

1.0 INTRODUCTION

The staff of the Federal Energy Regulatory Commission (FERC or Commission) have prepared this Environmental Impact Statement (EIS) to assess the environmental impacts associated with the construction of facilities proposed by Rockies Express Pipeline LLC (Rockies Express) in accordance with the requirements of the National Environmental Policy Act (NEPA) (42 United States Code (U.S.C.) 4321 *et seq.*). This project is referred to as the REX East Project (or the Project). As currently proposed, the REX East Project would consist of the construction and operation of approximately 639.1 miles of natural gas pipeline and a total of 225,716 horsepower (hp) of new compression. The REX East Project would be part of the Rockies Express Pipeline System—a 1,679-mile natural gas pipeline system that would extend from Colorado to Ohio. Figure 1.0-1 presents an overview of the pipeline route proposed by Rockies Express. For more detailed location maps of the Project, see appendix B. A detailed discussion of the proposed REX East Project pipeline and facilities is presented in section 2 of this EIS.

On April 30, 2007, Rockies Express, a joint venture among Kinder Morgan Energy Partners, L.P. (Kinder Morgan), Sempra Pipelines and Storage (Sempra), and Conoco Phillips (an equity partner), filed an application with the FERC in Docket Number CP07-208-000 under Section 7 of the Natural Gas Act (NGA), as amended, and Parts 157 and 284 of the Commission's regulations. Rockies Express is seeking a Certificate of Public Convenience and Necessity (Certificate) for its REX East Project that would include the construction and operation of a pipeline in Missouri, Illinois, Indiana, and Ohio, and construction and operation of compression and ancillary facilities in Wyoming, Nebraska, Missouri, Illinois, Indiana, and Ohio.

The vertical line in the margin identifies text that has been substantially modified in the final EIS and differs from the corresponding text in the draft EIS.

1.1 PROJECT PURPOSE AND NEED

The purpose of the REX East Project is to provide natural gas transportation service for gas produced in the Rocky Mountain gas region from the terminus of the Rockies Express Western Phase Project (REX West Project) in Audrain County, Missouri to markets in the midwestern and eastern United States.¹ The terminus of the REX East Project would be in Monroe County, Ohio. The Project pipeline would deliver up to 1.8 billion cubic feet (bcf) per day of gas to other interstate natural gas pipelines. The Project would provide access to an additional 19 inter- and intra-state natural gas pipeline systems at 13 locations. These pipelines serve markets throughout the Midwest and eastern United States.

According to the Energy Information Administration (EIA), natural gas usage will represent about 22 percent of all energy consumption in the United States by 2025. Total gas consumption in the United States is expected to increase at an average rate of 1.1 percent per year. According to the EIA 2006 predictions, 60 percent of the projected growth in domestic natural gas consumption through 2030 will occur east of the Mississippi River, while the Rocky Mountains and Alaska will provide most of the natural gas.

¹ Gas from the Rocky Mountains would be transported from the Cheyenne Hub, Wyoming to Audrain County, Missouri by the REX West Pipeline. The REX West Pipeline was approved by the Commission in Docket Nos. CP06-354-000, CP06-401-000, and CP06-423-000 and is currently under construction. When completed, this pipeline will deliver gas from the Rocky Mountain region to Audrain County, Missouri.



Figure 1.0-1_102407

**Figure 1.0-1
Pipeline Location Map**

EIA anticipates that consumption of natural gas in the United States will grow from 22.0 trillion cubic feet (tcf) per year in 2005 to 26.1 tcf by 2030 (EIA, 2007a). The growth in natural gas demand is being driven primarily by increased use of natural gas for electricity generation and industrial applications. The electric power sector, industry, and buildings account for roughly 90 percent of the demand for natural gas consumption (EIA, 2007a).

The U.S. natural gas supply currently comes from three main sources: (1) domestic production; (2) pipeline imports from Canada and Mexico; and (3) imports of liquefied natural gas (LNG). Net pipeline imports of natural gas from Canada and Mexico are expected to decline in coming years. Total net imports of LNG to the United States are projected to increase from 0.6 tcf in 2005 to 4.5 tcf in 2030 (EIA, 2007a).

In 2006, net imports were about 15.7 percent of natural gas consumption in the United States (EIA, 2007b). Domestic production of natural gas will continue to account for the majority of total U.S. consumption, with onshore production expected to account for the bulk of that supply (EIA, 2007a). Onshore production of natural gas from unconventional sources (e.g., shale, tight sands, and coalbed methane) is expected to be a major contributor to that growth. The EIA predicts that unconventional natural gas production in the lower 48 states will account for about 50 percent of total domestic production by 2030 (EIA, 2006).

The midwestern and eastern portions of the United States have experienced growth in traditional local distribution company deliveries, with the greatest increase in demand coming from gas-fired electric power generation plants. This increased market demand has continued without an associated increase in the availability of gas supplies, partly due to an inability to bring to market the increased gas production from the Rocky Mountain region. According to Rockies Express, the REX East Project would help to alleviate this constraint on gas distribution by increasing transportation capacity, thereby increasing gas supply in the United States and moderating gas prices. Without additional supply, gas costs could increase and available supplies could be stressed to meet current and future user demands.

