EXECUTIVE SUMMARY

INTRODUCTION

The staff of the Federal Energy Regulatory Commission (FERC; Commission) has prepared this environmental impact statement (EIS) to satisfy the 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 Supply Header (SESH) 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), the Environmental Protection Agency (EPA) and the Natural Resource Conservation Service (NRCS).

PROJECT BACKGROUND

On May 30, 2006, we[1] approved the SESH request to use the Commission's pre-filing review process for the proposed Project. The purpose of our pre-filing review is to work in partnership with the project sponsor, other federal and state agencies, and 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 18, 2006, SESH 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. We have prepared our analysis of this Project based on this application and subsequent filings by SESH.

On April 27, 2007, we issued the Draft EIS for the proposed Project.

PROPOSED ACTION

In order to enhance access to reliable, onshore gas supplies to serve growing demand in the Southeast, including Florida, SESH proposes to construct and operate approximately 270 miles of natural gas pipeline and associated ancillary facilities capable of transporting up to approximately 1.14 billion cubic feet per day of natural gas. Specifically, SESH proposes to construct and operate:

- approximately 104 miles of 42-inch-diameter natural gas pipeline extending southeasterly from Richland Parish, Louisiana, to Lawrence County, Mississippi;
- approximately 165 miles of 36-inch-diameter natural gas pipeline extending southeasterly from Lawrence County, Mississippi to Mobile County, Alabama;
- approximately 1.7 miles of 6-, 16-, 20-, 24- and 42-inch-diameter laterals in Jefferson Davis, Covington, and Forrest counties, Mississippi, and Mobile County, Alabama;
- three new natural gas mainline compressor stations: the Delhi, Gwinville, and Lucedale compressor stations, located in Richland Parish, Louisiana, and Jefferson Davis and George counties, Mississippi, respectively;
- two natural gas booster compressor stations, the Collins Booster Station and the Petal Booster Station in Covington and Forrest counties, Mississippi, respectively; and

[1] "We", "us", and "our" refer to the environmental staff of the FERC's Office of Energy Projects.

- other ancillary facilities including 13 meter and regulator (M&R) facilities, 18 mainline valves, 2 tap valves, and 3 pig launcher and receiver facilities.

Dependent upon Commission approval, SESH proposes to commence construction of the proposed Project in November 2007.

PUBLIC OUTREACH AND COMMENTS

SESH 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 SESH Project on July 28, 2006. The notice was published in the *Federal Register* and sent to affected landowners; federal, state, and local governmental agencies; elected officials; environmental and public interest groups; Native American tribes; local libraries and newspapers; and other interested parties.

In response to our notice and three 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 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, the Wetland Reserve Program (WRP), and other state and federally-managed lands.

In addition to comments provided by the 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.

We prepared a Draft EIS for the proposed Project and issued a Notice of Availability (NOA) on April 27, 2007. The Draft EIS was also filed with the EPA, and a formal notice was published in the *Federal Register (FR)* on May 4, 2007 indicating that the Draft EIS was available and had been mailed to individuals and organizations on the distribution list prepared for the proposed Project (Refer to Appendix A). In accordance with CEQ regulations, the NOA and *FR* notice established a 45-day comment period ending on June 18, 2007; described procedures for filing comments on the Draft EIS; and announced the time, dates, and locations of public comment meetings on the Draft EIS. These announcements also described how additional information on the proposed Project could be obtained from the Commission's Office of External Affairs and on the FERC's Internet website.

During the Draft EIS comment period, the FERC conducted public comment meetings in Lucedale, Hattiesburg, and Gallman, Mississippi on May 21, 22 and 24, 2007. The meetings provided interested individuals, including nine landowners, and groups the opportunity to present oral comments on the FERC Staff's analysis of the environmental impacts of the proposed Project as described in the Draft EIS. Fourteen individuals, including landowners, provided oral comments at the public meetings. In addition, we received written comments on the Draft EIS from five federal agencies, the National Oceanic and Atmospheric Administration (NOAA), NRCS, Department of the Interior (DOI), FWS, and EPA and three state agencies, Mississippi Department of Environmental Quality (MDEQ), Mississippi Department of Marine resources (MDMR), and the Alabama Historical Commission (AHC), and twenty one landowners. The public comment transcripts and all written comments on the Draft EIS are part of the public record for the Project. Comments received on the Draft EIS and the FERC Staff's responses to these comments are provided in Appendix K of the Final EIS. Changes were made in the text of the Final

EIS in response to the comments on the Draft EIS and in order to include updated information that became available following issuance of the Draft EIS.

The Final EIS is being mailed to the agencies, individuals, and organizations on the mailing list and submitted to the EPA for issuance of a formal public notice of availability.

Comments filed with the Commission and 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, land use, cultural resources, air and noise quality, and cumulative impacts and alternatives. The primary issues associated with the proposed Project are related to impacts to wetlands, waterbodies, land use, and special-interest areas.

Numbers of commenters expressed concern about the width of the construction right-of-way. Our recommendations to: (1) eliminate SESH's proposed 10-foot-wide buffer between its construction right-of-way and existing utility corridors; (2) overlap construction workspace with existing utility right-of-way to allow for at least the use of temporary spoil storage; and (3) have SESH justify the need for greater than a 100-foot-wide nominal construction right-of-way, would reduce permanent impacts and the acreage necessary for construction of the pipeline.

