ISLANDER EAST PIPELINE PROJECT

Final Environmental Impact Statement

Volume II

Appendix M
Comment Response Document

August 2002

Federal Energy Regulatory Commission
Office of Energy Projects
888 First Street, N.E.
Washington, D.C. 20426

FERC/EIS-0143F

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1.0 FEDERAL AGENCIES

FEDERAL 1

United States Department of the Interior

OFFICE OF THE SECRETARY
Office of Environmental Policy and Compliance
408 Atlantic Avenue - Room 142
Boston, Massachusetts 02210-3554

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REGULATORY COMMISS

May 10, 2002

(ER-02/281)

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First St., NE., Room 1A
Washington, D.C., 20426

Re: Comments
Draft Environmental Impact Statement for the Islander East Pipeline Project
OEP/DEER/Gas Branch 2
Islander East Pipeline Company, L.L.C., Docket No. CP01-384-000
Algonquin Gas Transmission Company, Docket No. CP01-387-000

Dear Ms. Salas:

The Department of the Interior (Department) has reviewed the Draft Environmental Impact Statement (DEIS) for the Islander East Pipeline Project, New Haven County, Connecticut, and Suffolk County, New York (FERC Docket Nos. CP01-384-000 and CP01-387-000).

Project Description

The proposed project would include the construction of 44.8 miles of 24-inch diameter pipeline from New Haven County, Connecticut, to Suffolk County, New York, a 5.6 mile lateral (hereafter referred to as the Calverton lateral) in Suffolk County, and associated aboveground facilities such as valves, meter stations, pipe yards, and compressor stations. The proposed facilities would transport approximately 285,000 dekatherms per day (Dth/d).

Purpose and Need

F1-1 The Draft Environmental Impact Statement (DEIS) states that part of the project purpose is to provide natural gas to older generating facilities that may convert to natural gas. The amount of gas that would be dedicated to these facilities was not provided nor was the level of unsubscribed capacity specified. We recommend that the Federal Energy Regulatory Commission (FERC) determine whether sufficient demand for the proposed gas volumes exists and whether sufficient capacity is subscribed to justify the project.

F1-1 The need for the project is determined by the Commission in the orders that are issued in this proceeding. The Commission issued a preliminary determination (PD) for this project on December 19, 2001, since it had determined that the project was in the public convenience and necessity. Section 1.1 of the DEIS and this FEIS refer to that document.

Indirect and Cumulative Effects

F1-2 The DEIS does not fully address the impacts resulting from the construction and operation of any new generating facilities that may be associated with the proposed project (Table 3.13-1). Because the primary purpose of the pipeline is to supply these facilities, the Department recommends that the FERC identify and quantitatively describe impacts associated with these facilities as part of the cumulative impact analysis of the proposed project. The National Environmental Policy Act of 1969 (NEPA) requires Federal agencies to evaluate the indirect and cumulative effects of a Federal action. Cumulative effects are defined at 40 CFR § 1508.7 as "the impact on the environment which results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (Federal or non-Federal) or person undertakes such other actions." Indirect effects are defined in the Council of Environmental Quality regulations at 40 CFR § 1508.8 as effects "caused by the action and are later in time or further removed in distance, but are reasonably foreseeable. Indirect effects may include growth inducing effects or other effects related to induced changes in the pattern of land use, population density or growth rate, and related effects on air, water and other natural systems, including ecosystems."