1.2 PURPOSE AND SCOPE OF THE EIS

The FERC is the federal agency responsible for evaluating applications to construct and operate interstate natural gas pipeline facilities. Certificates are issued under Section 7(c) of the NGA and Part 157 of the Commission's regulations if the Commission determines that the project is required by public convenience and necessity. We² prepared this EIS in compliance with the requirements of NEPA and the Council on Environmental Quality's (CEQ) Regulations for Implementing NEPA (40 CFR [Code of Federal Regulations] Parts 1500 – 1508) and the Commission's Regulations for Implementing NEPA (18 CFR Part 380).

The U.S. Army Corps of Engineers (COE), U.S. Fish and Wildlife Service (FWS), Illinois Department of Agriculture (ILDOA), and Natural Resources Conservation Service (NRCS) are cooperating agencies and have participated in the development of this EIS. A cooperating agency has jurisdiction by law or has special expertise with respect to environmental impacts involved with the proposal and is involved in the NEPA analysis.

² "We," "us," and "our" collectively refer to the environmental staff of the Office of Energy Projects, part of the Commission staff.

Scope of the Environmental Review

Our principal objectives in preparing this EIS are to:

- Identify and assess potential impacts on the natural and human environment that would result from the implementation of the proposed actions;
- Describe and evaluate reasonable alternatives to the proposed actions that would avoid or minimize adverse effects on the environment; and
- Identify and recommend specific mitigation measures, as necessary, to minimize the environmental impacts.

Our analysis in this EIS focuses on the facilities that are under the FERC's jurisdiction (i.e., the natural gas pipeline and compression facilities proposed for construction by Rockies Express), as well as the nonjurisdictional facilities that are integrally related to the development of the Project (i.e., electric transmission facilities—see section 1.4).

The environmental topics addressed in this EIS include geology; soils; water resources; wetlands; vegetation; fisheries; wildlife; threatened, endangered, and other special status species; land use (including agricultural and residential impacts) and visual resources; socioeconomics; cultural resources; air quality; noise; reliability and safety; cumulative impacts; and alternatives. The EIS describes the affected environment as it currently exists, discusses the environmental consequences of the Project, and compares potential impacts of the REX East Project to those of alternatives. The EIS also presents our conclusions and recommended mitigation measures.

The Commission will consider the findings of the EIS as well as non-environmental issues in its review of these proposals to determine whether a Certificate should be issued for the REX East Project. A Certificate would be granted only if the FERC finds that the evidence produced on financing, rates, market demand, gas supply, existing facilities and service, environmental impacts, long-term feasibility, and other issues demonstrates that the Project is required by public convenience and necessity. Environmental impact assessment and mitigation development are important factors in the overall public interest determination.

On September 15, 1999, the FERC issued a Policy Statement (88 FERC 61,227; Docket No. PL 99-3-000) to provide guidance on how it would evaluate proposals for certificating new construction. The Policy Statement established the criteria for determining whether there is a need for a project and whether such a project would serve the public interest. Further, the Policy Statement explains that, in deciding whether to authorize the construction of major new natural gas transportation facilities, the FERC balances the public benefits against the potential adverse consequences of a project. In evaluating new pipeline construction, the goal of the criteria is to give appropriate consideration to the enhancement of competitive transportation alternatives, possibility of overbuilding, subsidization by existing customers of an applicant's responsibility for unsubscribed capacity, avoidance of unnecessary disruptions of the environment, and the unneeded exercise of eminent domain.

1.3 PUBLIC REVIEW AND COMMENT

1.3.1 Public Review Process

Pre-filing Review Process

We initiated review of the REX East Project using the FERC's pre-filing process. This environmental review process was developed to facilitate and encourage the early involvement by citizens, government entities, non-governmental organizations, the FERC staff, and other interested parties. We worked with Rockies Express during the pre-filing process to identify and resolve issues, where possible, prior to Rockies Express' filing a formal application with the FERC. As part of this process, we assigned the REX East Project a pre-filing docket number (Docket No. PF06-30-000) to place information and comments into the public record generated by Rockies Express, the FERC, other agencies, and citizens. Initial contacts were made with federal and state natural and cultural resource agencies and other stakeholders having an interest in the Project. These initial contacts included a brief description of the Project and a request for information regarding the applicable permitting or other regulatory review authority. After the filing of the second draft of the REX East Project resource reports, we established a monthly teleconference with federal and state resource agencies to discuss the Project and the environmental review process as well as other relevant issues.

Open House Meetings

As part of the pre-filing process, the FERC staff worked with Rockies Express to develop a public outreach plan for issue identification and stakeholder participation. Rockies Express began implementing this outreach plan in June 2006 by meeting with local and state officials, and other non-governmental organizations to provide information about the Project and address any issues and concerns. Rockies Express sponsored 18 local, public open houses in June 2006 to inform landowners, government officials, and the general public about the REX East Project and invite them to ask questions and express their Project-related comments and concerns. Rockies Express mailed approximately 13,000 invitations to the open houses to affected landowners, nearby residents, public officials, and the media and placed notifications in 41 local newspapers. Two additional open houses were held in October 2006 to provide information on two route alternatives and the relocation of the Bainbridge compressor station that were incorporated into the route alignment after the completion of the June open houses. A final open house was held by Rockies Express on January 3, 2007 in Monroe, Ohio to provide information on the relocation of the Hamilton Compressor Station.

Table 1.3.1-1 provides a list of the public open houses held by Rockies Express. The FERC staff also participated in all of the open houses held in June and October 2006 and provided information to the public regarding the environmental review process.