Construction of the proposed pipeline would cross more than 650 surface waterbodies. SESH proposes to use conventional open-cut construction techniques to cross all but 31 of these waterbodies, which SESH would cross using horizontal directional drills (HDD). SESH would use HDDs to cross:

- 9 major or navigable streams;
- 7 Nationwide Rivers Inventory (NRI)-listed streams (Big Black River, Bayou Pierre, Pearl River, Bowie Creek, Okatoma Creek, Leaf River, and Chickasawhay River);
- the rivers most likely to contain habitat for federally listed fish species (the Mississippi River, Bayou Pierre, Pearl River, Turkey Creek, and the Escatawpa River); and
- all 10 impaired waterbodies that occur along the proposed Project route.

Construction of the proposed Project would affect 267 wetlands, disturbing approximately 238.8 acres. Special-status and high-quality wetlands, including wetlands in the NRCS-administered WRP program and potential pitcher plant bog communities, 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, 102.8 acres of forested wetlands 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 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:

- recreational and special-interest areas, including Conservation Reserve Program (CRP) lands administered by the U.S. Department of Agriculture (USDA), Farm Service Agency (FSA); prior converted wetlands; and WRP lands administered by the NRCS;

- all special status waterbodies (by HDD as noted above);

- a Nature Conservancy (TNC) wetland mitigation site, and the National Park Service (NPS)-managed Natchez Trace Parkway;

- Highway 90 (The Old Spanish Trail); and

- the lands administered by the Tensas River National Wildlife Refuge (although not the refuge proper).

Because construction activities are temporary, most of the impacts resulting from construction would be temporary. However, removal of trees/forest and the conversion of forested wetland impacts are considered long-term or permanent, respectively. Detailed descriptions of environmental impacts and impacts to other resources, including land uses and socioeconomics, and a description of cumulative impacts are described in Section 3.0 of this document.

To minimize and mitigate the environmental impacts of constructing and operating the proposed Project, SESH 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);
- Contamination Contingency Plan;
- Spill Prevention, Control, and Countermeasures Plan;
- Loess Soils Management Plan;
- Plan for the Containment of Inadvertent Release of Drilling Mud During Horizontal Directional Drilled;
- HDD Contingency Plan; and
- Plan for the Unanticipated Discovery of Historic Properties, Human Remains, or Potential Paleontological Evidence during Construction.

SESH'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, SESH would be required to obtain several federal, state, and local permits and authorizations that would minimize and mitigate environmental impacts resulting from construction and operation of the proposed Project. Specifically, SESH would comply with the requirements of the COE, the FWS, the NRCS, and the EPA.

To further minimize and mitigate environmental impacts, SESH sited its proposed pipeline parallel to existing utility easements for approximately 58.5 miles. When the Draft EIS was issued, SESH's proposed route incorporated 70 route modifications to address issues and concerns raised by landowners and agencies during the pre-filing process. We evaluate twelve additional route variations proposed by landowners in Section 4.4. We are also making several site-specific recommendations to

reduce impacts regarding construction- and operation-related impacts on threatened and endangered species, land uses, and special-interest areas.

Detailed descriptions of SESH's proposed mitigation measures and our recommendations to further minimize and mitigate impacts are included in Sections 3.0 and 5.0 of this document.

ALTERNATIVES CONSIDERED

We have evaluated the No Action and Postponed Action Alternatives, alternative energy sources, 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. 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-managed and state-managed lands. None of the major alternatives evaluated offer significant environmental benefits when compared to the proposed Project with our recommended mitigation measures. SESH has agreed to incorporate into its route alignment nine of the twelve route variations developed in consultation with landowners. Four variations are not fully analyzed because environmental surveys may need to be completed. Therefore, we are not approving use of these remaining variations at this time.

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 convenience and necessity and is constructed and operated in accordance with SESH's proposed impact minimization and mitigation measures as well as our recommended mitigation measures, the proposed facilities would have limited adverse environmental impacts, with one exception. The project would result in a conversion of about five acres of forested wetland. However, our evaluation concluded that the impact would be substantive, but not significant and is environmentally acceptable. In support of this conclusion, we offer the following:

- SESH would implement its Plan and Procedures and additional environmental protection plans, which would minimize and mitigate impacts to natural resources during construction and operation of the Project.
- SESH would implement an environmental inspection and monitoring program that would ensure compliance with all proposed and recommended mitigation measures.
- SESH's proposed route would incorporates over 70 route modifications developed during the NEPA process in response to issues and concerns identified by landowners and reviewing government agencies.
- We are recommending that SESH implement the provisions of the U.S. Fish and Wildlife Services's Biological Opinion of July 19, 2007 for the federally listed gopher tortoise.
- SESH would complete consultations with the NRCS and FSA for federally managed lands including WRP and CRP programs, and would implement any appropriate mitigation during construction.

- SESH would complete consultation with the State Historic Preservation Officers and Advisory Council on Historic Preservation, as required by Section 106 of the *National Historic Preservation Act*, before beginning construction.
- SESH would obtain consistency determinations from the states of Mississippi and Alabama, in accordance with the *Coastal Zone Management Act*, prior to construction.
- We are recommending that SESH limit its construction right-of-way for its 42-inch-diameter pipeline to 100 feet; and removal of a 10-foot buffer between existing pipeline rights-of-way and the edge of SESH's construction right-of-way to further reduce vegetation impacts, including the amount of tree clearing required.