

## **A. PROPOSED ACTION**

### **1. INTRODUCTION**

The staff of the Federal Energy Regulatory Commission (Commission or FERC) has prepared this environmental assessment (EA) to assess the environmental effects of the construction and operation of the Minisink Compressor Project proposed by Millennium Pipeline Company, LLC (Millennium). We<sup>1</sup> prepared this EA in compliance with the requirements of the National Environmental Policy Act of 1969 (NEPA), the Council on Environmental Quality (CEQ) regulations for implementing NEPA (Title 40 of the Code of Federal Regulations, Parts 1500-1508 [40 CFR 1500-1508]), and with the Commission's implementing regulations under 18 CFR 380.

On July 14, 2011, Millennium filed an application with the Commission in Docket No. CP11-515-000 under section 7(c) of the Natural Gas Act (NGA) and part 157 of the Commission's regulations. Millennium requests authorization to construct and operate a natural gas compressor station in Minisink, New York. The proposed project is referred to as the Minisink Compressor Project.

The EA is an important and integral part of the Commission's decision on whether to issue Millennium a Certificate of Public Convenience and Necessity (Certificate) to construct and operate the proposed facilities. Our principal purposes in preparing this EA are to:

- identify and assess potential impacts on the natural and human environment that could result from implementation of the proposed action;
- identify and recommend reasonable alternatives and specific mitigation measures, as necessary, to avoid or minimize project-related environmental impact; and
- facilitate public involvement in the environmental review process.

### **2. PURPOSE AND NEED**

Millennium states that the purpose of the project is to increase deliveries to its interconnection with Algonquin Gas Transmission, LLC (Algonquin) at Ramapo, New York, to approximately 675,000 dekatherms per day in order to meet the demands of new customers who are producing gas in the area near Millennium's existing pipeline. Millennium anticipates an in-service date of November 2012.

### **3. PROPOSED FACILITIES**

A general location map for the Minisink Compressor Project, Figure 1, is located on page 7. The project would consist of the following facilities near the Town of Minisink in Orange County, New York:

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<sup>1</sup> "We," "us," and "our" refers to environmental staff of the Office of Energy Projects.

- A new compressor station with two 6,130-horsepower (hp) gas-fired compressor units that would be housed within a new building (Minisink Compressor Station);
- appurtenant facilities including an access driveway, parking areas, a station control/auxiliary building, intake and exhaust silencers, turbine lube oil coolers, unit blowdown silencers, a filter-separator with a liquids tank, and an emergency electrical power generator;
- approximately 545 feet of new 36-inch-diameter suction pipeline and 545 feet of new 36-inch-diameter discharge piping which would connect the compressor station to Millennium's existing mainline at milepost (MP) 160.5; and
- a new mainline valve (MLV) assembly on the existing pipeline located between the new suction and discharge lines.

The project would require minor electric utility facilities off the existing power supplies along Jacobs Road, near the access road to the compressor station site. The minor disturbance required for these facilities would occur entirely within the proposed site and the minor impacts of these facilities are addressed in the EA. No additional non-jurisdictional facilities are required by the proposed action.

Millennium anticipates that construction of the project would begin in spring 2012, with an in-service date of November 2012.

#### **4. PUBLIC REVIEW AND COMMENT**

On August 17, 2011, the Commission issued a *Notice of Intent to Prepare an Environmental Assessment for the Proposed Minisink Compressor Project, Request for Comments on Environmental Issues, and Notice of Public Scoping Meeting* (NOI). The NOI was mailed to federal, state, and local government representatives and agencies; elected officials; Native American tribes; potentially affected landowners; environmental and public interest groups; newspapers and libraries in the project area; and parties to this proceeding. On September 6, 2011, Commission staff hosted a scoping meeting at the Minisink Town Hall in Westtown, New York in which approximately 210 people were present. We also participated in an open-house meeting sponsored by Millennium at the town hall on August 23, 2011, to explain our environmental review process to interested stakeholders.