Federally-listed Species

F1-3 Comments on Federally-listed species were provided to the applicant from the U.S. Fish and Wildlife Service's (Service) New England Field Office on July 30, 2001, and from the New York Field Office (NYFO) on July 31 and August 1, 2001. The applicant's consultant, the Natural Resources Group, contacted the Service's New York Field Office on April 22, 2002, to request additional information on the effects of activities such as detecting cave-ins following the directional drilling of the shoreline and running 6- to 8-inch diameter hoses over beach habitat to pump water to be used for hydrostatic testing. Both these activities were proposed during the nesting period (April 1 through September 1) for piping plover (*Charadrius melodus*), a Federally listed threatened species. The Service recommended that the applicant perform a deep directional drill to avoid the risk of cave-ins and avoid siting water supply hoses in piping plover habitat during the nesting season. Should these measures not be incorporated into plans for the respective projects, a biological assessment, or further consultation pursuant to Section 7 of the Endangered Species Act (87 Stat. 884, as amended: 16 U.S.C. 1531 et seq.) will be required with the Service to evaluate potential adverse effects of project implementation on the piping plover and its habitat, and to determine if formal consultation is necessary.

F1-4 The piping plover is also listed as endangered by the State of New York. Project plans should also be coordinated with the New York State Department of Environmental Conservation (NYSDEC). The NYSDEC contact for the piping plover is Mr. Dan Rosenblatt, New York State Department of Environmental Conservation, Building 40, SUNY, Stony Brook, NY 11794 (telephone: [631] 444-0305).

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F1-2 Construction of these projects is outside the Commission's jurisdiction. Power generating facilities that would be connected to the proposed project are described, however, in sections 1.4, 2.7, and 3.13 of the FEIS.

F1-3 Islander East now proposes to use the HDD method to cross at least 40 feet below the beach at the Long Island landfall. Use of the HDD method would avoid direct impacts to piping plover habitat and HDD activities would occur greater than 500 feet from the beachfront.

Islander East would bury hydrostatic test water supply hoses under the beach habitat before piping plover nesting begins on April 1. The hydrostatic test water pump would be placed approximately 500 feet inland from the beach. Islander East would take necessary steps to ensure no beach grass disturbance occurs during the hydrostatic testing operation. The intake hoses for the hydrostatic test water would be placed several hundred feet offshore and suspended at a mid-water column depth with buoys. Islander East personnel would walk down to the beach periodically to check the intake and the condition of the hydrostatic test hoses during the hydrostatic testing operation. Section 3.6.4 has been revised to require additional consultation with the U.S. Fish and Wildlife Service.

F1-4 Islander East will continue to coordinate with the NYSDEC regarding the impacts to the piping plover.

Wetlands and Waterbodies

F1-5 The proposed project would affect 11 perennial waterbodies (including Long Island Sound), 4 intermittent waterbodies, and 43 wetlands (32.5 acres). The Department recommends avoiding and reducing impacts to wetlands and waterbodies to the maximum extent practicable by consolidating pipelines whenever possible. In addition to the Islander East project, the FERC is preparing an EIS for the Eastern Long Island (ELI) project, a pipeline with a similar route and a customer base that may overlap with that of the Islander East project. We support the FERC's proposal to examine whether the demand for gas can justify both the Islander East and the ELI projects. We also would be in favor of a one-pipe alternative that would meet the projected gas demand for the customer base and result in a reduction in environmental impacts compared to the impacts associated with two separate projects.

F1-6 The project would cross both cold water and warm water streams. The Department supports the proposed dry crossing of the Connecticut streams and recommends using a dry crossing of the Peconic River; either a flume, pump-around, or a conventional bore to reduce sedimentation. To reduce impacts to spawning salmonids, the Department recommends crossing cold water streams between April 1 and September 15. Warm water streams should be crossed during a low water period between June 30 and March 1. Following construction, stream banks should be stabilized and revegetated with appropriate woody species. Examples of vegetation suitable for establishment and recommended planting specifications can be found in Gaffney *et al.* (1991)

F1-7 The Department is also concerned about the impacts associated with the planned Connecticut-Long Island Lateral (CLIL) project, which would transport gas from Tennessee Gas Pipeline Company's facilities in Pennsylvania and New Jersey. Before the FERC makes a final decision to issue a certificate of public convenience and necessity for the Islander East project, we recommend that the FERC determine whether modifications to the Islander East/ELI could be reasonably made to deliver the additional gas volumes planned for the CLIL project.

