

An Interstate Natural Gas Facility on My Land?

What Do I Need to Know?



Prepared by The Federal Energy Regulatory
Commission For Your Information



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cover photo:

Florida wetlands restored after pipeline installation.

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What Do I Need To Know?

The Federal Energy Regulatory Commission is charged by Congress with evaluating whether interstate natural gas pipeline projects proposed by private companies should be approved. The Federal government does not propose, construct, operate, or own such projects. The Commission's determination whether to approve such a project may affect you if your land is where a natural gas pipeline, other facilities, or underground storage fields might be located. We want you to know:

- How the Commission's procedures work;
- What rights you have;
- How the location of a pipeline or other facilities is decided; and
- What safety and environmental issues might be involved.

Background

The Commission approves the location, construction, and operation of interstate pipelines, facilities and storage fields involved in moving natural gas across state boundaries. These pipelines crisscross the United States, moving nearly a quarter of the nation's energy long distances to markets in 48 states. They are vital to the economy. The Commission also approves the abandonment of such facilities.

Associated with the pipelines, other above-ground facilities such as taps, valves, metering stations, or compressor stations may be involved. In the case of a natural gas storage field, there may be storage field pipelines and wells, or the company may only need subsurface storage rights to your property.

If a proposed pipeline route is on, or abuts, your land, you will probably first learn of this from the company concerned as it plans and studies the route. Once a company files an application for approval (a certificate) to build a pipeline project, it will mail you a copy of this brochure and other information (within three days of the Commission issuing a Notice of Application). The Commission staff prepares an environmental study of the proposal. For major construction projects, local media may be notified and public meetings may be held. You will have an opportunity to express your views and to have them considered. You will also have the opportunity to learn the views of other interested parties. The Commission may approve the project, with or without modifications, or reject it. If it is approved and you fail to reach an easement agreement with the company, access to and compensation for use of your land will be set by a court.

Understandably, the location of pipelines and other facilities may be of concern to landowners. The Commission's process for assessing pipeline applica-

tions is open and public, and designed to keep all parties informed.

This brochure generally explains the Commission's certificate process and addresses some of the basic concerns of landowners. The Commission's Office of External Affairs at 1-866-208-3372 will be happy to answer any further questions about the procedures involved. You may also check the Commission's Internet website at www.ferc.gov.

Most Asked Questions

How the Process Begins

Q: How will I first hear about proposed facility construction?

A: If you are located in the vicinity of the project you may first learn of it through newspaper notices. If you are an owner of property which may be affected by the project, you will probably first hear of it from the pipeline company as it prepares environmental studies required for the Commission application. It is also possible that the company may seek to obtain an easement from you prior to filing the application. In the case of a compressor station or liquefied natural gas (LNG) terminal, the pipeline company will often seek to purchase, or obtain an option to purchase, the property it wishes to use for the station or terminal. This usually occurs prior to the filing of the application.

For a storage field, rights on certain parcels of land may only involve subsurface storage rights.

The company will also notify you of the filing of the application with the Commission.

Q: How can I obtain more details about the company's application?

A: A copy of the company's application can be obtained from the company if you are an intervenor (see next two questions and answers), although the company is not obligated to provide voluminous material or material that is difficult to reproduce. You may also obtain a copy for a nominal copying charge from the Commission's Public Reference Room. Call 202/502-8371 for details. The application may also be obtained through the Commission's website, www.ferc.gov, using the "eLibrary" link and the project's docket number. User assistance is available at 1-866-208-3676. Within three days of assignment of a docket number, the application will also be available in at least one location in each county in which the facility is located.

Note that in most cases you will not be able to view or print copies of maps or similar locational information from the Commission's website. However, the website will provide instructions for obtaining the material.

Q: This done, how do I make my views known?

A: You may contact the company through the contact person listed in the notification you receive from it.

There are two ways to make your views known to the Commission: first, if you want the Commission to consider your views on the various environmental issues involved in the location of the facility, you can do so by simply writing a letter. The Commission undertakes several levels of environmental analysis. The Commission affords you the opportunity to comment at various stages in this process. Details are available from the Commission's Office of External Affairs at 1-866-208-3372. Check the Commission's website for details on filing electronically. By filing comments, your views will be considered and addressed in the environmental

documents or a final order. Additionally, you will be placed on a mailing list to receive environmental documents in the case.

