

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Dominion Transmission, Inc.

Docket No. PF07-12-000

NOTICE OF INTENT TO PREPARE AN
ENVIRONMENTAL ASSESSMENT FOR THE PROPOSED
STORAGE FACTORY PROJECT,
REQUEST FOR COMMENTS ON ENVIRONMENTAL ISSUES,
AND NOTICE OF PUBLIC SCOPING MEETINGS AND SITE VISIT

(January 18, 2008)

The staff of the Federal Energy Regulatory Commission (FERC or Commission) will prepare an environmental assessment (EA) that will discuss the environmental impacts of the Storage Factory Project, involving construction and operation of facilities by Dominion Transmission, Inc. (Dominion) in Tioga County, Pennsylvania and Frederick County, Maryland. The EA 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 a second scoping period (due to changes in the project and design) that will be used to gather environmental input from the public and interested agencies on the project. Your input will help the Commission staff determine which issues need to be evaluated in the EA. Please note that the scoping period will close on **February 19, 2008**.

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

Date and Time	Location
Wednesday, February 6, 2008 7:00 p.m. to 9:00 p.m. (EST)	Middletown Middle School 100 High Street, Middletown, MD 21769 Telephone: (240) 236-4200

This notice is being sent to affected landowners; federal, state, and local government representatives and agencies; environmental and public interest groups; Native American tribes; other interested parties in this proceeding; and local libraries and newspapers. We¹ 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 Dominion representative about the acquisition of an easement to construct, operate, and maintain the proposed project 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, Dominion could initiate condemnation proceedings 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?” addresses a number of typically asked questions, including the use of eminent domain and how to participate in the Commission’s proceedings. It is available for viewing on the FERC Internet website (<http://www.ferc.gov>).

Summary of the Proposed Project

On August 29, 2007, we issued a Notice of Intent to Prepare an Environmental Assessment for the Proposed Storage Factory Project, Request for Comments on Environmental Issues, and Notice of Public Scoping Meetings and Site Visit. At the time of that Notice, the project facilities were all in Pennsylvania. Subsequently, Dominion made modifications to its project design, which have resulted in the removal of some facilities and the addition of others. The current configuration of the proposed facilities is detailed below.

The Storage Factory Project would involve the leaching of two salt caverns and placing the first cavern in service by 2014. The project consists of constructing leaching/pumping facilities, a brine processing facility, water and brine pipelines, and a new compressor station for gas storage injection/withdrawal purposes in Tioga County, Pennsylvania. Alternative water sources for leaching of the salt caverns are also being investigated. Dominion is also proposing piping upgrades to its existing Sabinsville Storage Pool in Tioga County. In addition, Dominion proposes construction of a new

¹“We” “us” and “our” refer to the environmental staff of the Office of Energy Projects, part of the Commission staff.

14,000 horsepower compressor station (Middletown Compressor Station) located off of Marker Road approximately two miles west of Middletown in Frederick County, Maryland.

As part of its modifications, Dominion has removed the proposed additional compression at Dominion's existing Ardell Station located in Elk County, Pennsylvania and approximately 7.5 miles of new 30-inch-diameter pipeline looping in Clinton County, Pennsylvania.

Dominion anticipates filing an application with the FERC after March 2008 and to seek the Commission's approval in time for Dominion to begin construction by March 2009, with a proposed in-service date of January 2014.

Project location maps are included in Appendix A².

Land Requirements for Construction

The Storage Factory Project is in the preliminary planning stage. The precise facility design, pipeline route, rights-of-way, and other details have not yet been finalized. Specific information on the proposed project location and the land used by it will be made available to the public when it is finalized.

Construction of the proposed project would affect a total of about 190.03 acres during construction. Following construction, about 87.13 acres would be allowed to revert to its previous conditions. Disturbance associated with aboveground facilities would permanently impact 57.23 acres of land. This includes the compressor station in Frederick County which would be located on approximately 11 acres within a 135 acre site that Dominion is seeking to acquire. The land is currently used for agriculture.