Public Scoping Period

On August 16, 2006, the FERC issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Proposed REX East Project, Request for Comments on Environmental Issues, and Notice of Joint Public Scoping Meeting* (Rockies Express NOI). The Rockies Express NOI was published in the Federal Register (FR) on August 22, 2006 (21 FR 48920 – 48923). The Rockies Express NOI was mailed to approximately 13,000 interested parties including federal, state, and local agencies; elected officials; environmental and public interest groups; Native American tribes; local libraries and newspapers; other interested stakeholders; and affected landowners located along the pipeline route. The

Table 1.3.1-1	
List of Rockies Express' Public Open Houses	
Meeting Date	Meeting Locations
June 19, 2006	Bowling Green, MO; Cambridge, OH
June 20, 2006	Springfield, IL; Zanesville, OH
June 21, 2006	Winchester, IL; Woodsfield, OH
June 22, 2006	Decatur, IL; Ashville, OH
June 23, 2006	Danville, IL; Lancaster, OH
June 26, 2006	Tuscola, IL; Wilmington, OH
June 27, 2006	Rockville, IL; Mason, OH
June 28, 2006	Franklin, IN; Hamilton, OH
June 29, 2006	Plainfield, IN; Greensburg, IN
October 10, 2006	Bainbridge, IN
October 11, 2006	Franklin, IN
January 3, 2007	Monroe, OH

issuance of the Rockies Express NOI established a closing date of September 29, 2006 for comments regarding the scope of the environmental review to be conducted. However, the FERC continued to receive and consider comments during the entire pre-filing period and during development of this EIS.

The FERC also held nine public scoping meetings in September 2006 along the Project route to provide the public an opportunity to learn more about the Project and comment on environmental issues to be included in the EIS. Notice of the scoping meeting dates and locations appeared in the Rockies Express NOI dated August 16, 2006. Table 1.3.1-2 lists the locations and dates of the FERC scoping meetings.

Table 1.3.1-2	
List of the FERC Public Scoping Meetings	
Meeting Date	Meeting Locations
September 11, 2006	Mexico, MO; Greensburg, IN
September 12, 2006	Springfield, IL; Greenwood, IN
September 13, 2006	Pittsfield, IL; Trenton, OH
September 14, 2006	Rockville, IN; Ashville, OH
September 15, 2006	Zanesville, OH

The public was also invited to attend two site visits, which took place on July 17-20, 2007 and August 6-10, 2007.

On September 28, 2007, the FERC issued a letter stating that Rockies Express had revised the locations of the Hamilton and Chandlersville Compressor Stations, the Clarrington Meter Station, and portions of the pipeline, and that the scoping period for these relocated facilities would be extended through October 30, 2007. A copy of this letter was mailed directly to landowners added to the mailing list because of the newly relocated facilities.

1.3.2 Summary of Scoping Comments and Responses

Transcripts from the scoping meetings, along with all written comments, appear in the public record for the REX East Project and are available on the FERC Web site at www.ferc.gov. A total of 111 comments were provided by individuals at the scoping meetings. We received a total of 380 written comments from interested stakeholders, including COE, the U.S. Environmental Protection Agency (EPA), the National Park Service (NPS), state and local agencies, elected officials, organizations, affected landowners, and other interested parties (as of October 24, 2007). Table 1.3.2-1 lists the issues raised during the scoping period and where they are addressed in this EIS.

Table 1.3.2-1 Issues Identified and Comments Received During the Public Scoping Process		
Issue	Comment	Section in EIS Where Issue/ Comment is Addressed
Overall Project Comments	Schedule, purpose, right-of-way width, availability of information, eminent domain	2.0, 4.8
Alternatives	Variations to avoid specific features/resources, suggesting to use existing corridors and alternative energy, locate outside populous areas	3.0
Geology/Soils	Topsoil segregation, erosion, blasting, soil compaction, highly erodible soils, strip mine area in eastern Ohio, coal veins, depth of pipe, chemical properties of soils, rock removal, earthquakes/fault lines, rugged terrain, abandoned mines, landslides	4.1, 4.2
Water Resources	Floodplains, springs, ponds/lakes/reservoirs, rivers/streams, waterbody crossings, wells, aquifers, water contamination, wild/scenic/outstanding watersheds or rivers, water withdrawal/discharge from surface waters	4.3
Vegetation	Invasive species, forests, prairies, Classified Forest Program in Indiana, Conservation Reserve Program (CRP)	4.4
Wetlands	Wetland Reserve Program (WRP) or other conservation programs, loss of wetlands	4.3
Wildlife Resources	Federally and state-listed threatened and endangered species, wildlife management areas	4.5, 4.6, 4.7
Land Use	Decreased yield in agricultural products, heat from pipes during operations, drainage tiles, easement/compensation, eminent domain, aesthetics, future use of right-of-way, proximity to homes/buildings, state and local parks, septic/utility systems, interference with state/local projects (e.g., Hunter Lake), hinder development growth, recreational hunting, land management and conservation programs	4.8
Socioeconomics	Property values, insurance costs, taxes	4.9
Cultural Resources	Native American artifacts, burial grounds, historical canals, underground railroad, cemeteries, historic buildings/properties/farms, unanticipated discoveries	4.10
Air	Operation of compressor stations, temporary effects from construction, dust	4.11.1
Noise	Operation of pipes and compressor stations, disruption of residences/livestock, temporary effects from construction	2.0, 4.11.2
Reliability/Safety	Terrorism, maintenance, accidents, explosions, leaks, emergency response, proximity to homes/schools/quarry, depth of pipe, pressure, pipe thickness, grade of pipe, earthquake/lightning, farming operations on top of pipe	4.12
Mitigation	Soil mitigation, agricultural impact mitigation plans, wetland mitigation	All sections and 5.2