Q: And the second way?

A: You may file to become what is known as an intervenor. You may obtain instructions on how to do this from the Office of External Affairs. Becoming an intervenor is not complicated and gives you official rights. As an intervenor, you will receive the applicant's filings and other Commission documents related to the case and materials filed by other interested parties. You will also be able to file briefs, appear at hearings and be heard by the courts if you choose to appeal the Commission's final ruling. However, along with these rights come responsibilities. As an intervenor, you will be obligated to mail copies of what you file to all the other parties at the time of filing. In major cases, there may be hundreds of parties.

You must normally file for intervenor status within 21 days of our notice of the application in the *Federal Register*, although the Commission may accept late intervention if good reasons are given. You may also file for intervenor status for the purposes of environmental issues during the comment period for a draft environmental impact statement.

Key Issues Involving Location of the Project

Q: How is the pipeline route, compressor station or storage field location selected?

A: The pipeline company proposes the route or location, which is then examined by the Commission. The applicant must study alternative

routes or locations to avoid or minimize damage to the environment, and the Commission, intervenors, or any commenter, may also suggest alternatives and modifications to reduce the effects on buildings, fences, crops, water supplies, soil, vegetation, wildlife, air quality, noise, safety, landowner interests, and more. The Commission also considers whether the pipeline can be placed near or within an existing pipeline, power line, highway or railroad right-of-way. Storage fields are usually located in depleted oil or natural gas production fields or in salt deposits. Therefore, their location is fixed by geologic conditions. However, the facilities needed to develop and use a storage field can be moved to some extent.

Q: How do pipelines obtain a right-of-way?

A: The pipeline company negotiates with landowners who are compensated for signing an easement document. Landowners may be paid for loss of certain uses of the land during and after construction, loss of any other resources, and any damage to property. If the Commission approves the project and no agreement with the landowner is reached, the pipeline may acquire the easement under eminent domain (a right given to the pipeline company by statute to take private land for Commission-authorized use) with a court determining compensation under state law.



Pipeline installation . . .

Q: Who pays taxes on the right-of-way?

A: The landowner pays taxes on the right-of-way unless a local taxing authority grants relief. The pipeline simply has an easement across a portion of the land.

Q: How large is the right-of-way and how is it maintained?

A: It is generally 75 to 100 feet wide during construction, although extra space is usually required at road or stream crossings or because of soil conditions.

The permanent right-of-way is usually about 50 feet wide. Routine mowing or cutting of vegetation is done no more than once every three years. A ten-foot-wide corridor, centered on the pipeline, may be mowed or cut annually. In cropland and residential areas the right-of-way is maintained by the landowner consistent with the presence of a pipeline.

Q: How large is a compressor station or storage field?

A: Usually the pipeline purchases ten to forty acres for a compressor station, of which about five acres are actually used for construction. A storage field could encompass many hundreds or even thousands of acres, depending on the geologic structure. Storage fields



... and after restoration.

also frequently include a buffer zone or protection area forming a halo of some hundreds of acres surrounding the storage field itself.

Q: Must the company obey local, county and state laws and zoning ordinances?

A: Generally, yes. If there is a conflict, however, between these ordinances and what the Commission requires, the Commission requirement prevails.

Q: How close can I build to the facilities?

A: For a pipeline, usually up to the edge of the right-of-way.

For a compressor station, the site is usually owned by the company. If you own property adjacent to the site, you may build on it.

For storage fields, unless there are surface facilities, you may build anywhere on the surface. If you or someone else wishes to drill wells which would penetrate the storage formation, you must coordinate that activity with the company, and usually the state authority regulating well drilling.

Q: What about bushes, trees, fences, driveways and so forth?

A: Trees with roots that may damage the pipeline or its coating and other obstructions that prevent observation from aircraft during maintenance are usually not allowed. Driveways and other improvements without foundations are normally allowed. All improvements are subject to the terms of the easement and are subject to negotiation as long as the pipeline maintenance and safety are not affected.

