

ORIGINAL

Millennium Pipeline Company L.P. ) Docket No. CP98-150-000  
Columbia Gas Transmission ) Docket No. CP98-151-000  
Corporation )

FILED  
OFFICE OF THE SECRETARY  
99 AUG 10 AM 9:31  
FEDERAL ENERGY  
REGULATORY COMMISSION

MEMORANDUM TO FILE  
(July 26, 1999)

This memorandum documents information received by the staff in a telephone conference call to the New York Department of State, Division of Coastal Resources on July 21, 1999. Jennifer Goggin, Jeff Shenot, and James Martin of the Federal Energy Regulatory Commission (FERC) staff; Patricia Patterson and Robert Olsen of Foster Wheeler Environmental; and Steven C. Resler, Supervisor of Consistency Review and Analysis, and Gary Haight, Coastal Resources Specialist, both of the Division of Coastal Resources participated in the call. The purpose of the call was to discuss the coastal zone consistency of Millennium Pipeline Company L.P.'s (Millennium) proposed Millennium Pipeline Project (Project) and the Division of Coastal Resources' comments on the Draft Environmental Impact Statement for the proposed Project.

The Department of State (DOS) stated that the proposed Project crossing of the Hudson River would be within Haverstraw Bay, a state-designated Significant Coastal Fish and Wildlife Habitat. The Project, therefore, would need to be designed to be consistent with State Coastal Policy No. 7 of New York's Coastal Management Program (CMP). Activities that degrade or impair this habitat and are not consistent with the CMP should not be undertaken. DOS indicated that trenching for pipeline burial across Haverstraw Bay as proposed would result in an impact on the habitat, would result in a direct loss of habitat area, and would not be consistent with the CMP. DOS stated that directional drilling under the bay, or crossing the Hudson River north of the designated habitat would not adversely affect the habitat.

DOS stated that Millennium had not planned the crossing of the Hudson River to be consistent with the CMP. Problems exist for the proposed routing of the on-land portion of the project (including the effect on High Tor State Park) and the portion that would be in Haverstraw Bay. Millennium had filed a consistency certification ( a Federal Consistency Assessment Form dated November 16, 1998, was filed with the Department of State). Part of the requirements for the consistency certification is that the applicant must explain how the project would affect and be consistent with the CMP, and provide information to support its certification. The Department of State feels this was not done. DOS also stated that the DEIS should have included a discussion of the CMP and how the Project would affect it. We stated that additional information about the CMP and the Project's effect on the CMP would be included in the Final EIS.

FERC - DOCKET

AUG 10 1999

DOS recommended that Millennium withdraw its filed consistency certification, redesign its project after consulting the Coastal Management Program document and the Division of Coastal Resources to be consistent with the CMP, and then refile a consistency certification. But, it may not be possible to design a pipeline project that would be consistent with the CMP which involves dredging in Haverstraw Bay.

The Division of Coastal Resources participated in meetings with other state and federal agencies and Millennium staff (most recently in May 1999) where the deficiencies of Millennium's consistency certification and project design in the coastal zone area near and within Haverstraw Bay were discussed. However, Millennium has not yet provided any supplemental information about the proposed project or a redesigned project either along an alternative route or constructed in an alternative manner that would be consistent with the CMP.

DOS suggested that a better crossing location might be to the north in an area that has industrial development on both sides of the Hudson River. One such area might be at the existing Algonquin Pipeline crossing. This area would be outside the Haverstraw Bay area of the coastal zone. We stated that Millennium has not filed an alternative crossing location with the FERC.

We stated that the DEIS addressed using an alternative Hudson River crossing location at the Algonquin Pipeline crossing which is about 3.3 miles north of the proposed crossing and the possibility of using available capacity on Algonquin's system to transport gas. We noted that the major issue with this northern alternative route is that the amount of development that exists on the west side of the Hudson River. This would probably result in additional residential impact.

Additional issues that were discussed included:

1. FERC's obligations and those of Millennium under the Coastal Zone Management Act;
2. State coastal policies; and
3. Issues related to crossings of onshore portions of the coastal zone area through developed communities and along rights-of-way.

  
Jennifer Goggin  
Project Manager