Additionally, we initiated agency consultations to identify issues that should be addressed in the EIS. These consultations included interagency meetings on September 12 through September 14, 2006 and interagency conference calls on April 3, 5, 12; May 10; June 14 and 18; July 24; and September 18, 2007. Participants in these meetings and calls included representatives of COE, EPA, FWS, NRCS, U.S. Department of Transportation (DOT), NPS, Indiana Department of Environmental Management (IDEM), Indiana Department of Natural Resources (INDNR), State Historic Preservation Officers (SHPO), Indiana Utility Regulatory Commission (IURC), Indiana Department of Agriculture (INDOA), Ohio Department of Natural Resources (ODNR), Ohio Power Siting Board (OPSB), Ohio Environmental Protection Agency (OEPA), Ohio Department of Development, Ohio Farm Bureau, ILDOA, Missouri Department of Natural Resources (MODNR), Missouri Department of Conservation (MDC), and the Illinois Environmental Protection Agency (ILEPA).

1.3.3 FERC Public Comment Meetings for the DEIS

On November 23, 2007, the FERC issued the draft EIS for the Rockies Express East Project and filed it with EPA. A formal notice was published in the Federal Register on December 4, 2007 announcing that the draft EIS was available and had been mailed to individuals and organizations on the distribution list prepared for the Project. In accordance with the CEQ's regulations for implementing NEPA, the public was allowed about 45 days (or until January 14, 2008) to comment on the draft EIS.

The FERC mailed approximately 5,800 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 Springfield, Illinois, Rockville, Indiana, and Zanesville, Ohio on January 7; Springfield, Illinois, Pittsfield, Illinois, Greensburg, Indiana, and Ashville, Ohio on January 8; and Mexico, Missouri, Greenwood, Indiana, and Trenton, Ohio on January 9, 2008.

A total of 85 commenters spoke at the 9 public comment meetings. We received a total of 225 written comments from interested stakeholders, including COE, EPA, NPS, state and local agencies, elected officials, organizations, affected landowners, and other interested parties (through March 14, 2008). Transcripts from the public comment meetings on the draft EIS, along with all written comments, appear in the public record for the REX East Project and are available on the FERC Web site at www.ferc.gov. Comments on the draft EIS and the FERC staff's responses to those comments are provided in appendix K of this document.

In addition, we initiated agency consultations to discuss issues in the final EIS. These consultations included an interagency call on January 24, 2008. All agencies who participated in the scoping period agency calls were invited to participate.

Rockies Express Amendment

On February 5, 2008, Rockies Express filed a Notice of Amendment stating that Rockies Express had relocated the proposed Hamilton Compressor Station and had realigned 3.9 miles of the associated pipeline in Warren and Butler Counties. The FERC issued a letter to affected landowners and a comment period was opened through February 26, 2008. On January 30, 2008, the FERC issued a letter to additional landowners regarding these changes and other pipeline realignments. A comment period was opened through March 3, 2008. Rockies Express hosted an open house meeting on January 3, 2008 for those landowners within a half mile of the newly proposed site for the Hamilton Compressor Station.

Final EIS

This EIS was mailed to the agencies, individuals, and organizations on the distribution list provided in appendix A, and was submitted to EPA for formal issuance of a Notice of Availability (NOA).

In accordance with CEQ's regulations implementing NEPA, no agency decision on a proposed action may be made until 30 days after EPA publishes an NOA of the final EIS. However, the CEQ regulations provide an exception to this rule when an agency decision is subject to a formal internal process that allows other agencies or the public to make their views known. In such cases, the agency decision may be made at the same time the notice of the final EIS is published, allowing both periods to run concurrently. Should the FERC issue the Applicant's Certificate for the proposed action, it would be subject to a 30-day rehearing period. Therefore, the FERC could issue its decision concurrently with EPA's NOA.

1.4 NONJURISDICTIONAL FACILITIES

Under Section 7 of the NGA, the FERC considers, as part of its decision to authorize interstate natural gas facilities, all factors bearing on the public convenience and necessity. The facilities under the FERC's jurisdiction for the REX East Project are described in detail in section 2.1.

Occasionally, proposed projects have associated facilities that are not under the FERC's jurisdiction. Nonjurisdictional facilities may be integral to the need for such a proposed project or they may merely be associated as a minor, non-integral component of the jurisdictional facilities.

One such nonjurisdictional facility is the transmission lines associated with the Hamilton Compressor Station. The Hamilton Compressor Station would receive electricity for its compressors and station utilities from Duke Energy (Ohio) by means of two 138-kilovolt (kV) transmission lines. One of the 138-kV transmission lines would loop through a substation at the compressor station from the south, starting at about 0.3 mile south of the substation and following Interstate 75 north to the substation (figure 1.4-1). The other transmission line would be about 1.6 miles long and would enter the compressor station from Greentree Road to the north. The environmental impact from construction of the power lines would consist of ground disturbance from installing the wood poles to support the power lines and maintenance of a 100-foot-wide easement as open grass/pasture. The areas proposed for these transmission lines are currently agricultural fields adjacent to roads. Duke Energy (Ohio) would design and construct these transmission lines, which would be under Ohio Power Siting Board jurisdiction, and would obtain the required permits and authorizations (see table 1.4-1). To ensure that the Endangered Species Act and the National Historic Preservation Act are complied with, **we recommend that:**

- **Rockies Express defer obtaining service from Duke Energy's planned transmission line until comments of the SHPO and FWS on the transmission line have been filed with the Secretary and the Director of OEP issues written approval to obtain service.**

Table 1.4-1 lists the permits that may be required for the construction of additional nonjurisdictional facilities.

