

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Texas Eastern Transmission, LP
Algonquin Gas Transmission, LLC

Docket No. PF10-17-000

NOTICE OF INTENT TO PREPARE AN
ENVIRONMENTAL IMPACT STATEMENT FOR THE PLANNED
NEW JERSEY - NEW YORK EXPANSION PROJECT,
REQUEST FOR COMMENTS ON ENVIRONMENTAL ISSUES,
AND NOTICE OF PUBLIC SCOPING MEETINGS

(July 16, 2010)

The staff of the Federal Energy Regulatory Commission (FERC or Commission) will prepare an environmental impact statement (EIS) that will address the environmental impacts of the New Jersey - New York Expansion Project (NJ-NY Expansion Project or Project) involving construction and operation of facilities by Spectra Energy Corporation (Spectra Energy) natural gas pipeline companies; Texas Eastern Transmission, LP (Texas Eastern) and Algonquin Gas Transmission, LLC (Algonquin) (collectively, the Applicants); in the Boroughs of Staten Island and Manhattan, New York; Hudson, Union, Bergen, and Morris Counties, New Jersey; and Middlesex County, Connecticut. This EIS will be used by the Commission in its decision-making process to determine whether the project is in the public convenience and necessity.

This notice announces the opening of the scoping process that the Commission will use to gather input from the public and interested agencies on the project. Your input will help the Commission staff determine what issues need to be evaluated in the EIS. Please note that the **scoping period will close on August 20, 2010.**

This notice is being sent to the Commission's current environmental mailing list for this project. State and local government representatives are asked to notify their constituents of this planned project and encourage them to comment on their areas of concern.

Comments may be submitted in written form or verbally. Further details on how to submit written comments are provided in the Public Participation section of this notice. In lieu of or in addition to sending written comments, we¹ invite you to attend the public scoping meetings scheduled as follows:

¹ "We", "us", and "our" refer to the environmental staff of the Office of Energy Projects (OEP).

Date and Time	Location
August 2, 2010 7:00 pm EDT	Knights of Columbus Hall 669 Avenue C Bayonne, New Jersey 07002
August 3, 2010 7:00 pm EDT	PS 44 – Thomas C. Brown School Auditorium 80 Maple Parkway Staten Island, New York 10303
August 4, 2010 7:00 pm EDT	James J. Ferris High School Auditorium 35 Colgate Street Jersey City, New Jersey 07302
August 5, 2010 7:00 pm EDT	Westbeth Artists Housing Community Room 55 Bethune Street New York, New York 10014

The public meetings are designed to provide you with more detailed information and another opportunity to offer your comments on the proposed project. Texas Eastern and Algonquin representatives will be present **one hour before** each meeting to describe their proposal, present maps, and answer questions. Interested groups and individuals are encouraged to attend the meetings and to present comments on the issues they believe should be addressed in the EIS. A transcript of each meeting will be made so that your comments will be accurately recorded.

If you are a landowner receiving this notice, you may be contacted by a pipeline company representative about the acquisition of an easement to construct, operate, and maintain the planned facilities. The pipeline company would seek to negotiate a mutually acceptable agreement. However, if the Project is approved by the Commission, that approval conveys with it the right of eminent domain. Therefore, if easement negotiations fail to produce an agreement, the pipeline company could initiate condemnation proceedings where compensation would be determined in accordance with state law.

A fact sheet prepared by the FERC entitled “An Interstate Natural Gas Facility on My Land? What Do I Need To Know?” is available for viewing on the FERC website (www.ferc.gov). This fact sheet addresses a number of typically-asked questions, including the use of eminent domain and how to participate in the Commission’s proceedings.

Summary of the Proposed Project

Texas Eastern and Algonquin have announced their plans to construct and operate approximately 20.0 miles of new 42-inch-diameter and 30-inch-diameter pipeline and associated pipeline facilities, and abandon 2.2 miles of 12-inch-diameter pipeline in New Jersey, New York, and Connecticut. The NJ-NY Expansion Project would provide about 800 thousand dekatherms per day (Mdt/d) of natural gas from multiple receipt points on the Texas Eastern and Algonquin pipeline systems to new delivery points in New Jersey and New York. The Applicants have indicated that the project would eliminate capacity constraints in the region, increase competition, and reduce gas price volatility.