² The appendices referenced in this notice are not being printed in the Federal Register. Copies of all appendices are available on the Commission's website at the "eLibrary" link or from the Commission's Public Reference Room, 888 First Street, N.E., Washington, D.C. 20426, or call (202) 502-8371. For instructions on connecting to eLibrary refer to the "Additional Information" section of this notice. Copies of the appendices were sent to all those receiving this notice in the mail. Requests for detailed maps of the proposed facilities should be made directly to Dominion.

Dominion proposes to construct the pipelines associated with the Sabinsville Storage Pool in existing rights-of-way and it would seek a construction right-of-way width varying between 100-feet and 75-feet for the pipelines associated with the leaching and proposed gas storage areas.

The EA Process

For this project, the FERC staff has initiated its National Environmental Policy Act (NEPA) review prior to receiving the application. The purpose of the Commission's Pre-Filing Process is to involve interested stakeholders early in project planning and to identify and resolve issues before an application is filed with the FERC. A docket number (PF07-12-000) has been established to place information filed by Dominion, and related documents issued by the Commission, into the public record. Once a formal application is filed with the FERC, a new docket number will be established. The FERC will be the lead federal agency for the preparation of the EA which will satisfy the requirements of NEPA.

The 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 EA on the important environmental issues. By this Notice of Intent, we are requesting public comments on the scope of the issues that should be addressed in the EA. We will consider all comments received during scoping in the preparation of the EA.

Our independent analysis and evaluation of the issues will be included in the EA. The EA will also include possible alternatives to the proposed project or portions of the project, and we will make recommendations on how to lessen or avoid impacts on the various resource areas of concern. Depending on the comments received during the scoping process, the EA may be published and mailed to federal, state, and local agencies; elected officials; environmental and public interest groups; other interested parties; affected landowners; Native American tribes; libraries, and newspapers; and the Commission's official service list for this proceeding. A 30-day comment period will be allotted for review of the EA. We will consider all comments submitted on the EA in any Commission Order that is issued for the project.

We are currently involved in discussions with other jurisdictional agencies to identify their issues and concerns. These agencies include the U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, Susquehanna River Basin Commission, Pennsylvania Department of Environmental Protection.

By this notice, we are asking these and other federal, state, and local agencies with jurisdiction and/or special expertise with respect to environmental issues to formally cooperate with us in the preparation of the EA. Agencies that would like to request cooperating status should follow the instructions for filing comments provided below.

Currently Identified Environmental Issues

The EA will discuss impacts that could occur as a result of the construction and operation of the proposed project. We have already identified several issues that we think deserve attention based on a preliminary review of the project site and the facility information provided by Dominion. This preliminary list of issues and potential impacts may change based on your comments and our analysis.

- Impacts on perennial and intermittent streams and waterbodies.
- Evaluation of temporary and permanent impacts on wetlands and development of appropriate mitigation.
- Effect on federally and state-listed species.
- Alternative leaching water sources.
- Impacts on existing land uses.
- Visual impacts of the aboveground facilities on surrounding areas.
- Impacts on local air and noise quality associated with construction and operation.
- Impacts on cultural resources.
- Public safety and potential hazards associated with the transport of natural gas and the proposed compressor facilities.

Public Participation

You can make a difference by providing us with your specific comments or concerns about the project. By becoming a commenter, your concerns will be addressed in the EA and considered by the Commission. Your comments should focus on the potential environmental effects of the proposal, reasonable alternatives to the proposal (including alternative locations and routes), and measures to avoid or lessen environmental impact. The more specific your comments, the more useful they will be. If you have already mailed in comments in response to the initial Notice for this project, your comments will still be considered and you do not need to resubmit your comments. Please carefully

follow these instructions to ensure that your comments are received in time and properly recorded:

- Send an original and two copies of your letter to:

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

- Label one copy of the comments for the attention of Gas Branch 1;
- Reference Docket No. PF07-12-000;
- Mail your comments so that they will be received in Washington, DC on or before **February 19, 2008**.