F1-8 The Department has reviewed the proposed route variations for the Islander East project. It appears that some variations may result in reductions in impacts to wetlands, but field surveys would be required to make an accurate determination. In some cases, such as the Pine Orchard Variation, wetland impacts were assessed using National Wetlands Inventory (NWI) maps. National Wetlands Inventory maps are generally based on aerial imagery and are likely to be less accurate than field surveys. Therefore, comparisons made between impacts associated with the proposed route (for which field surveys were performed) and the variation (for which NWI maps were used) may not be accurate. As this project will likely require a permit pursuant to Section 404 of the Clean Water Act of 1973, as amended (P.L. 92-500) from the U.S. Army Corps of Engineers, we recommend that wetlands be field-delineated so that the least environmentally-damaging practicable alternative can be identified.

F1-9 The Department supports the use of a directional drill to construct the nearshore approach to Long Island to reduce impacts to nearshore habitats and Federally-listed species and their habitat.

F1-10 Furthermore, we recommend that the applicant implement measures to recapture or prevent the release of drill muds into Long Island Sound.

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F1-5 System alternatives are discussed in section 4.2 of the FEIS. Also, see response to comment 1.

F1-6 All waterbodies in Connecticut would be crossed as dry crossings. Since issuance of the DEIS, Islander East has proposed a variation to use HDD to cross the Peconic River. See sections 2.3.2.8 and 3.3.2.2. Streams classified as having coldwater fisheries would be crossed between June 1 and September 1, and warmwater fisheries would be crossed between June 1 and November 30, pursuant to section 5.2.1 of Islander East and Algonquin's ESC Plan (Appendix D). These windows are consistent with the requirements of the CTDEP, and we believe that they are as protective as the dates mentioned in your comment.

F1-7 Tennessee has not filed an application to construct this project.

F1-8 The analysis for alternatives takes into account various land use issues in addition to wetlands crossed. In many instances, these other issues may present difficulties for construction that may preclude the alternative from further analysis.

F1-9 Islander East now proposes to use a HDD for landfall on Long Island.

F1-10 Since issuance of the DEIS, Islander East has submitted a Directional Drilling Monitoring and Operations Program Plan that describes measures it will undertake to monitor for, and contain and remediate, planned and unplanned releases of

Mitigation

F1-11 The DEIS includes many recommendations for reducing the extent of impacts to wetlands and waterbodies, but does not include a plan to compensate for unavoidable impacts to wetlands. We recognize that most direct wetland impacts will be temporary in nature, but there will be a temporal loss of emergent and scrub-shrub wetland habitat and a permanent loss of forested wetland. Therefore, the Department recommends that the applicant develop a plan that will adequately compensate for the proposed impacts. Specifically, we recommend restoration/creation of wetlands at a 1:1 acreage ratio and preservation at a 2:1 ratio. Mitigation

F1-12 should be in-kind and sites located in both Connecticut and New York. Because many of the wetlands are in areas where invasive/exotic plant species are abundant, we recommend that restored/created wetlands and those wetlands temporarily impacted by the project be monitored for a period of 10 years, with reports generated during years 1, 2, 5, and 10. If during any monitoring period, invasive/exotic plant species occupy more than 5% of any vegetative community, the applicant should eradicate these species and establish plant species beneficial to wildlife.

Contaminants

F1-13 The Department is concerned about the potential release of contaminants resulting from the proposed crossing of Long Island Sound and recommends that the applicant consult with the NYSDEC and perform surveys of the proposed pipeline route that includes a profile of contaminant concentrations at various depths from the surface to the bottom of the proposed trench. Any samples with contaminant concentrations exceeding the values provided in the Technical Guidance for Screening Contaminated Sediments (NYSDEC 1999), should be assessed for potential risk. The assessment should also evaluate whether buried contaminants could potentially be resuspended and deposited in areas where these materials would become bioavailable. Also, the movement of materials from an anoxic/hypoxic site to areas with oxygenated water may result in changes in the bioavailability and/or toxicity of these materials.