The NJ-NY Expansion Project would consist of the following:

- replacement of approximately 4.5 miles of existing 12-inch-diameter and 20-inch-diameter pipelines with a single 42-inch-diameter pipeline between Texas Eastern's existing Linden Compressor Station in Linden, New Jersey and an existing metering and regulating (M&R) station in the Borough of Staten Island, New York;
- construction of approximately 15.5 miles of new 30-inch-diameter pipeline from Texas Eastern's existing metering and regulating station in the Borough of Staten Island, New York, through Bayonne and Jersey City, New Jersey, to the Borough of Manhattan, New York;
- abandon in-place approximately 1.3 miles of 12-inch-diameter pipeline in Linden, New Jersey and 0.9 miles of 12-inch-diameter pipeline in the Borough of Staten Island, New York;
- installation of six new M&R stations including:
 - Hanover M&R Stations – two new M&R stations, including pressure regulation, at the existing Hanover Compressor Station in Morris County, New Jersey;
 - Bayonne M&R Station – a new M&R station, including a heater and pressure regulation, in Hudson County, New Jersey;
 - Jersey City M&R Station – a new M&R station, including heaters and pressure regulation, in Hudson County, New Jersey;
 - Mahwah M&R Station – a new M&R station, including a heater and pressure regulation, within the property lines of an existing M&R station in Bergen County, New Jersey; and

- Ramapo M&R Station – a new M&R station, including a heater and pressure regulation, adjacent to an existing M&R station in Rockland County, New York.
- modifications to three existing compressor stations and two existing M&R stations including:
 - Hanover Compressor Station – installation of reverse suction and discharge lines and modification of the existing Solar Taurus 60 compressor unit in Morris County, New Jersey;
 - Cromwell and Hanover Compressor Stations – modification of piping to accommodate bi-directional flows in Middlesex County, Connecticut and Morris County, New Jersey, respectively; and
 - Texas Eastern M&R Stations – installation of tap valves and over-pressure protection at existing M&R stations in Union County, New Jersey and the Borough of Staten Island, New York.
- installation of pig² launcher and receiver facilities at the existing Linden Compressor Station in Linden, New Jersey and an existing M&R station in the Borough of Staten Island, New York; installation of a pig launcher in Jersey City, New Jersey; mainline valves in Bayonne and Jersey City, New Jersey; and a block valve and flange in an underground vault in the Borough of Manhattan, New York to accommodate a receiver.

The general location of the project facilities is shown in Appendix 1.³

Land Requirements for Construction

The Applicants are still in the planning phase for the NJ-NY Expansion Project, and workspace requirements have not been finalized. However, construction would disturb approximately 268 acres of land for the aboveground facilities and the pipeline. Following construction, about 108 acres would be used for permanent operation of the project's facilities. The remaining acreage would be restored and allowed to revert to former uses. Approximately 63.5% of the planned route is located within or adjacent to Texas Eastern's existing rights-of-way and/or existing roadway, railway, or other utility rights-of-way.

² A pig is a tool that can be used to clean and dry a pipeline and/or to inspect it for damage or corrosion.

³ The appendices referenced in this notice are not being printed in the Federal Register. Copies of appendices were sent to all those receiving this notice in the mail and are available at www.ferc.gov using the link called "eLibrary" or from the Commission's Public Reference Room, 888 First Street, NE, Washington, DC 20426, or call (202) 502-8371. For instructions on connecting to eLibrary, refer to the last page of this notice.

The EIS Process

The National Environmental Policy Act (NEPA) requires the Commission to take into account the environmental impacts that could result from an action whenever it considers the issuance of a Certificate of Public Convenience and Necessity. NEPA also requires us to discover and address concerns the public may have about proposals. This process is referred to as scoping. The main goal of the scoping process is to focus the analysis in the EIS on the important environmental issues. By this notice, the Commission requests public comments on the scope of the issues to address in the EIS. All comments received will be considered during the preparation of the EIS.

In the EIS we will discuss impacts that could occur as a result of the construction and operation of the planned project under these general headings:

- geology and soils;
- land use;
- water resources, fisheries, and wetlands;
- vegetation and wildlife
- endangered and threatened species;
- cultural resources;
- air quality and noise;
- socioeconomics; and
- public safety.

We will also evaluate reasonable alternatives to the planned project or portions of the project, and make recommendations on how to lessen or avoid impacts on the various resource areas.

