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BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Docket Number
KANDA LATERAL AND MAINLINE : PF06-15-000
EXPANSION PROJECT :
- - - - -x

Western Park - Convention Center
300 East 200 South
Vernal, Utah

Tuesday, April 25, 2006

The above-entitled matter came on for scoping
meeting, pursuant to notice at 7:05 p.m.

MODERATOR: DAVID M. GALLO, FERC

1 P R O C E E D I N G S

2 (7:05 p.m.)

3 MR. GALLO: Good evening. My name is Dave Gallo
4 and I'm an environmental project manager in the Office of
5 Energy Projects for the Federal Energy Regulatory
6 Commission, or FERC. I welcome you all here this evening.
7 The Commission is responsible for authorizing the
8 construction and operation of interstate natural gas
9 pipeline facilities. We've issued certificates of public
10 convenience and necessity for these facilities to be
11 constructed under Section 7 of the Natural Gas Act. Because
12 the project of Wyoming Interstate Companies, or WIC,
13 requires federal approval from the Commission and other
14 federal agencies, an environmental review of the project is
15 required under the National Environmental Policy Act, or
16 NEPA.

17 To comply with NEPA, the Commission will be
18 preparing an environmental analysis document for this
19 proposal. As such, the purpose of tonight's meeting is to
20 get your comments on what issues need to be considered in
21 our NEPA document for the Canda lateral mainline expansion
22 project. The NEPA document will address all issues
23 identified during the scoping process.

24 Here with me tonight is Mark Mackiewicz, the
25 national project manager from the Bureau of Land Management.

1 The BLM will be cooperating in preparation of the
2 environmental document.

3 Representing WIC is John German, principal
4 engineer.

5 At this point, I would like to turn it over to
6 Mark, who will speak to you about BLM's involvement with the
7 project. Mark.

8 MR. MACKIEWICZ: Good evening. Again, my name is
9 Mark Mackiewicz. I'm a national project manager with the
10 Bureau of Land Management, Washington, D.C. office. Bureau
11 of Land Management is involved with this project as the lead
12 federal agency in issuing rights-of-ways across all federal
13 lands. In this case, we have lands managed by two states.
14 The Bureau of Land Management's Rock Springs office, field
15 office, as well as our Vernal field office in Utah.

16 As David mentioned, we are a cooperating agency
17 in the preparation of this environmental impact -- of this
18 environmental assessment. We will analyze the environmental
19 impacts of a 20- to 30-inch pipeline, natural gas pipeline,
20 which we will discuss in a little more detail as the meeting
21 progresses. We will utilize this document in support of
22 either approving or disapproving a right-of-way grant for
23 the pipeline.

24 In order to accommodate this pipeline out of the
25 Wyoming field office, we are going to be preparing a land

1 use plan amendment. Part of the pipeline -- one of the
2 alternatives for the pipeline crosses the Red Creek area of
3 critical environmental concern. Accordingly, the potential
4 impacts of this plan amendment will be analyzed in the
5 environmental assessment. If there's any questions when the
6 question period opens about the process of the plan
7 amendment, I'll be glad to answer those.

8 Again, as David mentioned, we are here to listen
9 to you but, however, to assist us in this endeavor, we need
10 specific comments regarding issues you feel should be
11 addressed in this environmental assessment, possible
12 alternatives and mitigation measures or ways that you think
13 can be implemented to lessen the potential impacts of this
14 project.

15 Thank you.

16 MR. GALLO: Thanks, Mark.

17 You may have noticed we have a court reporter
18 recording the meeting this evening. A record is being made
19 of everything that is said here tonight during the official
20 scoping meeting. A transcript will be eventually placed on
21 the FERC website on our E-Library system. If you would like
22 to purchase a copy of the transcript, please see the court
23 reporter after the meeting.

24 We will now turn our attention to the project
25 itself, the FERC process, and your comments. Let me now

1 turn this over to WIC and let them describe the project to
2 you. John?

3 MR. GERMAN: Thank you.

4 This project is designed to take gas from the
5 Uinta Basin and bring it up to Canda, which is just south of
6 Rock Springs. Currently, we have contracts to deliver
7 somewhere between 250 and 350 million cubic feet of gas a
8 day from Uinta Basin, and this pipeline will deliver that
9 gas. There's a network of pipelines up near Rock Springs
10 that takes gas east and west, and so this pipeline will be
11 tying in with those.

12 The pipeline starts -- Kerr-McGee is building a
13 processing plant in the Uinta Basin area which will take gas
14 from the Uinta Basin -- I mean, from that plant, they call
15 it the Briggs plant. It will take it from that Briggs plant
16 north. The pipeline is currently a 24-inch diameter
17 pipeline designed at 1480 psi. Once it gets up to the Clay
18 Basin area, it could become a 30-inch pipeline from there
19 north, because the pipeline will tie in to the storage there
20 at Clay Basin. So the pipeline needs to get to Clay Basin
21 in order to tie in that storage. Along the way, it will
22 also tie in with Northwest pipeline north of their
23 compressor station.