Please note that the Commission strongly encourages electronic filing of comments. See 18 Code of Federal Regulations (CFR) 385.2001(a)(1)(iii) and the instructions on the Commission's Internet website at <http://www.ferc.gov> under the "eFiling" link and the link to the User's Guide. Prepare your submission in the same manner as you would if filing on paper and save it to a file on your hard drive. Before you can file comments you will need to create an account by clicking on "Login to File" and then "New User Account." You will be asked to select the type of filing you are making. This filing is considered a "Comment on Filing."

The public scoping meeting (date, time, and location is listed above) is designed to provide state and local agencies, interested groups, affected landowners, and the general public with another opportunity to offer your comments on the project. Interested groups and individuals are encouraged to attend the meeting and to present comments on the environmental issues they believe should be addressed in the EA. A transcript of the meeting will be made so that your comments will be accurately recorded³.

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

³ We previously held a public scoping meeting on September 18, 2007, in Lawrenceville, Pennsylvania to address Dominion's proposed facilities in Pennsylvania.

Once Dominion formally files its application with the Commission, you may want to become an official party to the proceeding known as an "intervenor." Intervenors play a more formal role in the process and are able to file briefs, appear at hearings, and be heard by the courts if they choose to appeal the Commission's final ruling. An intervenor formally participates in a Commission proceeding by filing a request to intervene. Instructions for becoming an intervenor are included in the User's Guide under the "e-filing" link on the Commission's web site. Please note that you may not request intervenor status at this time. You must wait until a formal application is filed with the Commission.

Site Visit

On February 6, 2008, the Office of Energy Projects staff will conduct a pre-certification site visit of the proposed Middletown Compressor Station in Middletown, Maryland. We will view Dominion's proposed compressor station site and possibly alternative sites that are being considered for the proposed project. Staff will tour these proposed project areas by automobile and on foot. Representatives of Dominion will accompany the OEP staff.

All interested parties may attend the site visit. Those planning to attend must provide their own transportation. If you are interested in attending the site visit, please meet us at 1:30 PM at the proposed Middletown Compressor Station Site. The directions to the location of the proposed compressor station from Middletown, Maryland are as follows:

Take US-40-Alt West to Marker Road, turn left. Travel on Marker Road about 1.5 miles until you pass PL-1 pipeline and power lines. The proposed compressor station property will be on your left (see Appendix A map for location).

For additional information, please contact the Commission's Office of External Affairs at 1-866-208-FERC (3372).

Environmental Mailing List

An effort is being made to send this notice to all individuals, organizations, and government entities interested in and/or potentially affected by the proposed project. This includes all landowners who are potential right-of-way grantors, whose property may be used temporarily for project purposes, or who own homes within distances defined in the Commission's regulations of certain aboveground facilities. **If you do not return the attached form (Appendix B), you will be removed from the Commission's environmental mailing list.** All individuals who provide written comments, attend the

scoping meeting, or return the “Keep on Mailing List Form” will remain on our environmental mailing list for this project.

Any individual who participated in the first scoping period will remain on our mailing list and does not need to mail back the enclosed “Keep on Mailing List Form” This includes those who already have:

- mailed in comments to FERC;
- mailed back the “Keep on the Mailing List Form” ; or
- attended the scoping meeting in Lawrenceville, Pennsylvania on September 18, 2007.

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, select “General Search” from the eLibrary menu, enter the selected date range and “Docket Number” excluding the last three digits (*i.e.*, PF07-12), and follow the instructions. For assistance with access to eLibrary, the helpline can be reached at 1-866-208-3676, TTY (202) 502-8659, or at FERCOnlineSupport@ferc.gov. 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.

