

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Palomar Gas Transmission, LLC

Docket No. CP09-035-000

SUPPLEMENTAL NOTICE REQUESTING COMMENTS ON THE MAUPIN BRIDGE AND
WARMSRING RESERVATION ALTERNATIVES AND ON A POTENTIAL
AMENDMENT TO THE LAND AND RESOURCE MANAGEMENT PLAN FOR THE
CROOKED RIVER NATIONAL GRASSLAND FOR THE PROPOSED **PALOMAR GAS
TRANSMISSION PROJECT**, AND NOTICE OF PUBLIC SCOPING MEETINGS

(June 10, 2009)

As previously noticed on October 29, 2007 and July 18, 2008, the staff of the Federal Energy Regulatory Commission (FERC or Commission) is preparing an environmental impact statement (EIS) that will discuss the environmental impacts of the Palomar Gas Transmission Project that could result from the construction and operation of a new underground natural gas pipeline proposed by the Palomar Gas Transmission, LLC (Palomar). This notice explains the additional scoping process that will be used to gather input from the public and interested agencies on two route alternatives to be evaluated for crossing the Deschutes River.

During our evaluation of Palomar's proposed Project, the Bureau of Land Management (BLM) requested that Palomar provide a Visual Resource Management Analysis of the current proposed Deschutes River crossing, a Congressionally designated Wild and Scenic River with one of its Outstanding Remarkable Values being scenic. Based on Palomar's analysis, the BLM has indicated the need for FERC to consider alternatives which avoid crossing the Deschutes River in a visually sensitive area. In addition, the Confederated Tribes of the Warm Springs have requested that the FERC consider a pipeline route that crosses their reservation.

This Supplemental Notice announces the opening of a limited scoping period the Commission will use to gather input from the public and interested agencies, specifically for the two proposed route alternatives. One would traverse land in the City of Maupin and the second would cross areas near Madras and the land belonging to the Confederated Tribes of the Warm Springs areas. With this Notice, we¹ are specifically requesting comments on these route alternatives, referred to as the Maupin Bridge Alternative and the Warm Springs Reservation Alternative. Your input will help determine which issues need to be evaluated in the EIS. **Please note that this scoping period will close on July 13, 2009.** This is not your only public input opportunity; please refer to the Environmental Review Process flow chart in Appendix 1.

Comments may be submitted in written form or verbally. Further instructions on how to submit comments and additional details of the public scoping meetings are provided in the public participation section of this notice. In lieu of, or in addition to, sending written comments, you are invited to attend public scoping meetings that have been scheduled **for June 29, 2009 in Maupin, Oregon, and June 30, 2009 in Madras, Oregon.** Details on the meetings are as follows:

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

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Monday, June 29, 2009 at 7 PM (PST)
South Wasco County High School
699 4th Street
Maupin, Oregon

Tuesday, June 30, 2009 at 7 PM (PST)
Madras High School
390 SE 10th Street
Madras, Oregon

The FERC is the lead federal agency in the preparation of the EIS, and is preparing the EIS to satisfy the requirements of the National Environmental Policy Act (NEPA). The Commission will use the EIS in its decision-making processes to determine whether or not to authorize the Project.

This Notice is being sent to landowners affected by the current proposed route and alternative routes; federal, state, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; other interested parties; and local libraries and newspapers. We encourage government representatives to notify their constituents of this planned Project and encourage them to comment on their areas of concern.

If you are a landowner receiving this Notice, you may be contacted by a Palomar representative about the acquisition of an easement to construct, operate, and maintain the proposed Project facilities. Depending on the alternative selected as the certificated route, Palomar would seek to negotiate a mutually acceptable agreement. However, if the Project is approved by the FERC, 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 in accordance with state law.

A number of fact sheets prepared by the FERC, including *An Interstate Natural Gas Facility On My Land? What Do I Need To Know?* and *Guide to Electronic Information at FERC*, are available for viewing on the FERC Internet website (www.ferc.gov), using the "For Citizens" link. These fact sheets address a number of typically asked questions, including how to participate in the Commission's proceedings and how to access information on FERC-regulated projects in your area.