Q: How long will the right-of-way be there?

A: Part of it is temporary and will be restored immediately after construction. The permanent right-of-way will remain until the Commission determines it may be abandoned by the pipeline company. This can be 20 to 50 years or more.

Q: In general, will I still be able to use the right-of-way?

A: The easement agreement will specify restricted uses on or across the right-of-way and any types of uses for which the company's permission must be sought. The continuation of past agricultural uses and practices on or across the right-of-way would be permitted. Buildings and large trees are usually not allowed. Special uses or activities that might have an impact on pipeline design (such as planned logging roads or drain tiles) should be negotiated with the pipeline company to minimize future conflicts.

Other Property Issues

Abandonment

Q: If the pipeline is being abandoned will it be removed from my property?

A: The Commission may decide there are environmental or other conditions that should determine the disposition of the pipeline. If not, the easement agreement which you or previous owners of the land signed may stipulate whether the pipeline is to be removed. You may also come to some agreement with the company on what they will do with the pipeline. Usually, above-ground facilities are removed.

Q: If a company abandons a pipeline, can it keep an easement on my property?

A: It depends on the terms of the easement and may be subject to negotiation between the landowner and the pipeline company.

If there is more than one pipeline, the pipeline company will keep the easement.

Q: Will I be notified if abandonment is proposed?

A: You will probably be notified by the company if it proposes to relinquish the easement as part of the abandonment and the easement is not being transferred to another company. Otherwise, you may be notified by the Commission as part of the environmental analysis of the project.

Storage Fields

Q: What will happen to my property if a storage field is located beneath it?

A: Possibly nothing, since the storage field itself is usually thousands of feet beneath the ground surface. If the company proposes to construct field pipelines or a compressor station on your property the earlier discussion applies.

Wells are needed to inject and withdraw the stored natural gas or to monitor field conditions (observation wells). The wells require a surface site of roughly an acre for drilling and less than one tenth of an acre for the surface wellhead piping and other facilities.

If there are no facilities to be constructed on your property, the company will only need the storage rights to the geologic formation in which the natural gas would be stored. This is also the case for any property within any designated “buffer zone” or “protective area” around the actual storage field.

The Responsibilities of Gas Companies

Q: Must companies post bonds to guarantee performance?

A: No, but the Commission inspects the right-of-way during and after construction to ensure that the terms of its certificate have been met.

Q: Can the pipeline company come on my land without my permission?

A: State or local trespass laws prevail until a certificate is issued by the Commission. Some states have laws that allow a company to get access to property for survey purposes. Procedures vary by state. Once a certificate is issued or an easement/survey agreement or court order is obtained, the company may come onto your land. Usually the company will notify you in advance.

Q: When can they start to build?

A: Construction cannot commence until the Commission issues a certificate and the applicant accepts it. For most large pipelines, the time from filing an application to approval ranges from one year to two years. Once a certificate is issued, construction usually starts within a few weeks of the company having completed any outstanding studies or having met other preconditions set by the Commission.

Q: Why would the company approach me before the project is approved?

A: Because of planning and lead time the company may try to obtain easement agreements in advance. Also, a company must conduct environmental studies before it files an application with the Commission. For these studies to be

as complete as possible, the company will try to obtain access to all of the proposed right-of-way. If Commission approval is ultimately denied, or the route changes, the initial easement agreement with the landowner is usually void (depending on the wording of the right-of-way or access contract). Further, disputes over the wording of an easement agreement are subject to state law.

Q: Can the company place more than one pipeline on my property? Can the pipeline and the easement be used for anything other than natural gas?

A: The Commission grants a certificate and states that eminent domain may only be used for the proposed pipeline and related facilities in the exact location described and only for the transportation of natural gas. If the company wishes to install another natural gas pipeline under Commission jurisdiction, it must obtain additional approval from the Commission. Other utilities may wish to use an adjacent or overlapping easement, but they would have to obtain approval from you or from another permitting authority which can grant eminent domain (usually the state). Of course, you may agree to other uses.

Q: Can the company construct above-ground facilities on the right-of-way?