Although no formal application has been filed, we have already initiated our NEPA review under the Commission's Pre-filing process. The purpose of the Pre-filing process is to encourage early involvement of interested stakeholders and to identify and resolve issues before an application is filed with the FERC. As part of our Pre-filing review, we have begun to contact some federal and state agencies to discuss their involvement in the scoping process and the preparation of the EIS. In addition, representatives from the FERC participated in public Open House meetings sponsored by the Applicants in the project area in June 2010, to explain the environmental review process to interested stakeholders.

Our independent analysis of the issues will be presented in the EIS. The EIS will be published and distributed for public comment. We will consider all timely comments and revise the document, as necessary, before issuing a final EIS. To ensure your

comments are considered, please carefully follow the instructions in the Public Participation section of this notice.

With this notice, we are asking agencies with jurisdiction and/or special expertise with respect to environmental issues to formally cooperate with us in the preparation of the EIS. These agencies may choose to participate once they have evaluated the proposal relative to their responsibilities. Agencies that would like to request cooperating agency status should follow the instructions for filing comments provided under the Public Participation section of this notice. Currently, the Environmental Protection Agency and the New York City Mayor's Office have expressed their intention to participate as cooperating agencies in the preparation of the EIS to satisfy their NEPA responsibilities related to this project.

Consultations Under Section 106 of the National Historic Preservation Act

In accordance with the Advisory Council on Historic Preservation's implementing regulations, we are using this notice to solicit the views of the public on the project's potential effects on historic properties.⁴ We will document our findings on the impacts on cultural resources and summarize the status of consultations under section 106 of the National Historic Preservation Act in our EIS.

Currently Identified Environmental Issues

We have already identified several issues and alternatives that we think deserve attention based on a preliminary review of the proposed facilities, comments made to us at the Applicant's open houses, preliminary consultations with other agencies, and the environmental information provided by the Applicants. This preliminary list of issues and alternatives may be changed based on your comments and our analysis:

- contaminated soils and sediments;
- evaluation of temporary and permanent impacts on wetlands, restoration of wetlands, and development of appropriate wetland mitigation options;
- assessment of locations for HDD crossings of major waterbodies, including the Arthur Kill, Kill Van Kull, and the Hudson River;
- effect on tidal systems and essential fish habitat;
- potential effect on federal and state-listed sensitive species;
- impacts on residential areas;
- impacts on publically-owned lands and compatibility of uses;

⁴ The Advisory Council on Historic Preservation's regulations are at Title 36, Code of Federal Regulations, Part 800. Historic properties are defined in those regulations as any prehistoric or historic district, site, building, structure, or object included in or eligible for inclusion in the National Register for Historic Places.