Involvement of Other Agencies

The U.S. Department of Agriculture, Forest Service, the BLM, the U.S. Fish and Wildlife Service, and the U.S. Army Corps of Engineers have agreed to participate as cooperating agencies in the preparation of the EIS to satisfy their respective NEPA responsibilities. In addition, the BLM is coordinating with other Deschutes River management partners as required by Congress in the Wild and Scenic Rivers Act, including the Confederated Tribes of the Warm Springs and the State of Oregon.

Summary of the Proposed Project

Palomar has announced its proposal to construct and operate a new natural gas pipeline and associated structures with a bi-directional flow capacity of 1.4 billion cubic feet per day. The Project would be located in northwest Oregon and consist of a 216.9-mile-long, 36-inch-diameter pipeline running from near Shaniko, Wasco County, Oregon to the proposed Bradwood Landing Terminal in Clatsop County, Oregon. The pipeline would cross Wasco, Clackamas, Marion, Yamhill, Washington, Columbia, and Clatsop Counties in Oregon. The pipeline would connect the existing Gas Transmission Northwest Corporation (GTN) mainline pipeline system in central Oregon to the Northwest Natural Gas Company (NW Natural) distribution system near Molalla in Clackamas County. The pipeline is also proposed to extend to other potential interconnections with NW Natural's system and to an interconnection with NorthernStar Energy LLC's proposed Bradwood Landing pipeline in Clatsop County, Oregon. The proposed Project would also include a 3.8-mile-long, 24-inch-diameter lateral pipeline² near Molalla, Clackamas County, Oregon, to connect the Palomar Project mainline to an existing NW Natural city gate. Certain associated aboveground facilities are also proposed, i.e., mainline valves spaced at intervals along the pipeline as defined by U.S. Department of Transportation regulations per the Code of Federal Regulations (CFR) 49 Part 192, at least three meter stations, and pig launcher and receiver facilities.

More specifically, Palomar proposes the following primary Project components:

- a 216.9-mile-long, 36-inch-diameter underground natural gas mainline consisting of two segments:
 - The Cascades Segment: a 111.2-miles of mainline from TransCanada's GTN pipeline system northwest of Madras in Wasco County to a location southwest of Molalla in Clackamas County; and a 3.8-mile, 36-inch diameter accessory lateral pipeline, the Molalla Lateral, which would connect the main pipeline to NW Natural's distribution system
 - The Willamette Segment: a 105.7-mile segment commencing at the Molalla Lateral interconnect and terminating at the proposed connection to the proposed Bradwood Landing Terminal in Clatsop County; there is potential for additional interconnections with NW Natural along this route;
- one meter station, seven mainline valves, and one pig launcher/receiver on the Cascade Segment; one pig launcher/receiver and two mainline valves on the Molalla Lateral; and one meter station, seven mainline valves, and one pig launcher/receiver on the Willamette Section;
- temporary pipe storage and contractor yards at various locations along the pipeline for office trailers, parking, and pipe and equipment storage during construction; and
- temporary construction roadways and short permanent roads from existing roads to meter station sites and other aboveground facilities.

Palomar is evaluating an alternative pipeline route that would include an overhead crossing of the Deschutes River adjacent to the highway bridge in the City of Maupin, referred to

² A lateral pipeline typically takes gas from the main system to deliver it to a customer, local distribution system, or another interstate transmission system.

as the Maupin Bridge Alternative. This alternative is approximately 23 miles long, or 1.3 miles shorter than the corresponding segment of the current proposed route, and would begin at a point on the GTN pipeline that is approximately 13 miles southwest of the current starting point near Shaniko Junction. The Maupin Bridge Alternative would be co-located with Highway 197 for approximately 17.2 miles. No compressor stations would be required for this alternative.