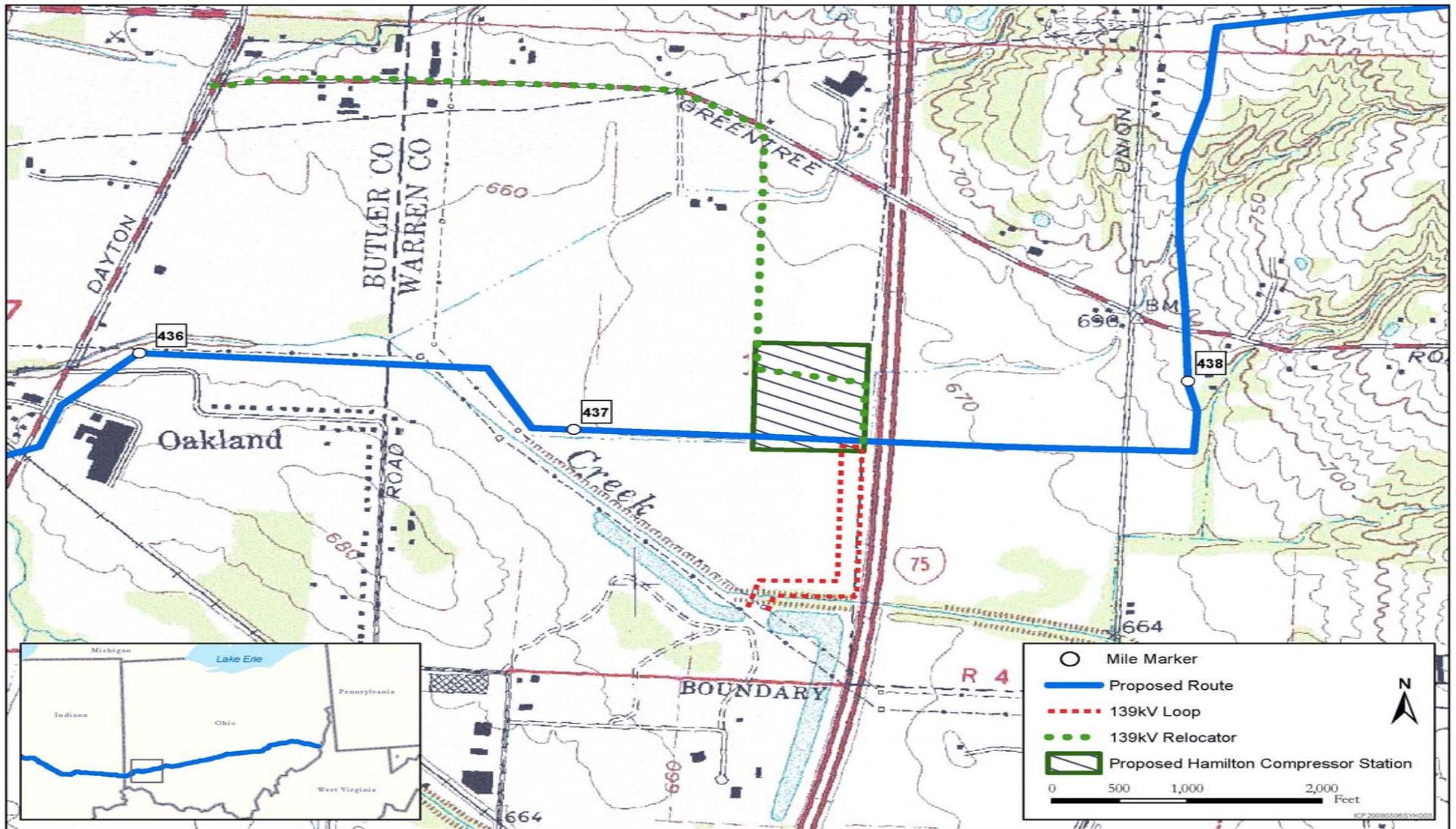


Figure 1.4-1
Hamilton Compressor Station, Warren County, Ohio, Transmission Lines

Table 1.4-1	
Major Permits, Licenses, and Authorizations Likely Required To Be Obtained by the Nonjurisdictional Power Company for the Electric Transmission Line Required for the Hamilton Compressor Station	
Administering Agency	Permit/Approval or Consultation
FEDERAL	
US Fish and Wildlife Service	Endangered Species Act (ESA), Section 7 Consultation
Advisory Council on Historic Preservation	National Historic Preservation Act (NHPA), Section 106 Consultation
U.S. Army Corp of Engineers	Nationwide 12 Permit
STATE	
Ohio Department of Natural Resources	Water Withdrawal Registration
Ohio Environmental Protection Agency	Section 401 Water Quality Permit
Ohio Environmental Protection Agency	NPDES Construction Stormwater Discharge Authorization under General Permit OHC00002
Ohio Power Siting Board	Letter of Notification for Transmission Line Tap
LOCAL	
Warren County Soil and Water Conservation District	SWP3 Submittal
Warren County Soil and Water Conservation District	Earth Moving Permit
Warren County	Burning Permit

1.5 PERMITS, APPROVALS, AND REGULATORY REQUIREMENTS

As the lead federal agency for the REX East Project, the FERC is required to comply with Section 7 of the Endangered Species Act (ESA), Section 106 of the National Historic Preservation Act (NHPA), and the Wild and Scenic Rivers Act (WSR) of 1968. These statutes have been taken into account in the preparation of this EIS.