24 Once it gets to Canda, like I say, there's a
25 whole network of pipelines up there. It will tie in to two

1 of Colorado Interstate's gas -- one of our own lines. It
2 will also tie into Questar and it will tie into the
3 Overthrust Pipeline. And so the gas will go in many
4 directions once it gets north.

5 The pipeline for the most part parallels the
6 existing Questar/Mapco corridor. When we route pipelines,
7 we try and route them to where they parallel existing
8 corridors.

9 Once we get north of Clay Basin, one area that
10 we're concerned about is the Red Creek escarpment area, and
11 we have some alternatives that go around those areas. One
12 of the alternatives goes out to the west almost all the way
13 over to the reservoir and back. We have a shorter
14 alternative that just goes around the Red Creek escarpment
15 area itself.

16 There is a tight spot, as you probably know, at
17 Jessie Ewing Canyon, and right now we are planning a route
18 that goes around Jessie Ewing Canyon and goes over Mountain
19 Home, as opposed to going through the canyon itself. Right
20 now, I think there's six pipelines that go through that
21 little narrow canyon.

22 The pipeline crosses the Green River twice.
23 We're currently planning to install this crossing by the
24 directional drill method. We don't know for sure whether we
25 will actually use that method. We believe that we can, but

1 we have to do the soil analysis of the river to make sure
2 it's technically feasible to do that.

3 The pipeline is set up to be internally
4 inspected. We run internal inspection tools in the pipeline
5 periodically; they're more commonly called pigs. So we have
6 launchers and receivers for those tools on either end of the
7 pipeline, and then we'll have a set at Clay Basin.

8 There will also be shutoff valves along the
9 pipeline that are called gate valves. They're located about
10 every 20 miles. The pipeline will be buried entirely. The
11 burial depth is governed by the DOT regulations. And so
12 except for the blowoffs on the mainline valves, the entire
13 pipeline will be belowground.

14 That's really it.

15 MR. GALLO: Thanks, John.

16 WIC has several representatives here tonight, and
17 they have brought maps and are ready to speak with you after
18 the meeting if you have any questions for them. WIC has
19 held three open houses in the project area, and on February
20 8th, 2006 the FERC Staff began the prefiling process to
21 facilitate early involvement of the affected stakeholders.
22 This project is still in the design state. The specific
23 details have not yet been finalized. A formal application
24 has not yet been filed with the Commission.

25 The goal of the prefiling process is to help

1 facilitate the interaction with federal, state, local
2 agencies, affected property owners, and other interested
3 stakeholders by preparing a more complete application for
4 the filing of WIC's application. We would like to know now
5 what the issues are so we can address them now, rather than
6 after the application is filed.

7 I also wanted to state that the FERC is an
8 advocate of this prefiling process, not an advocate of the
9 project. We are still very early in the process, and there
10 will be several opportunities to comment on the project as
11 information is made available. More information will be
12 made available on the FERC website as WIC further develops
13 this project and updates its project information. The
14 documents regarding the project will be posted on the website,
15 including any written comments that are filed. Instructions
16 on how to access the FERC website are addressed in the
17 Notice of Intent. The notice also contains instructions on
18 write-in comments, if you prefer to comment in that manner.
19 There are a few extra copies of the notice at the sign-in
20 table.

21 We also provided another handout, which is a
22 color flow chart -- that is also on the sign-in table --
23 which was attached to the prefiling review that was mailed
24 out last month. At this time, I'll go through the chart
25 with you and let you know where we are in the process.

1 On the left side in the yellow box is obviously
2 what the Commission is doing at this point. The Commission
3 received a request to conduct the prefiling process, and we
4 approved the prefiling process and issued it a PF docket.
5 The Commission has participated in these sponsored workshops
6 and we have issued the Notice of Intent and have consulted
7 with the interested agencies.

8 On the right side in the blue blocks is what WIC
9 has done so far. Right now we've completed through where
10 they have the sponsors open houses and they're now
11 conducting surveys refining the route and developing
12 mitigation in order to prepare an application.

13 Now let me discuss what is required of WIC when
14 it files its application which is, in part, to assist the
15 Commission in meeting its NEPA responsibilities. When WIC
16 files its application, it will make several environmental
17 resource reports based on its environment and engineering
18 survey results. The resource reports will cover geology,
19 soils, vegetation and wildlife, including federally listed
20 species, land use, recreation, cultural resources,
21 reliability and safety, air and noise quality and
22 alternatives.

23 To meet the application filing requirements, WIC
24 will also study several route variations for alternatives.
25 Those alternatives and others developed during this

1 prefiling process we'll be evaluated and will consider all
2 reasonable alternatives in our NEPA analysis. Identified
3 alternatives will be weighed against the corresponding
4 segment of the proposed route for certain environmental
5 factors, such as the overall route life, the percentage of
6 the alternatives at nearby existing utility corridors in the
7 event a stream or wetlands is crossed.

8 When WIC files its application, FERC and the BLM
9 staff will complete the NEPA document and then send it out
10 for public review and comment. The document will disclose
11 our independent analysis based on what is filed in the
12 environmental proceedings for this proposal. The document
13 will also include any mitigation or recommendations needed
14 to reduce impacts as appropriate.