Palomar is also evaluating an alternative pipeline route that would be built across the Warm Springs Reservation, referred to as the Warm Springs Reservation Alternative. This alternative is approximately 60.9 miles long, or 9 miles shorter than the corresponding current proposed route segment, and would begin at an existing meter station on the GTN pipeline near the City of Madras, Oregon, approximately 20 miles southwest of the current starting point near Shaniko Junction. The Warm Springs Reservation Alternative would be co-located with existing BPA powerlines for approximately 11.2 miles. A compressor station would be required if this alternative is selected.

A map depicting the proposed Palomar pipeline is attached to this Notice as Appendix 2. A map depicting the two alternative segments and the corresponding current proposed route segment is attached as Appendix 3.³

The EIS Process

NEPA requires the Commission to take into account the environmental impacts that could result 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 scoping is to focus the analysis in the EIS on the important environmental issues. With this Supplemental Notice, the Commission staff is requesting public comments on the scope of the issues to be addressed in the EIS, and specifically for comments on the Maupin Bridge Alternative and Warm Springs Reservation Alternative. All comments received will be considered during preparation of the EIS.

In the EIS we will discuss impacts that could occur as a result of the construction, operation, and maintenance of the proposed Project under these general headings:

- Geology and Soils
- Water resources
- Aquatic resources
- Vegetation and Wildlife
- Threatened and Endangered Species
- Land use, Recreation, and Visual resources
- Cultural resources
- Socioeconomics
- Air Quality and Noise

³ The appendices referenced in this notice are not being printed in the Federal Register. Copies can be obtained from the Commission’s website (excluding maps) at the “eLibrary” link, from the Commission’s Public Reference Room, or by calling (202) 502-8371. For instructions on connecting to eLibrary, refer to the end of this notice. Copies of the appendices were sent to all those receiving this notice in the mail.

- Reliability and Safety
- Cumulative Impacts

In the EIS, we will also evaluate possible alternatives to the proposed Project or portions of the Project (including the Maupin Bridge Alternative and the Warm Springs Reservation Alternative), and make recommendations on how to lessen or avoid impacts on affected resources.

The draft EIS will analyze and disclose the environmental effects of the proposed pipeline route and alternatives.. The draft EIS will be mailed to those on our environmental mailing list (see discussion of how to remain on our mailing list on page 7. Typically the draft EIS is issued for a 45-day comment period; however, due to the Forest Service and BLM Plan Amendments, a 90 day comment period will be allotted for review of the draft EIS. We will consider all timely comments on the draft EIS and revise the document, as necessary, before issuing a final EIS. To ensure that your comments are considered, please follow the instructions in the Public Participation section of this Notice.

Forest Service Plan Amendments

The EIS will examine the proposed action and alternatives that require administrative or other actions by other federal agencies. The U.S. Department of Agriculture Forest Service has identified the possible need to amend the existing Land and Resource Management Plan for the Crooked River National Grassland. The Northern variation of the Warm Springs Reservation Alternative (see Appendix 3) is not within a designated utility corridor. If this route were selected, an amendment designating this route across the National Grassland as a utility corridor in the management plan may be necessary. The Southern variation of the Warm Springs Reservation Alternative (see Appendix 3) follows an existing designated utility corridor in the management plan and amendments may not be necessary if this route were selected.

Public Participation

You can make a difference by providing us with your specific comments or concerns about the Maupin Bridge Alternative and Warm Springs Reservation Alternative. Your comments should focus on the potential environmental effects, reasonable alternatives, and measures to avoid or lessen the environmental impact of the Maupin Bridge Alternative and Warm Springs Reservation Alternative. The more specific your comments, the more useful they will be. To ensure that your comments are timely and properly recorded, please send in your comments so that they will be received in Washington DC on or before **July 13, 2009**.

For your convenience, there are three methods you can use to submit your comments to the Commission. In all instances, please reference Project Docket No. CP09-035-000 with your submission. The docket number can be found on the front of this notice. The Commission encourages electronic filing of comments and has dedicated eFiling expert 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 on the Commission's internet website at <http://www.ferc.gov>

- under the link to [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, which is located on the Commission's internet website at <http://www.ferc.gov> under the link to [Documents and Filings](#). 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 as your submission. New eFiling users must first create an account by clicking on "[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
 3. You may file your comments via mail to the Commission by sending an original and two copies of your letter to:

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First St. NE; Room 1A
Washington, DC 20426;

- Label one copy of your comments for the attention of OEP/DG2E/Gas Branch, PJ-11.2.
- Reference **Docket No. CP09-035-000** on the original and both copies.