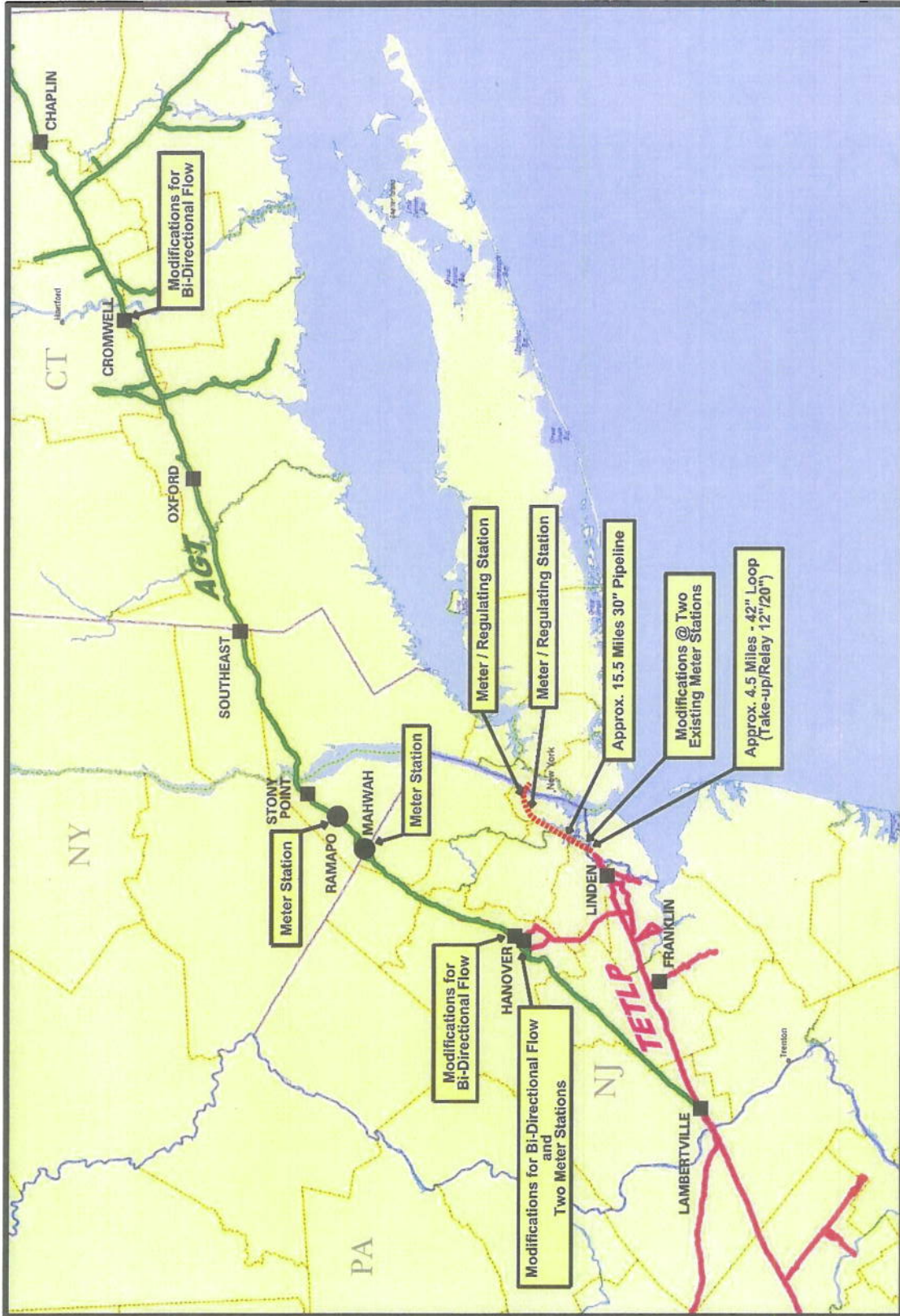
- visual impacts;
- effects on transportation and traffic;
- Environmental Justice concerns;
- effects on the local air quality and noise environment from construction and operation of the proposed facilities;
- potential impacts of multiple large projects on-going during the same construction timeframe;
- assessment of hazards associated with natural gas pipelines located in heavily populated areas; and
- assessment of the no action alternative, existing systems and alternative system configurations, and alternative routes or aboveground facility sites to reduce or avoid environmental impacts.

Public Participation

You can make a difference by providing us with your specific comments or concerns about the project. Your comments should focus on the potential environmental effects, reasonable alternatives, and measures to avoid or lessen environmental impact. The more specific your comments, the more useful they will be. To ensure that your comments are timely and properly recorded, please send your comments so that they will be received in Washington, DC on or before **August 20, 2010**.

For your convenience, there are three methods you can use to submit your comments to the Commission. In all instances, please reference the project docket number (PF10-17-000) with your submission. The Commission encourages electronic filing of comments and has expert eFiling staff available to assist you at (202) 502-8258 or efiling@ferc.gov.

- 1) You may file your comments electronically by using the Quick Comment feature, which is located at www.ferc.gov under the link called "Documents and Filings." A Quick Comment is an easy method for interested persons to submit text-only comments on a project;
- 2) You may file your comments electronically by using the "eFiling" feature, that is listed under the "Documents and Filings" link. eFiling involves preparing your submission in the same manner as you would if filing on paper, and then saving the file on your computer's hard drive. You will attach that file to your submission. New eFiling users must first create an account by clicking on the link called "Sign up" or "eRegister." You will be asked to select the type of filing you are making. A comment on a particular project is considered a "Comment on a Filing;" or



PROPOSED NJ - NY EXPANSION PROJECT FACILITIES OVERVIEW MAP



Texas Eastern Transmission, LP
5400 Westheimer Ct. Houston, TX 77056-5310 713 / 627-5488

MAILING LIST FORM
(Docket No. PF10-17-000)

- Please **correct** my name/address on the environmental mailing list for the New Jersey - New York Expansion Project.

Name

Affiliation (if applicable)

Address

Address (cont'd)

City

State

Zip Code

- Please **remove** my name from the environmental mailing list for the New Jersey - New York Expansion Project.

- Please **send** me a paper copy of the environmental document **INSTEAD** of an **electronic** copy.

(fold on line)

(Staple or Tape Here)

From: _____

**ATTN: OEP, Gas 3, PJ-11.3
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426**

(Docket No. PF10-17-000, New Jersey - New York Expansion Project)

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