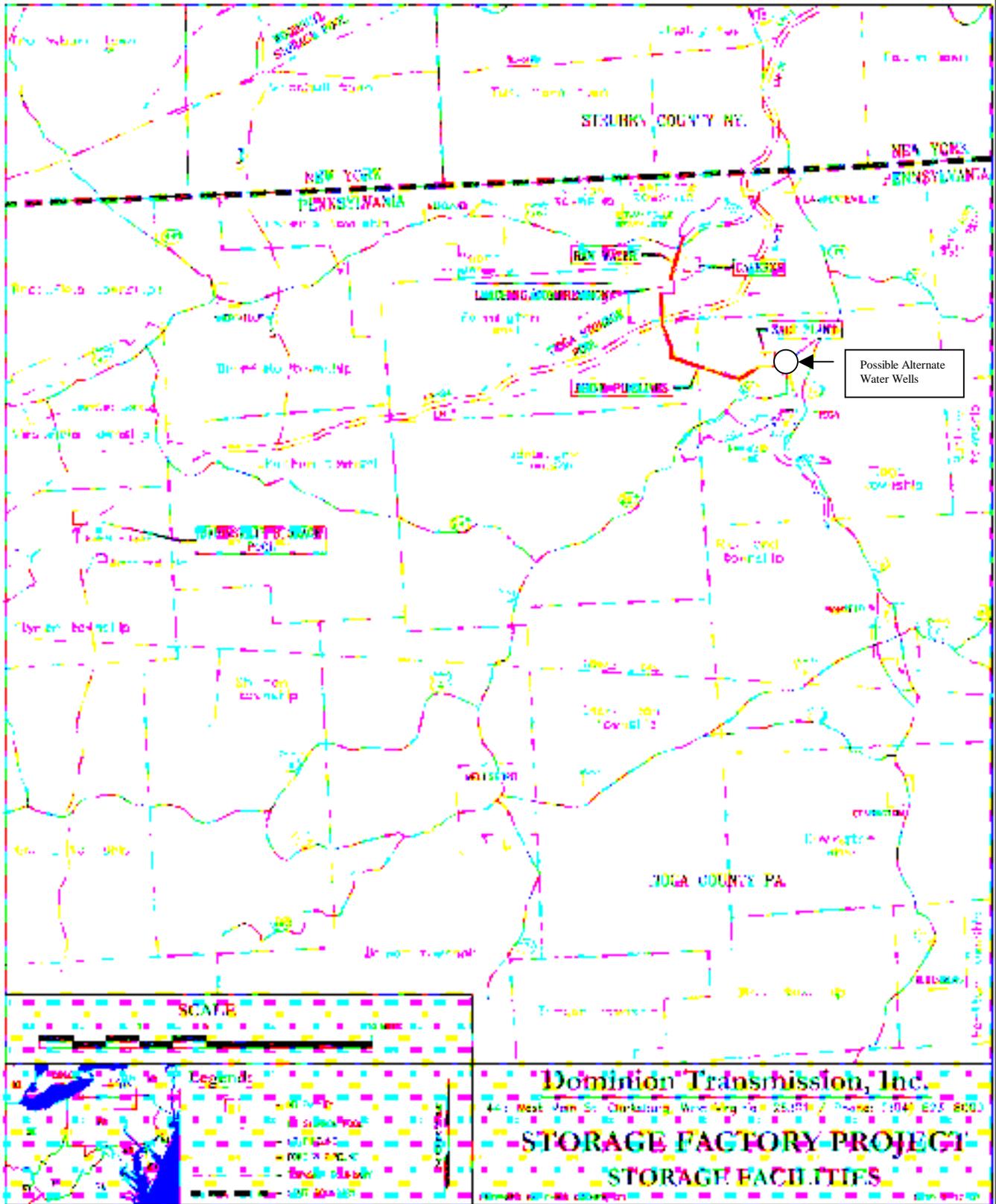
In addition, the Commission now offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings,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

Finally, Dominion has established an Internet website for this project at <http://www.dom.com/about/gas-transmission/storage/index.jsp>. The website includes a project overview, status, and answers to frequently asked questions. You can also request additional information by calling Dominion at 1-888-882-5055.

Kimberly D. Bose
Secretary

Appendix A

Location Maps



Appendix B

Keep on Mailing List Form

Docket No. PF07-12-000

- Please keep my name/address on the environmental mailing list for the Dominion Storage Factory Project.**

PLEASE NOTE: If you already mailed this form to FERC from the August 29, 2007 Notice, you do not need to mail it again. You will remain on the mailing list.

Name _____

Agency _____

Address _____

City _____ **State** _____ **Zip Code** _____

(fold on line)

FROM _____

ATTN: OEP - (Gas 1, PJ11. 1)
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

PF07-12-000 ***(Storage Factory Project)***

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