The public scoping meetings (dates, times, and locations listed above) are designed to provide another opportunity to offer comments on the proposed project. Interested groups and individuals are encouraged to attend the meetings and to present comments on the environmental issues that they believe should be addressed in the EIS. A transcript of the meetings will be generated so that your comments can be accurately recorded.

Becoming an Intervenor

In addition to involvement in the EIS scoping process, you may want to become an official party to the proceeding known as an "intervenor." Intervenor's play a more formal role in the process. Among other things, intervenor's have the right to receive copies of case-related Commission documents and filings by other intervenor's. Likewise, each intervenor must send one electronic copy (using the Commission's eFiling system) or 14 paper copies of its filings to the Secretary of the Commission and must send a copy of its filings to all other parties on the Commission's service list for this proceeding.

If you want to become an intervenor you must file a motion to intervene according to Rule 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.214). Only intervenor's have the right to seek rehearing of the Commission's decision. Further instructions for becoming an intervenor are included in the User's Guide under the "e-filing" link on the Commission's website (<http://www.ferc.gov>).

The Notice of Application for this proposed project issued on December 29, 2008 identified the date for the filing of interventions as **January 30, 2009**. However, affected landowners and parties with environmental concerns **may be granted late intervenor status** upon showing good cause by stating that they have a clear and direct interest in this proceeding which would not be adequately represented by any other parties. **You do not need intervenor status to have your environmental comments considered.**

Environmental Mailing List

Everyone who provides comments on this Supplemental Notice will be retained on the mailing list. If you do not want to send comments at this time but still want to stay informed and receive copies of the draft and final EISs, you must return the Mailing List Retention Form (Appendix 4). Also, indicate on the form your preference for receiving a paper version of the EIS in lieu of an electronic version of the EIS on CD-ROM. If you have previously submitted comments or returned a Mailing List Retention Form you are already on our mailing list and do not need to resubmit comments or a Mailing List Retention Form.

Additional Information

Additional information about the Project is available from the Commission's Office of External Affairs at **1-866-208 FERC (3372)** or on the FERC Internet website (<http://www.ferc.gov>) using the "eLibrary" link. Click on the eLibrary link, click on "General Search," and enter the docket number excluding the last three digits in the Docket Number field (i.e., CP09-35). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FercOnlineSupport@ferc.gov or toll free at 1-866-208-3676, or for TTY, contact (202) 502-8659. The eLibrary link on the FERC Internet website also provides access to the texts of formal documents issued by the Commission, such as Orders, notices, and rule makings.

In addition, the FERC now offers a free service called eSubscription that allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. To register for this service, go to <http://www.ferc.gov/esubscribenow.htm>.

Public meetings or site visits will be posted on the Commission's calendar located at <http://www.ferc.gov/EventCalendar/EventsList.aspx> along with other related information.

Finally, Palomar has established a website for this Project at <http://www.palomargas.com/project.html>. The website includes a Project overview, timeline, safety and environmental information, and answers to frequently asked questions. You can also request additional information by emailing Palomar directly at info@palomargas.com or writing to:

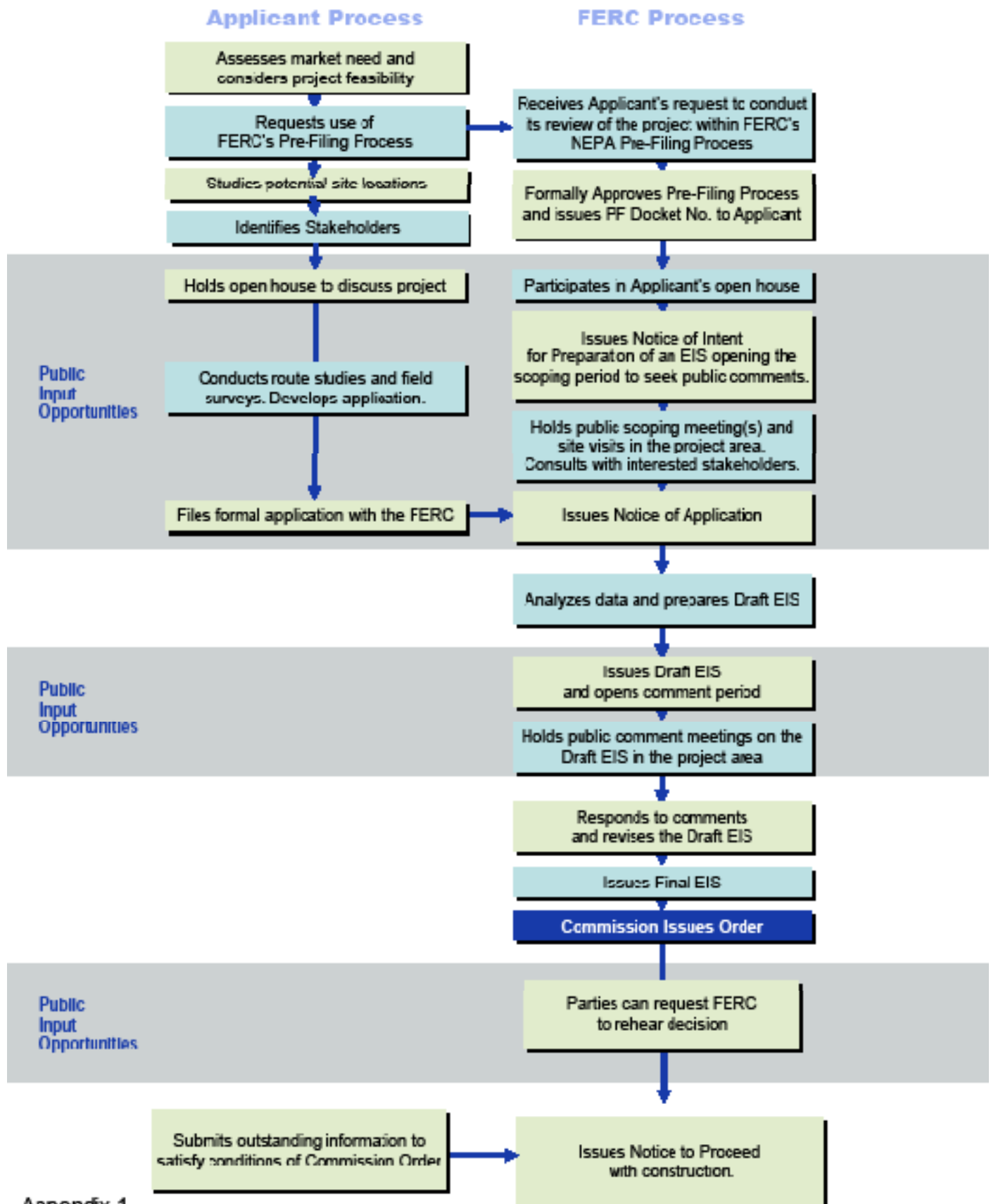
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Palomar Gas Transmission
1400 SW Fifth Avenue, Suite 900
Portland, Oregon 97225.

Kimberly D. Bose,
Secretary.