Construction, operation, and maintenance of the Project would be in accordance with applicable federal, state, county, and local permits and approvals. Applicable permits, approvals, and consultations for the Project are summarized in table 1.5-1. Major permit and approval actions for the Project would include environmental reviews by the FERC for authorization under Section 3(a) and a Certificate under Section 7(c) of the NGA; by COE for a Section 10 of the Rivers and Harbors Act/404 of the Clean Water Act (CWA) Permit, dredge disposal approval, and right-of-way easement; by EPA for authority under the CWA and the Clean Air Act (CAA); and by NPS for approvals under the WSR. In four locations along the proposed route COE owns or administers the lands, and permits are required to cross those areas. Several Illinois, Indiana, Missouri, Nevada, Ohio, and Wyoming state agencies have been delegated permitting responsibilities under the CWA and CAA, but with oversight by the appropriate federal agency. Rockies Express would be responsible for obtaining the required permits and approvals to implement the Project, regardless of whether they appear in table 1.5-1.

Section 7 of the ESA, as amended, states that any project authorized, funded, or conducted by any federal agency should not “jeopardize the continued existence of any endangered species or threatened species or result in the destruction or adverse modification of habitat of such species which is determined...to be critical...” (16 U.S.C. § 1536(a) (2) (1988)). Thus, the FERC staff, or Rockies Express as a non-federal representative, is required to consult with FWS to determine whether any federally listed

**Table 1.5-1
Major Permits, Licenses, Authorizations, and Clearances Required**

Administering Agency	Permit/Approval or Consultation	Status
FEDERAL		
Federal Energy Regulatory Commission	Certificate of Public Convenience and Necessity	Pre-filing Process Request approved on June 13, 2006. FERC application filed April 2007.
U.S. Department of the Interior National Park Service	Wild and Scenic Rivers Act Section 7 (a) Determination	Consultations were initiated in July 2006 and are ongoing.
U.S. Fish and Wildlife Service: Columbia Field Office Marion Field Office Bloomington Field Office Reynoldsburg Field Office Grand Island Field Office Cheyenne Field Office	Endangered Species Act Section 7 Consultation	Consultations have been initiated and are ongoing.
U.S. Army Corps of Engineers - St Louis District (Missouri and Illinois)	Clean Water Act Section 404 Rivers and Harbors Act Section 10	Application filed August 14, 2007.
- Rock Island District	Clean Water Act Section 404 Rivers and Harbors Act Section 10	Application filed August 14, 2007.
- Rock Island District	Easement to cross Federal lands - Upper Mississippi COA	Pending.
- Louisville District (Illinois/Indiana)	Clean Water Act Section 404 Rivers and Harbors Act Section 10	Application filed (August 14, 2007/September 18, 2007).
- Louisville District	Easement to cross Federal lands - Cecil M Harden Lake	Pending.
- Huntington District <u>a</u> /	Clean Water Act Section 404 Rivers and Harbors Act Section 10	Application filed September 5, 2007.
US Army Corps of Engineers Huntington District, Realty Division	Easement to cross Federal lands Deer Creek Lake Project	COE/ODNR-Parks Div./ODNR-Wildlife & Fish currently reviewing two possible routes across properties. Easement negotiations would commence when route finalized.
	Congressional approval needed by COE HQ pursuant to Corps Real Estate regulating ER-405-1-12, Chapter 8	Status unknown.
US Army Corps of Engineers Louisville District, Realty Division	Easement to cross Federal lands Caesar Creek Lake Project	COE/ODNR-Wildlife & Fish agree with current route proposal. Easement negotiations have not commenced.
Advisory Council on Historic Preservation	Comment on the undertaking and its effect on historic properties	Pending.

Table 1.5-1 (continued)
Major Permits, Licenses, Authorizations, and Clearances Required

Administering Agency	Permit/Approval or Consultation	Status
U.S. Environmental Protection Agency Region V and VII <u>b/</u>	National Pollutant Discharge Elimination System (NPDES) In conjunction with the appropriate state, review stormwater and hydrostatic test water discharge	Consultations have been initiated and are ongoing.
U.S. Department of Agriculture Natural Resource Conservation Service	Restoration Consultation	Consultations have been initiated and are ongoing.
STATE		
Missouri		
Department of Conservation	State-listed Endangered Species Review	Consultations have been initiated and are ongoing.
State Historic Preservation Office	Consultation under Section 106 of NHPA	Consultations have been initiated and are ongoing.
Department of Natural Resources	Clean Water Act Section 401 Water Quality Certification	Application filed August 14, 2007.
	Clean Air Act Construction Air Permit Operation Permit	Application filed June 20, 2007.
	Notification of Hydrostatic Testing Under Permit By Rule	Application approved January 18, 2008.
	NPDES General Permit for Land Disturbance Greater than 1 Acre (MO-R101000).	NPDES permit requirements for stormwater discharges exempt per EPA Final Rule dated June 12, 2006. Confirming permit is exempt per EPA final rule.
	Major Water Use Registration (Greater than 100,000 gallons per day (gpd) or 70 gallons per minute (gpm)	Application to be filed 2 nd quarter 2008.
Department of Transportation	Crossings of state-maintained roads and highways	Status unknown.
Missouri County Engineers (3 Total)	Road crossings	Status unknown.
Illinois		
Illinois Historic Preservation Agency	Consultation under Section 106 of NHPA	Consultations have been initiated and are ongoing.
Illinois Department of Natural Resources	State-listed Endangered Species Review	Consultation complete. See letter from the ILDNR dated March 19, 2007.
	Statewide Permit No. 8 – Underground Pipeline and Utility Crossings	The Project meets the terms and conditions of Statewide Permit No. 8.