15 The public will have at least 30 days to provide
16 written comments. Comments received during the comment
17 period will be addressed in any Commission action which will
18 be put to the Commission for a vote of whether to approve or
19 deny the project.

20 Now, if there's any questions or comments from
21 anybody here who would like to say anything, we will have
22 those now.

23 MR. ALLISON: I have just a few concerns. I'm
24 David Allison, a consultant on public land policy and
25 natural resources.

1 I think some of my concerns are, well, first of
2 all that there's attention paid to the checkerboard area,
3 particularly there -- well, it's in southern Wyoming -- as
4 far as not forcing the line on private land in order to
5 avoid the BLM lands and maybe doing a more detailed analysis
6 or such things as that.

7 The Red Creek ACEC is of a concern, and I'd note
8 that the counties around here, we've taken the position in
9 the past that we got new RMPs out. And we've taken the
10 position that the ACECs -- existing ACEs should have been
11 reevaluated. I know that there's one in existence up there,
12 but I think it should be looked at as to how it's been used
13 and what's been done under the existing ACEC and, if there's
14 any needed waivers associated with the restrictions up
15 there, that they be fully considered.

16 The other concern I have is that there seem to be
17 a tendency to want to revegetate these areas with native
18 species, and there's a lot of guidance that says that.
19 You're going through quite a few areas that are crucial --
20 not crucial, I shouldn't say crucial, but important habitats
21 for sage grouse, deer, and such things as that. We'd like
22 to make sure that it's considered an opportunity to utilize
23 a pipeline such as this as green stripping, to prevent
24 catastrophic fires in those areas and in those habitats.

25 That's my primary concern at this time.

1 MR. GALLO: Thank you.

2 Sir, did you want to say something? No.

3 MR. ALLISON: Maybe a question. You've got on
4 the handout 20- or 24-inch pipeline.

5 MR. GERMAN: The pipeline started out as a 20-
6 inch size, and it could actually still be 20-inch. It's
7 just that the way this project is developing, normally you
8 have an anchor shipper and that anchor shipper basically
9 allows the pipeline to be built, say, in a 20-inch size in
10 this case. But then once you get that initial shipper
11 signed up, then the other producers come and they say well
12 I'd like to transport gas on your pipeline and so as those
13 contracts are negotiated, the volume that's transported
14 increases, and so that ends up justifying a larger diameter
15 pipeline. Like I say, right now we believe it's going to be
16 a 24-inch diameter and from Clay Basin north it will be a
17 minimum of 24 actually and it will probably be a 30-inch
18 before it's over.

19 MR. ALLISON: How are you going to -- is there
20 going to be any linkage with the programmatic EIS being
21 developed on the national corridor with this project?

22 MR. MACKIEWICZ: No.

23 MR. ALLISON: No.

24 MR. MACKIEWICZ: There won't. We had several
25 meetings -- well, there's been several meetings nationwide

1 on this. We did meet in Salt Lake City about six or eight
2 weeks ago with the team that was working on that national
3 corridor EIS, and there weren't any corridors specifically
4 identified from Vernal into Wyoming.

5 Is that right?

6 MS. DERBYSHIRE: Jerry said that it will mostly
7 focus on utility power line corridors, rather than pipeline
8 corridors.

9 MR. MACKIEWICZ: Right. We have a window
10 identified in the RNP being written for -- I mean, it's
11 already -- the existing RNP out of Rock Springs has
12 identified a window, but no formal corridor designations and
13 none that were identified coming from Wyoming into the Uinta
14 Basin.

15 MS. DERYSHIRE: I'm Shana Deryshire.

16 MR. GRIFFIN: Dan Griffin.

17 Just a clarification. The turning point area
18 that you were talking about up on the north end. The
19 question I have, I didn't quite understand what your concern
20 was.

21 MR. ALLISON: Well I think a lot across the
22 country right now and if you looking into the
23 southeast/southwestern Colorado, there's a lot of
24 restrictions on the BLM lands in the checkerboard areas
25 where they're not on fee land. And what's happening is it's

1 forcing a lot of development over onto fee lands because
2 people can get across there and there are spacing changes
3 when you get off the BLM onto the fee lands, or private
4 lands. And we're running into the same issues up in Wyoming
5 right now there across the checkerboard area and the
6 consideration that has to be kept in your head all the time
7 when you're dealing with the checkerboard area, what kind of
8 effect are we having on the property rights in those areas.

9 And it can vary quite a bit from just forcing the
10 activity over on them to where they may want that activity
11 on them and you say no, you can't do it, it's under federal
12 protection, we're not going to permit this project or
13 something, even though -- because of lot of this
14 checkerboard stuff falls under that. So there's a lot of
15 those kind of issues floating around. We're trying to get
16 some arrangement going right now in Wyoming over the
17 checkerboard and management in the checkerboard.

18 MR. GRIFFIN: Thank you.

19 MR. GALLO: Any other comments?

20 (No response.)

21 MR. GALLO: If not, let the record show that the
22 meeting has concluded at 7:35 p.m. Thank you.

23 (Whereupon, at 7:35 p.m., the scoping meeting was
24 concluded.)

25