Summary Comments

The Department makes the following recommendations for the proposed project:

- Determine the projected gas demand for the region, quantify subscribed and unsubscribed capacity, and consolidate pipelines to the maximum extent practicable.
- Avoid impacts to Federally-listed species as described above and continue ongoing coordination with the Service and the respective state agencies.
- Minimize impacts to wetlands and streams and revegetate stream banks following disturbance. Avoid in-water stream work outside the Department's construction windows.
- Use a directional drill for construction in the nearshore areas in Connecticut and New York and prevent the release of drill muds.
- Mitigate for unavoidable wetland impacts as described above.
- Identify areas of contamination and coordinate with the appropriate agencies.

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drilling mud to the Long Island Sound. We have reviewed this plan and believe that its implementation would adequately minimize environmental impacts from releases of drilling mud. Section 3.3.3.2 of the FEIS has been updated to reflect this.

F1-11 The COE may develop requirements for wetland compensation as part of its section 404 permitting process.

F1-12 See response to comment 22 in letter F3.

F1-13 Islander East's site-specific sediment sampling is discussed in section 3.3.3.1.

We appreciate the opportunity to comment on this proposal. If you have any questions regarding this letter, please contact Alex Chmielewski of the New York Field Office (607) 753-9334.

Sincerely,

Andrew L. Raddant
Regional Environmental Officer

Literature Cited

Gaffney, F.B., J.A. Dickerson, R.E. Myers, D.K. Hoyt, H.F. Moonen, and R.E. Smith. 1991. A Guide to: Conservation Plantings on Critical Areas for New York. U.S. Department of Agriculture, Soil Conservation Service, Syracuse, New York, 48 pages.

NYSDEC. 1999. Technical Guidance for Screening Contaminated Sediments. New York State Department of Environmental Conservation, Albany, NY. 39 pages

FEDERAL

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First St., N.E., Room 1A
Washington D. C. 20426

Dear Ms. Salas:

SUBJECT: COMMENTS TO THE DRAFT ENVIRONMENTAL IMPACT STATEMENT (DEIS) ON THE NATURAL GAS PIPELINE

Reference: Docket No. CP01-384-000 and Docket No. CP01-387-000

On behalf of the US Department of Energy's Brookhaven Area Office, enclosed are comments related to the Draft Environmental Impact Statement for the proposed natural gas line. As specified in the directions, two copies of our comments are enclosed. One copy is made to the attention of the Gas Group 2, PJ-11.2. As recommended in the DEIS, these comments have also been transmitted electronically.

If you should have questions regarding our comments, please contact Mr. Jerry Granzen of my staff at (631) 344-4089 or myself at (631) 344-3433.

Sincerely,

Frank Crescenzo, Acting
Area Manager

Enclosure:
As stated

Cc: P. Siebach, CH, w/encl.
G. Granzen, BAO, w/encl
J. Carter, BAO, w/encl.
R. Desmaris, BAO, w/encl.
I. Atney, BAO, w/encl.
P. Paul, BNL, w/encl.
T. Sheridan, BNL, w/encl.
K. Geiger, BNL, w/encl.
M. Bebon, BNL, w/encl.

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Comments on the Draft Environmental Impact Statement (DEIS)
regarding
The Proposed Islander East Pipeline Project

Ref. FERC Docket Numbers: CP01-384-000 and CP01-387-000

May 16, 2002

Routing

F2-1 1. There is no mention or discussion regarding the alternative to run the pipeline within the existing 138kV LIPA electric right-of-way from Shoreham, along BNL's eastern boundary, south to the Expressway. This alternative was suggested to both Iroquois and Islander East in our earlier discussions. It appears that this route will have less environmental impacts to the route currently proposed since the 138kv right-of-way is already clear of any vegetation.

F2-2 2. It appears the alternative to route the pipeline in the median of William Floyd Parkway was not fully evaluated. Page 4-42 only briefly discusses this alternative and appears that this option should be further evaluated.

