

DRAFT FINDING OF NO SIGNIFICANT IMPACT
Big Pine Pipeline Project
Conemaugh River Lake, Indiana and Westmoreland Counties, Pennsylvania
Real Estate License for NiSource Midstream Services
August 2012

The United States, acting by and through the U.S. Army Corps of Engineers, Pittsburgh District, is proposing to grant an easement for construction and maintenance of a natural gas pipeline to NiSource Midstream Services. This project will serve as a gathering system for the transport of natural gas to market via an interconnect with an existing transmission pipeline. The proposed crossing is located in a rural agricultural area situated south of State Route 3007 (Hill Lane/Clarksburg Road) on the Indiana and Westmoreland County line, in Pennsylvania.

NiSource is proposing to construct an overall project consisting of approximately 60 miles of 20-inch and 24-inch natural gas pipeline beginning at XTO Energy, Inc.'s Penn Cryo Facility in Butler County, replacing a portion of the existing NiSource 10-inch Lancer line in Butler, Armstrong, and Indiana Counties, and terminating at an existing Spectra Energy pipeline in Westmoreland County. The project will utilize new and existing rights-of-way (ROWs) and existing public and private roads for construction and operations and maintenance activities. A section of pipeline approximately 7,000 feet in length is proposed to cross through U.S. Government property, which would be installed via a horizontal directional drill (HDD) method. The HDD bore entry and exit locations are both outside the boundary of the U.S. Government property, with no surface disturbance.

Under the National Environmental Policy Act, GAI Consultants, Inc. was retained by NiSource Midstream Services to conduct an Environmental Assessment (EA) for a portion of the Big Pine Pipeline Project located in Indiana and Westmoreland Counties, Pennsylvania that crosses the Conemaugh River Lake property. The Pittsburgh District has requested that an EA be prepared and documented for this portion of the project. The EA identified and evaluated alternatives to the project to determine whether one would be preferable to the proposed action. These alternatives included a no-action alternative and routing alternatives. The no-action alternative was not found to be feasible as it did not satisfy the purpose of providing the additional infrastructure and incremental capacity necessary to transport additional natural gas from Marcellus Shale gas production. A total of six alternatives were considered for the project all of which require the Pittsburgh District land to be crossed. In addition to topography constraints, several of the crossings were not feasible because they crossed beneath the Conemaugh River on angles, rather than perpendicularly. Other required HDD lengths that would be much longer than necessary in order to avoid significant temporary impacts to wetlands abutting the river. Avoiding U.S. Government property would not be feasible as it would require a significant increase to length of pipeline to route around the property. This increase in pipeline length would result in substantially greater environmental impacts as a result of additional mileage of tree clearing, open-cut trenching, and temporary and permanent construction disturbance. These routes were all considered unfeasible. The proposed action takes the most direct, perpendicular route beneath the Conemaugh River and is located at a narrower portion of the existing river channel. The

proposed route has the shortest HDD distance required that would avoid substantial wetland impacts, and is the route that has the least amount of topographical constraints. Additionally, the route is the alternative that has the farthest nautical mile distance from the Conemaugh River Lake Dam.

Potential impacts were addressed with regard to floodplains, vegetation, fish and wildlife, water quality, air quality, wetlands, endangered species, cultural resources, regulated hazardous contaminants, transportation, noise, aesthetics, wild and scenic rivers, land use, and socioeconomic resources. Coordination was made with the U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, PA Fish and Boat Commission, PA Department of Conservation and Natural Resources, PA Game Commission, PA Historical and Museum Commission, Indiana County Conservation District, Westmoreland County Conservation District, Conemaugh Township, and Derry Township. Due to the method utilized for the project no environmental or cultural resources in the vicinity of the proposed project will be significantly impacted. The project will comply with all applicable environmental laws and NiSource has obtained all necessary permits and approvals.

After having carefully evaluated and balanced all beneficial and detrimental aspects of the action proposed in the Big Pine Pipeline Project Environmental Assessment, including all regulatory agency input, I have reasonably concluded that the proposed project would not constitute a major Federal action significantly affecting the quality of the human environment and is in accordance with 40 C.F.R. § 1508.13. Consequently, the preparation of an environmental impact statement under the National Environmental Policy Act for this action is not warranted. The public interest will be best served by the implementation of the proposed action. Further, the proposed work is in compliance with all applicable Federal, State, and local laws and regulations. There are no unresolved issues regarding environmental compliance and coordination and there are no unresolved environmental issues. This Draft Finding of No Significant Impact (FONSI) precedes the Corps of Engineers' final decision on the proposed action. A copy of this draft FONSI will be placed on the District's website (<http://www.lrp.usace.army.mil>) and circulated for a minimum 30-day review to concerned agencies, organizations and the interested public.