Table 1.5-1 (continued)
Major Permits, Licenses, Authorizations, and Clearances Required

Administering Agency	Permit/Approval or Consultation	Status
Illinois Environmental Protection Agency	Clean Water Act 401 Water Quality Certification	Status unknown.
	Clean Air Act Construction Air Permit Operation-Permit	Application approved December 13, 1007.
	Reissued General NPDES Permit for Hydrostatic Testing of Pipelines and Tanks (ILG67)	Status unknown.
	General NPDES Permit For Stormwater Discharges From Construction Activities. Also authorizes the discharges of uncontaminated groundwater.	NPDES permit requirements for stormwater discharges exempt per EPA Final Rule dated June 12, 2006.
Illinois Department of Agriculture	Farmland Protection Policy Act (7, USC 4201 et sep.) consistency with state and local programs to protect farmland.	Consultations have been initiated and are ongoing.
Illinois Department of Transportation	Crossings of state-maintained roads and highways	Status unknown.
Illinois' County Engineers (9 Total)	Road Crossings; Zoning (Administrative/BP, etc.); Floodplain-applicability determination pending	Meetings regarding the Project route have been held. Status unknown.
Illinois Townships (30 Total)	Right-of-way Use Permits – Township Road Crossings	Status unknown.
Indiana		
Department of Historic Preservation and Archeology	Consultation under Section 106 of NHPA	Consultations have been initiated and are ongoing.
Indiana Department of Natural Resources, Natural Heritage Data Center	State Listed Endangered Species Review	Consultation complete. See e- mail from the INDNR dated July 27, 2007.
Indiana Department of Natural Resources	Significant Water Withdrawal Registration (>100,000 gpd) IC-14-25-7	Registration to be filed within 3 months after the project is completed.
	Temporary Construction Dewatering Report IC-14-25-7	Report to be filed within 3 months after the project is completed.
	Flood Control Act	Status unknown.
Indiana Department of Environmental Management	Clean Water Act 401 Water Quality Certification	Status unknown.
	Clean Air Act Construction Air Permit Operation Permit	Application approved January 23, 2008.
	Wastewater Discharge Associated with Hydrostatic Testing of Commercial Pipelines	Status unknown.

Table 1.5-1 (continued)
Major Permits, Licenses, Authorizations, and Clearances Required

Administering Agency	Permit/Approval or Consultation	Status
	Rule 5 Permit – Stormwater Runoff Associated with Land Disturbing Activity	NPDES permit requirements for stormwater discharges exempt per EPA Final Rule dated June 12, 2006. Confirming permit is exempt per EPA final rule.
Department of Transportation	State maintained Highway & Route crossings	Status unknown.
Indiana – County Engineers (9 Total)	Right-of-way Use Permit - Road Crossings Zoning Floodplain-applicability determination pending Drainage Crossings	Status unknown.
Ohio		
Ohio Historical Society	Consultation under Section 106 of NHPA	Consultations have been initiated and are ongoing.
Ohio Department of Natural Resources	State Listed Endangered Species Review	Consultations have been initiated and are ongoing.
	Water Withdrawal Facility Registration (>100,000 gpd)	Registration to be filed within 3 months after the project is completed.
Ohio Department of Natural Resources – Parks Division	Easement to cross Perry State Forest and Blue Rock State Forest	Consultations have take place with ODNR – Easement negotiations have not commenced.
Ohio Environmental Protection Agency	Clean Water Act Section 401 Water Quality Certification	Application filed September 5, 2007.
	Clean Air Act Construction Air Permit Operation Permit	Status unknown.
	General Permit for Discharges of Hydrostatic Test Water (NPDES Permit No. OHH000001)	Status unknown.
	Authorization for Stormwater Discharges Associated with Construction Activity under the NPDES (OHC000002)	NPDES permit requirements for stormwater discharges exempt per EPA Final Rule dated June 12, 2006.
Ohio Department of Transportation (Districts – 5, 6, 8, 10, 11)	Right-of-way Use Permit – 57 State Roads – Two Interstates	Status unknown.
Ohio – County Engineers (13 Total)	Right-of-way Use Permit - County Road Crossings	Status unknown.
Ohio - Townships	Right-of-way Use Permits – Township Road Crossings	Status unknown.
Ohio City of Middletown	Zoning Use Permit	Hamilton Compressor Site – location currently zoned industrial (Conforms to current zoning). Negotiations have begun with City of Middletown.