F2-3 3. It is understood that other companies such as Iroquois might be recommending a separate pipeline to be built on Long Island. We highly recommend only one pipeline be constructed to minimize disturbance to the area.

Comments based on the Current Proposed Route

F2-4 1. BNL strongly encourages limiting tree cutting if the final decision is to locate the pipeline east of the William Floyd Parkway. Instead of a 75 foot construction right-of-ways (ROW) and a 50 foot permanent ROW, it is encouraged that this can be reduced to 60 foot construction and 40 foot permanent ROW.

F2-5 2. We encourage Horizontal Direction Drilling methods where possible, in particular through the Core Preservation Area of the Pine Barrens to reduce tree clearing. A rough estimate of the total area of trees to be cleared at BNL for construction is approximately 14 acres if the full widths are used as originally proposed. We were recently informed that Islander East, in conjunction with the Pine Barrens Commission have a revised plan using the horizontal directional drilling that indicate the acreage to be cleared on BNL property could be reduced to approximately 5.5 acres. BNL strongly encourages implementation of this plan.

F2-6 3. Erosion protection must be considered during and after construction of the right-of-ways to ensure proper surface water drainage in the disturbed areas.

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F2-1 See section 4.3.6 for a discussion of this alternative.

F2-2 The median of the William Floyd Parkway was not recommended because of safety concerns, construction difficulty, and potential traffic impacts, as described in section 4.4.6 of the FEIS.

F2-3 Thank you for your comment. Section 4.2 has been revised to include more information on system alternatives.

F2-4 Islander East has proposed route construction variations between MPs 34.3 and 42.4 to reduce impacts on the Central Pine Barrens Region and undeveloped public lands associated with Brookhaven State Park (MP 38.3 through 38.4) and the Town of Brookhaven. The modifications include a reduced construction right-of-way configuration between MPs 34.3 and 36.6, a combination of four HDDs, and an alignment change between MPs 36.6 and 42.4. These modifications will reduce Central Pine Barren Region impacts by approximately 80 percent over the originally proposed route in the Core Preservation Area. Cleared forested land in the Core Preservation Area would be reduced from 19.4 to 0.9 acres and would be increased from 27.0 to 28.4 acres in the Compatible Growth Area.

Environmental Issues

F2-7 1. Page 2-24 First Paragraph – All seeding and planting for restoration should specify the use of native vegetation species for the area being restored.

2. Page 2-43 Section 2.4.1.1 Routine Vegetation Clearing - This section should also contain information on the control of invasive species along the right-of-way that may have impacts on natural areas on local, state and federal properties. Grassy or herbaceous vegetation should be specified as being native to the area.

3. Page 3-14 Revegetation and Seeding – In addition to this section, a section on control of invasive species should be included. Wetland areas that are to be left to naturally revegetate should especially have a requirement for the control of invasive species within the disturbed areas caused by pipeline installation.

4. Page 3-62 Section 3.5.2 Environmental Consequences, 1st Paragraph – This paragraph states that 52.7 acres of cleared forest would be allowed to revegetate naturally. It would be advantageous to forest regeneration if native seedlings be planted. The New York State Nursery propagates Long Island native pitch pine and other hardwood species. Understory species may never return to a cleared area under natural conditions, revegetation of understory species should be required.

F2-8 5. Page 3-69 Table 3.6.2-1 (continued) - Under invertebrates, some investigation should be made as to the presence of the frosted elfin (a butterfly) *Callophrys irus*, which is a New York State threatened species and may be present in the Long Island Pine Barrens.

6. Page 3-75 1st Paragraph – In wetlands that are allowed to naturally revegetate, Islander East should have a plan in place for the control of invasive species.

F2-9 7. Page 3-90 All-Terrain Vehicle (ATV) Use of Right-Of-Way 5th Sentence – This sentence states that because the right-of-way parallels existing right-of-ways increased use by ATV's should be less. This may be true along existing utility right-of-way but increased ATV use will likely occur on new right-of-way paralleling existing roads where ATV's are illegal. This increased use has the potential to significantly increase illegal use of ATV's on public lands adjacent to the new right-of-way. Recommend the installation of barriers or devices to deter ATV usage within the ROW's. Gated fences or other obstructions should be evaluated.