A: Yes, the company may construct any above-ground facilities approved by the Commission and may construct certain auxiliary facilities for the purpose of more efficient or economical operation of the pipeline.

Q: How close can the pipeline be to other pipelines or utility facilities?

A: Pipelines must be at least a foot from any underground structure and two to three feet below ground. Companies usually want their pipelines to be 25 feet from another pipeline. If space permits,

pipelines can be placed in another utility's right-of-way.

Q: Can I receive service from the pipeline?

A: No, not in most cases. Generally speaking, interstate pipelines are operating at pressures incompatible with direct residential use, which is provided by local distribution companies.

Q: Can a pipeline be placed in a river or the ocean?

A: A pipeline can usually be placed in the ocean or across a river; however, it is usually not acceptable to place one longitudinally down a river or other stream. There are different environmental, cost, design and safety issues associated with construction in a water body.

Important Safety Issues

Q: Who is responsible for safety?

A: The U.S. Department of Transportation (DOT) is responsible for setting the federal safety standards for natural gas (and other) pipelines and related facilities. The Office of Pipeline Safety at DOT can be contacted at 202/366-4595 or at <http://ops.dot.gov/>.

Q: Are pipelines safe?

A: Accidents are rare and usually result from outside forces or unauthorized action by someone other than the pipeline company. The DOT enforces strict safety standards and requires safety checks.

Q: How soon after construction will the company restore the land?

A: As soon as the trench is backfilled and weather permits.

Q: Does natural gas smell?

A: Natural gas is odorless. An odorant, which smells like rotten eggs, is generally added for quick leak detection in more populated areas on interstate transmission pipelines and in local distribution pipelines in accordance with DOT safety regulations.

Further Environmental Issues

Q: What if my property contains endangered species, wetlands, or archeological sites?

A: Endangered species must be protected from the effects of construction and this could affect the location of the pipeline or other facilities. In the case of wetlands, if proper crossing procedures are used and no alternatives are available, they may be used for a pipeline right-of-way. If an archeological or historic site is eligible for listing in the National Register of Historic Places, impact to it must be minimized. It will either be excavated and studied or the pipeline will be rerouted to avoid it. Landowners who want them usually are permitted to keep any artifacts after they are properly studied, subject to state law.

Q: Environmental studies were mentioned earlier. How do they work?

A: A Notice of Intent (NOI) to prepare an environmental assessment (EA) or an environmental impact statement (EIS) is issued for most major proposals. It is sent to federal, state and local agencies, local media and libraries, environmental groups, and, where the Commission is able to identify them, the owners of any land that would be crossed. For some major projects the NOI may announce a schedule of public meetings along the proposed route. The NOI seeks comments from interested parties on the scope of the environmental document, and the comments must be submitted to the Commission, normally within 30 days. After the comment period, the Commission staff will prepare an EA or a Draft EIS outlining its findings and recommendations. For major proposals, further comments are sought during 45 days allotted for review of a Draft EIS or 30 days in the case of an EA. These comments are addressed in the Final EIS or the final order granting or denying the pipeline a certificate.

For additional information, contact:

Federal Energy Regulatory Commission
Office of External Affairs
888 First Street, NE
Washington, DC 20426
Toll Free: 1-866-208-3372
www.ferc.gov

Enforcement Hotline: 202/502-8390
Toll Free: 1-888-889-8030

Other related FERC documents:

*Guidance Manual for Environmental Report
Preparation*

*Guidelines for Reporting On Cultural Resources
Investigations*

*Handbook for Using Third-party Contractors
to Prepare Environmental Assessments &
Environmental Impact Statements*

*Interim Guidelines for Applicant-prepared Draft
Environmental Assessments*

*Upland Erosion Control, Revegetation and
Maintenance Plan*

*Wetland and Waterbody Construction and
Mitigation Procedures*

The above documents are available at:

[http://www.ferc.gov/industries/gas/enviro/
guidelines.asp](http://www.ferc.gov/industries/gas/enviro/guidelines.asp)

January 2004



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Office of External Affairs
888 First Street, NE
Washington, DC 20426
202/502-6088