Table 1.5-1 (continued)
Major Permits, Licenses, Authorizations, and Clearances Required

Administering Agency	Permit/Approval or Consultation	Status
Ohio – Muskingum County	Lot Split	Chandlersville Compressor Site –Application submitted 10-04-07.
Ohio – Counties / Townships	Zoning / Special Use Requirements	Verification of requirements ongoing.
Ohio – County Flood Plain Administrator	Flood Plain Permit	Verification of requirements ongoing.
Ohio – County Flood Plain Administrator	Flood Plain Permit	Verification of requirements ongoing.
Nebraska		
Department of Historic Preservation and Archeology	Consultation under Section 106 of NHPA	Consultation has been completed.
Department of Environmental Quality	Clean Air Act Construction Permit Operation Permit	Application approved December 28, 2007.
	General NPDES Permit Authorizing Hydrostatic Test Discharges from Pipelines and Storage Tanks (NEG 672000)	Application to be filed at least 10 days prior to discharge.
	General Permit Authorizing Dewatering Discharges	Application to be filed at least 10 days prior to discharge.
	NPDES general Permit for Stormwater Discharges From Construction Sites (NER 100,000)	NPDES permit requirements for stormwater discharges exempt per EPA Final Rule dated June 12, 2006. Confirming exempt status with Nebraska Department of Environmental Quality.
Wyoming		
Department of Historic Preservation and Archeology	Consultation under Section 106 of NHPA	Consultations have been completed.
Department of Environmental Quality	Clean Air Act Construction Permit Operation Permit	Application filed on October 2, 2007.
	General Permit to Discharge Stormwater Associated with Large Construction Activity Under the Wyoming Pollutant Discharge Elimination System (WYR10-0000)	Application to be filed at least 30 days prior to discharge.
	General Permit for Hydrostatic Discharges	Application to be filed at least 30 days prior to discharge.
	Wyoming Game and Fish Department	State-listed Endangered Species Review
<p><u>a/</u> Approximately 17 miles of the Project is located within the Pittsburgh District; however, the Huntington District would include this segment in its permitting.</p> <p><u>b/</u> Although the Agency is allowed the opportunity to review the project, no official permit or authorization is issued.</p>		

or proposed threatened or endangered species and/or their designated critical habitat occur in the vicinity of the Project. We have determined that these species or habitats may be affected by the Project and has prepared a biological assessment (BA). The BA identifies our recommended measures that would avoid the habitat and/or species and reduce potential impacts to acceptable levels. Section 4.7 of this EIS summarizes the findings of the BA. The BA is included on the CD of additional documents accompanying this EIS (CD Document M).

Section 106 of the NHPA requires the FERC to take into account the effects of our undertakings (including authorizations under Section 7 of the NGA) on historic properties, and afford the Advisory Council on Historic Preservation (ACHP) an opportunity to comment. Historic properties include prehistoric or archeological sites, districts, buildings, structures, objects, or sites of traditional religious or cultural importance that are listed or may be eligible for listing on the National Register of Historic Places (NRHP). In accordance with the ACHP procedures for implementing Section 106, at 36 CFR Part 800, the FERC is required to consult with the appropriate SHPO regarding the NRHP eligibility of cultural resources and the potential effects of the proposed undertaking on NRHP-listed or NRHP-eligible properties. Also, under the ACHP regulations, the FERC would consult with Native American Indian tribes, local governments, land managing agencies, and other parties interested in the potential impacts the Project may have on historic properties. Rockies Express, as a non-federal party, is assisting the FERC in meeting our obligations under Section 106 by preparing the necessary information and analyses. See section 4.10 of this EIS for the status of this review.

The WSR established the National Wild and Scenic Rivers System to protect those rivers and adjacent land with important scenic, recreational, fish and wildlife, and other values as identified by Congress. Four federal land management agencies, Bureau of Land Management (BLM), NPS, FWS, and the U.S. Forest Service administer the WSR to protect rivers' identified values, free-flowing condition, and associated water quality. Under Section 13(g) of this Act, the Secretary of the Interior or the Secretary of Agriculture, as appropriate, may grant easements and rights-of-way through, above, or under any component of the National Wild and Scenic Rivers System in accordance with laws applicable to the river-administering agency. Sections 7(a) and (b) of the Act prohibit the FERC from licensing a project that NPS determines would "have a direct and adverse effect" on the values for which a river is included or proposed to be included in the National Wild and Scenic Rivers System. The FERC, after a proponent files an application, consults with the river-administering agency. In the case of the REX East Project, the river-administering agency is NPS. If the river-administering agency determines that the Project would be "on or directly affect" a designated wild and scenic river or congressionally authorized study river, the permit, license, or exemption may be dismissed without further processing. The FERC may license projects, after consultation with the river-administering agency, "below or above a wild, scenic, or recreational river" or a congressionally authorized study river that would not "invade the area or unreasonably diminish the scenic, recreational, and fish and wildlife values." Rockies Express, as a non-federal party, has assisted the FERC by obtaining the necessary information and preparing analyses to identify whether the Project would have an effect on wild and scenic rivers or authorized study rivers. The Wild and Scenic Rivers Environmental Assessment is included with this EIS as appendix H.

The FERC encourages cooperation between applicants and state and local agencies, but this does not mean that state and local agencies, through the application of state or local laws, may prohibit or unreasonably delay the construction or operation of facilities approved by the FERC. Any state or local permits issued with respect to the jurisdictional facilities must be consistent with the conditions of any authorization issued by the FERC.³

³ See, for example, *Schneidewind v. ANR Pipeline Co.*, 485 U.S. 293 (1988); *National Fuel Gas Supply v. Public Service Commission*, 894 F.2d 571 (2d Cir. 1990); and *Iroquois Gas Transmission System, L.P., et al.*, 52 FERC ¶ 61,091 (1990) and 59 FERC ¶ 61,094 (1992).