On October 14, 2011 we issued a supplemental NOI to provide an opportunity to comment on the project to affected landowners that Millennium inadvertently left off its landowner list. On December 22, 2011 we issued an additional NOI to solicit environmental comments on an alternative to the project raised during the scoping period. The alternative to the proposed Minisink Compressor Stations, known as the Wagoner Alternative, involves the construction of a smaller 5,100-horsepower compressor station at a site adjacent to Millennium's existing Wagoner Meter Station facility in Sparrowbush, New York. The alternative site, which was previously used as a temporary compressor station, would also require replacement of a 7.2-mile-long segment of Millennium's existing pipeline, known as the Neversink Segment. The December 22, 2011 supplemental NOI was sent to the landowners along the Neversink Segment right-of-way and within 0.5 mile of the Wagoner Meter Station. This notice was also mailed to federal, state, and local government representatives and agencies; elected officials; Native American tribes; environmental and public interest groups; newspapers and libraries; and parties to this proceeding.

This EA addresses the potential environmental impacts of the Minisink Compressor Station as proposed by Millennium and the concerns identified by the public during the public scoping period between August 2011 and January 2012. Over 600 written and oral comments were filed throughout the scoping periods. The overwhelming preponderance of commenters expressed opposition to the proposed project and indicate that they do not want the compressor station sited in their rural residential neighborhood. Many also expressed strong support for the Wagoner Alternative. The transcripts of the public meeting and written scoping comments are part of the public record for the project and are available for viewing on the FERC Internet website (<http://www.ferc.gov>)<sup>2</sup>. The comments received that are within the scope of the environmental analysis are addressed in the appropriate areas within sections B and C of this EA. The primary concerns raised are:

- pollutant emissions could impact the health of residents living in proximity to the proposed compressor station;
- the associated emissions of the compressor station could negatively impact organic farms in the area;
- noise from the operation of the compressor units could annoy nearby residents, interfere with their activities, and could spoil the quiet rural character of the area;
- the compressor station could have a significantly adverse visual and aesthetic impact on nearby residents as there are no comparable industrial facilities in the general vicinity;
- the compressor station could result in the depression of nearby home values due to the perceived noise and visual disamenity;
- the safety of the community could be compromised by the existence of machinery that handles high-pressure natural gas; and
- economically viable alternatives to the proposed Minisink location that meet the project objectives should be evaluated thoroughly.

A number of commentors suggested that an environmental impact statement (EIS), rather than an EA, be published by Commission environmental staff. Pursuant to 18 CFR 380.6(a)(3) of the Commission's regulations, an EIS will normally be prepared first for "major pipeline construction projects under section 7 of the NGA using right-of-way in which there is no existing natural gas pipeline." The regulations continue on under 18 CFR 380.6(b) to state that "If the Commission believes that a proposed action... may not be a major federal action significantly affecting the quality of the human environment, an environmental assessment, rather than an environmental impact statement, will be prepared first. Depending on the outcome of the environmental assessment, an environmental impact statement may or may not be prepared." In preparing this EA, we are fulfilling our obligation under NEPA to consider and disclose the

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<sup>2</sup> Using the "eLibrary" link, select "General Search" from the eLibrary menu and enter the docket number excluding the last three digits in the "Docket Number" field (i.e. CP11-515). Select an appropriate date range.

environmental impacts of the proposed project. As stated in section D, the EA supports a finding of no significant impact; therefore, an EIS is not required for this project.

## 5. PERMITS, APPROVALS, AND REGULATORY REQUIREMENTS

Millennium would obtain all necessary permits, licenses, clearances, and approvals related to construction and operation of the Minisink Compressor Project. Millennium would provide all relevant permits and approvals to the contractor, who would be required to adhere to applicable requirements. Table 1 displays the major anticipated federal and state permits for Millennium’s project as well as any responses that have been received to date.