EIS Environmental Review Process





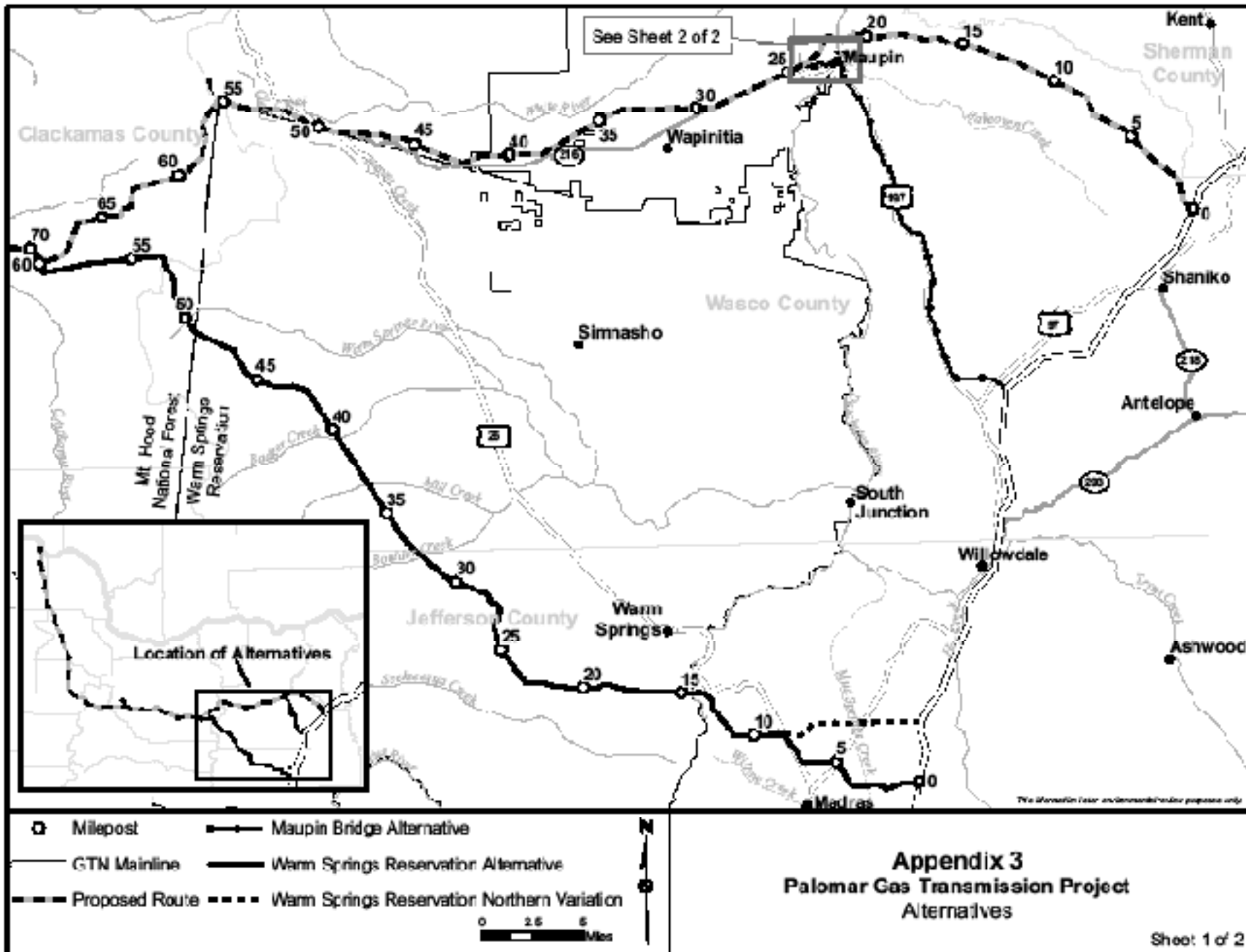
- ★ Molalla Interconnect to NW Natural System
- Palomar Route
- Existing GTN System



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Appendix 2 - Overview Map Palomar Gas Transmission Project



Appendix 3
Palomar Gas Transmission Project
Alternatives

MAILING LIST RETENTION FORM
(Docket No. CP09-035-000)

- Please keep my name on the environmental mailing list for the Palomar Gas Transmission Project.**

- Please correct my name/address on the environmental mailing list for the Palomar Gas Transmission Project.**

Name

Affiliation (if applicable)

Address

Address (cont'd)

City

State

Zip Code

- 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 2, PJ-11.2
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426**

Docket CP09-35-000 Palomar Gas Transmission Project

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Document Content(s)

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