and begin operating the proposed Project in January 2008.

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 Southeast Expansion Project on September 5, 2006. This notice was published in the Federal Register (FR) 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, 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 numerous resources and land uses, including soils, waterbodies, wetlands, wildlife, vegetation, threatened and endangered species, safety and reliability, timber production, and state- and federally-managed lands.

We prepared a Draft EIS and issued a Notice of Availability (NOA) that was published in the Federal Register (FR) on April 20, 2007, establishing a 45-day comment period ending on May 29, 2007. During this period, we conducted public comment meetings in Mendenhall and Heidelberg, Mississippi, and Butler, Alabama, on May 8, 9, and 10, 2007, respectively. During this period and at the public comment meetings, we received comments regarding the location of the proposed pipeline and effects on land use, safety, and reliability. We received written comments on the Draft EIS from two federal agencies, the DOI and EPA, and four potentially affected property owners. Comments received during this period were considered and addressed in this Final EIS. Submitted comments and our responses to those comments are provided in Appendix L of this document.

This Final EIS has been mailed to the agencies, individuals, and organizations on the mailing list found in Appendix A and has been filed with the EPA for formal notice of availability.

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, land use, and air and noise quality.

Construction of the proposed pipeline would cross 309 surface waterbodies. Conventional open-cut construction techniques would be used to cross all but 29 of these waterbodies, which would instead be crossed using horizontal directional drills (HDD). Proposed HDDs would include four major and/or navigable streams, two Nationwide Rivers Inventory (NRI)-listed streams (the Strong and the Chickasawhay Rivers), the rivers most likely to contain habitat for federally listed fish species (Dabbs Creek, West Tallahalla Creek, the Bucatunna River, and the Leaf River), and the three impaired waterbodies that occur along the proposed Project route.

Construction of the proposed Project would affect 145 wetlands, disturbing approximately 75.76 acres. 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, 42.67 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.

In consultation with the FWS, we identified 10 federally listed threatened and endangered species that could be affected by the proposed Project. Based on our review of these species, we have determined that construction and operation of the proposed Project may affect, but is not likely to adversely affect nine federally listed threatened and endangered species. The FWS concurred that the proposed Project is not likely to jeopardize the continued existence of the gopher tortoise and is not likely to adversely modify its designated critical habitat.

With the exception of recently proposed route modifications, aboveground facilities, and additional temporary work spaces, which are still under review by the respective state historical preservation offices, construction and operation of the proposed Project would not affect cultural resources.

Construction and operation of the proposed Project would temporarily and permanently affect several land uses, resulting in short- and long-term impacts to forests, timber production, and special interest areas. The proposed Project would cross the NRI-listed Strong and Chickasawhay Rivers, potentially affecting boating activities for short periods during hydrostatic test water withdrawal.

To minimize and mitigate the environmental impacts of constructing and operating the proposed Project, Gulf South has developed and would implement several proposed 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; and
- Plan for the Unanticipated Discovery of Historic Properties, Human Remains, or Potential Paleontological Evidence During Construction.

Based on our review of the measures described in Gulf South's proposed plans and Procedures, we have determined that they are acceptable and consistent with our guidance documents regarding erosion control and mitigation of impacts to wetlands and waterbodies. In addition to the implementation of these measures and plans, Gulf South would be required to obtain other federal, state, and local permits, and authorizations that would contain measures to further minimize and mitigate environmental impacts resulting from construction and operation of the proposed Project.

To ensure that Gulf South's proposed minimization and mitigation measures would result in the proposed Project having limited adverse environmental impacts, we recommended Gulf South address the following outstanding resource issues: NRI-listed streams; siltation of adjacent and downstream ponds; waterbodies potentially affected by aboveground facilities; provisional open-cut crossing plans for streams Gulf South plans to drill; wetland areas containing mature cypress/tupelo trees; coordination with resource agencies for revegetation, exotic weed control, and mitigation of impacted CRP lands; reducing permanent right-of-way width and overlap of adjacent paralleled right-of-ways; reducing visual impacts of aboveground facilities; and potential impacts to airport operations; and conducting noise surveys for compressor stations. We further recommended that Gulf South not begin construction until it has

completed consultation under Section 7 of the Endangered Species Act concerning the Project's impacts with the FWS regarding threatened and endangered species and with the respective State Historic Preservation Officers regarding cultural resource sites under Section 106 of the National Historic Preservation Act.

Detailed descriptions of environmental impacts, including a description of cumulative impacts, Gulf South's proposed impact avoidance and mitigation measures, and 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, 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 considered the potential impacts to environmental resources and land uses. We evaluated route variations that would avoid or minimize impacts to environmental resources such as wetlands and waterbodies, and land uses such as orchards, timber production, cultural resource sites, and residences. None of the alternatives evaluated offered significant environmental benefits when compared to the proposed Project with our recommended mitigation measures. As such, we did not recommend the adoption of any of the alternatives evaluated.

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 found to be in the public interest and is constructed and operated in accordance with Gulf South'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 pipeline route would be collocated with or parallel to existing rights-of-way for approximately 73 miles, or about 66 percent 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 proposed Project;
- We are recommending that Gulf South limit the width of its permanent right-of-way to 50 feet; use portions of existing natural gas pipeline permanent rights-of-way during construction, if feasible; and limit the width of its construction right-of-way in areas requiring two-tone construction techniques to further reduce impacts;
- Gulf South has developed site-specific crossing plans for significant wetland areas containing mature tupelo trees and would compensate for all unavoidable wetland impacts; and
- Gulf South would implement an environmental inspection and monitoring program that would ensure compliance with all proposed and recommended mitigation measures.