<b>Table 1: Permits and Approvals for Millennium’s Minisink Compressor Project</b>		
<b>Administrating Agency</b>	<b>Permit/Approval/Review</b>	<b>Status</b>
Federal		
FERC	Certificate of Public Convenience and Necessity	Pending
U.S. Army Corps of Engineers - New York District	Clean Water Act, 33 U.S.C. 1251 et seq., Section 404	Application submitted in 3rd quarter 2011.
U.S. Fish & Wildlife Service - Endangered Species Unit, New York Field Office	Endangered Species Act of 1973, 16 U.S.C. 1531 et seq., Section 7, Interagency Cooperation	Initial consultation submitted on 4-27-11. Response dated 6-20-11. Consultation ongoing.
New York		
New York State Department of Environmental Conservation (NYSDEC) Region 3	Air Pollution Control Act of Jan. 8, 1960, (P.L. 2119), as amended. Clean Air Act, 40 U.S.C. 1857 et seq.	Application submitted in 3rd quarter 2011.
NYSDEC Region 3	State Pollutant Discharge Elimination System Water Pollution Control Article 17 Title 8 Environmental Conservation Law Implementing Regulations - 6NYCRR Part 750 – General Permit and Notice of Intent	Application submitted in 3rd quarter 2011.
NYSDEC – Division of Fish, Wildlife and Marine Resources, New York Natural Heritage Program	NYS Environmental Conservation Law Section 11-0539	Initial consultation submitted on 4-27-11. Response dated 5-11-11.
New York State Historic Preservation Office	Section 106 of the National Historic Preservation Act	Phase 1 Cultural Resource Report submitted 6-14-11. Consultation ongoing.

## 6. CONSTRUCTION, OPERATION, AND MAINTENANCE PROCEDURES

Millennium would construct, operate, and maintain the proposed project in compliance with all applicable federal and state permit requirements, regulations, and environmental guidelines. The key relevant federal regulations are those of the U.S. Department of Transportation (DOT) under 49 CFR 192 - *Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards*. These regulations ensure adequate protection for the public and prevent natural gas facility accidents and failures. In addition, Millennium must comply with our regulations in 18 CFR 380.15, *Siting and Maintenance Requirements*.

Millennium would implement all the measures outlined in FERC's *Upland Erosion Control, Revegetation, and Maintenance Plan* (Plan) and *Wetland and Waterbody Construction and Mitigation Procedures*<sup>3</sup> for construction and operation of the project. During construction, Millennium would implement its Spill Prevention Control and Containment Plan (SPCC Plan) to ensure proper handling of lubricants, fuel, or other potentially toxic materials and prevent spills. We find Millennium's SPCC Plan acceptable.

During construction, Millennium would clear and grade the site for the aboveground facilities. Erosion control devices would be installed as needed to prevent erosion and offsite impacts in accordance with our Plan, and applicable state permit requirements. Access to the aboveground facilities would be provided by a new access road. After construction, all temporary workspace would be revegetated in accordance with our Plan. In addition, fencing would be placed around the aboveground facilities for security purposes.

Millennium would use at least one full-time environmental inspector (EI) during construction of the project. The EI would be on site during project construction activities to ensure Millennium's compliance with the measure contained in our Plan and Procedures. The EI's responsibilities include:

- assess and evaluate any construction related activity to confirm compliance to the environmental conditions of local, state or federal agency permits or certificates;
- observe and report on the day-to-day activities of the construction contractors that relate to or may affect a condition of an environmental permit or certificate. The EI would have stop-work authority during all phases of construction; and
- monitor and report on those activities designated within the environmental scope of work in the construction contracts, including erosion control, revegetation, wetland signage, environmental permit compliance, threatened and endangered species protection, and restoration.

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<sup>3</sup> Our Plan and Procedures may be accessed on the FERC's Website (<http://www.ferc.gov/industries/gas/enviro/guidelines.asp>) or copies may be obtained through the Commission's Office of External Affairs by calling 866-208-3372.

Millennium would conduct environmental training sessions in advance of construction to ensure that all individuals working on the project are familiar with the environmental mitigation measures appropriate to their jobs and the EI's authority.

## **7. LAND REQUIREMENTS**

Construction of Millennium's Minisink Compressor Project would disturb a total of about 10.6 acres of land within a 73.4-acre parcel of land to be owned by Millennium. This acreage includes disturbance from the suction and discharge pipelines required to interconnect the station with Millennium's mainline. Approximately 4.5 acres of land would be permanently affected by operation of the proposed facility including the pipeline interconnection. Following construction, Millennium would restore and revegetate the disturbed areas not required for operational purposes. In addition, Millennium stated that it would consider entering approximately 42.5 acres of the 73.4-acre parcel of land into a conservation easement.

## **8. FUTURE PLANS**

Millennium has not identified any plans for future expansion of the proposed facility and there is nothing in the record to suggest any such plans by Millennium. If Millennium proposes to expand the station in the future, it would need to file a new application with the Commission and it would be evaluated on its own merits.

During the scoping process we received numerous comments about Millennium's stated intention to make additional modifications to its system, including an additional compressor station upstream of the proposed Minisink Compressor Station. Millennium has acknowledged the need for a second compressor station which it anticipates placing in-service in November 2013. However, the planned location of that compressor station has not yet been determined and Millennium has not filed an application for such a project with the FERC. If and when an application or a request to start the pre-filing process is filed, the Commission will complete its review of the project on its own merits. However, the potential for this project to result in cumulative environmental impacts is addressed in Section B.9 of the EA.

As stated above, any future expansion by Millennium or other natural gas companies would require a separate review and approval from the Commission, as well as the appropriate authorizations/permits from applicable state and federal agencies.



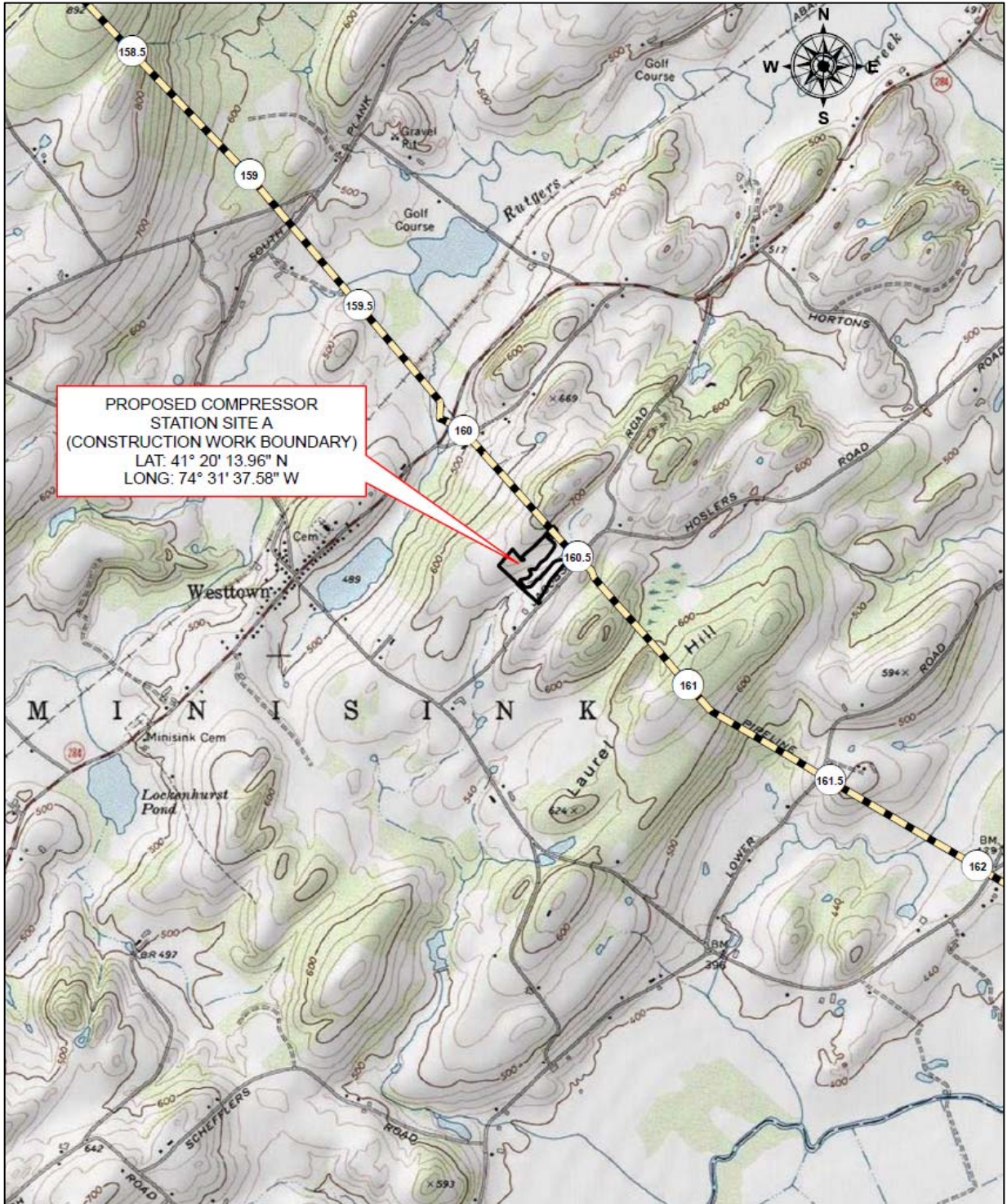


Figure 1: General location map for the Minsink Compressor Project

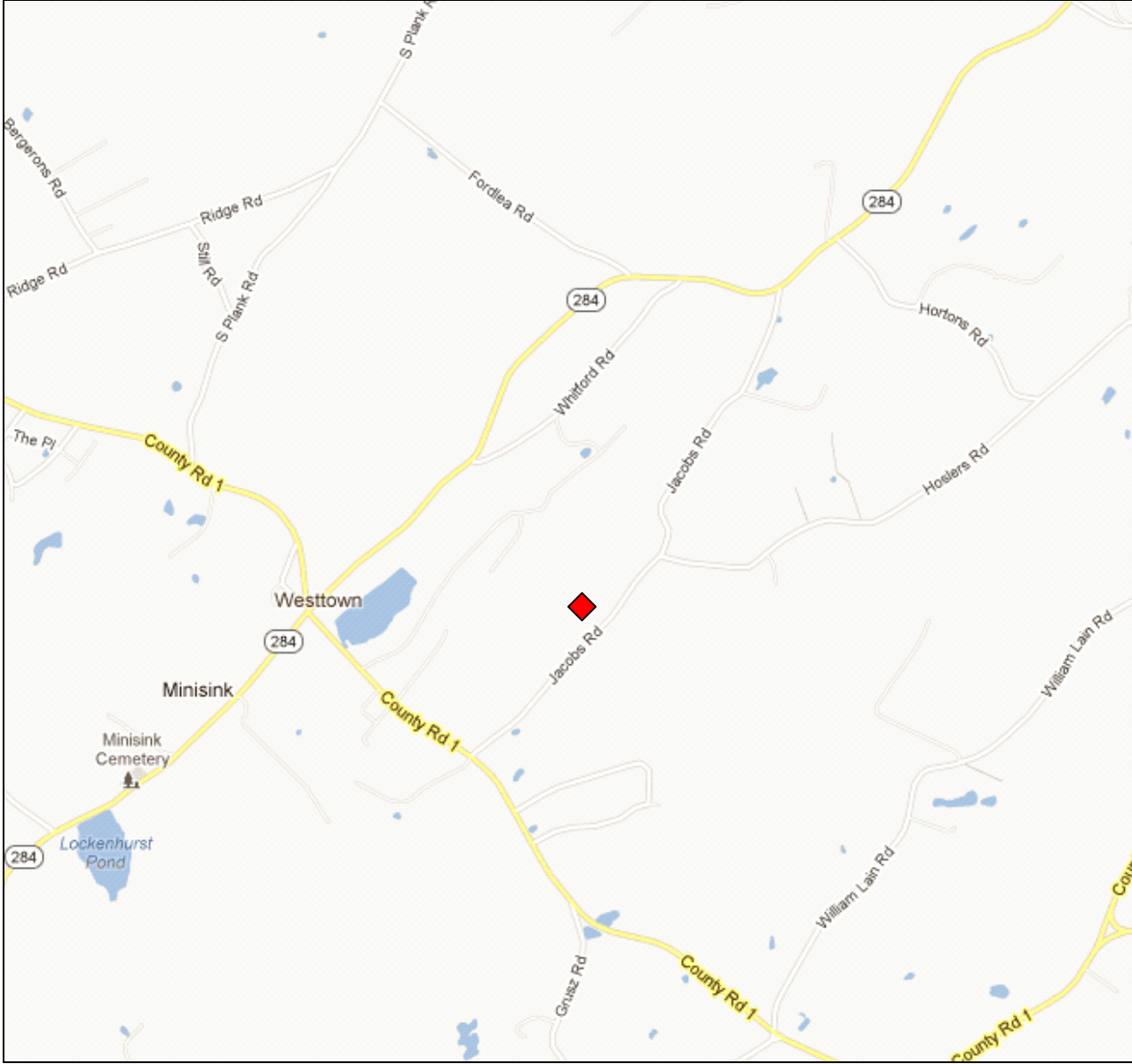


Figure 2: Road map showing the proposed compressor station site