F2-10 8. Page 3-105 Recommendations. BNL should also be involved in establishing restoration requirements for areas affecting BNL lands.

F2-11 9. Page 3-107 Section 3.8.5.2 Environmental Consequences, Pipeline Facilities - Removal of trees along William Floyd Parkway that would result in loss of wooded boundary between the parkway and structures should be avoided.

F2-12 10. Page 3-110 Section 3.9 Cultural Resources - please be aware that there are potential cultural resources on BNL property that could be affected by this project

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F2-5 See response to comment 4.

F2-6 Islander East has adopted our Plan and Procedures with a slight modification to create their ESC Plan. We believe that implementation of its ESC Plan would ensure proper erosion protection and surface water drainage in the disturbed areas.

F2-7 See response to comment 22 in letter F3.

F2-8 As stated in section 3.6 of the FEIS, Islander East has assisted the FERC in meeting Section 7 of the Endangered Species Act requirements by conducting informal consultation with the FWS and NMFS, and by reviewing endangered, threatened, and rare species databases maintained by the appropriate state Natural Heritage Program. The frosted elfin (a butterfly) *Callophrys irus*, which is a New York State threatened species, was not listed by the NYSDEC as potentially occurring in the project area.

F2-9 Section 3.8.2 of the FEIS includes a recommendation for Islander East to limit ATV access along its right-of-way in consultation with landowners and/or land managers at their request.

F2-12 if the two pipeline option is undertaken. Specifically, World War I training trenches used at the former Camp Upton.

F2-13 11. Page 3-134 Section 3.13 Cumulative Impacts – A section on cultural resources should be considered. Under a scenario of increased right-of-way needs for a second pipeline or other utility cultural resources on BNL could potentially be affected.

F2-14 12. Page 5-5 Wetlands – An invasive species control plan should be required for maintaining wetlands.

13. Page 5-16 Item 23 – This should also contain the requirement for an invasive species control plan prior to construction.

14. Page 5-17 Item 34 – This should also contain the requirements for an invasive species control plan prior to construction

Miscellaneous Comments Related to the Currently Proposed Routing

F2-15 1. The maps used in the EIS and by Islander East are outdated, and incorrectly indicate the County parkland north of Route 25 as Brookhaven National Property. (P. 4-30, 4-32, Drawing. No.'s IE-13 of IE-15, IE-14 of IE-15, IECA-01 of IECA-02).

2. Table 3.8.3-1, P. 3-97, indicates Islander East would need to obtain a license from DOE to cross BNL grounds. A license does not appear to be the correct terminology.

F2-16 3. Concerns have been made with regard to proximity of the pipeline to the residential apartment area and Child Care Facility. We would like to learn more about the safety precautions that will be taken and provide this information to the residence on site.

4. We would like to work with the successful company to ensure that there will be minimal impact to the operations and experiments on site during the construction of the pipeline.

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F2-10 We agree. Brookhaven National Laboratory can identify its restoration requirements during easement negotiations with Islander East.

F2-11 See comment response 4. As a result of these modifications, tree clearing between William Floyd Parkway and existing structures will be reduced.

F2-12 Islander East's staff is consulting with the New York SHPO to determine the presence of historic structures that may be affected by the undertaking.

F2-13 Comment noted.

F2-14 See response to comment 7.

F2-15 Comment noted. The maps are based on current USGS topographic maps and show the geographic information encoded on these maps.

F2-16 Pipeline safety standards are discussed in section 13.12.1 of the FEIS.

200205215043 Received FERC OSEC 05/21/2002 02 51 00 PM in Docket# CP01-384-000, CP01-387-000

FEDERAL

May 21, 2002

Magalie Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, D.C. 20426

RE: Islander East Pipeline Project Draft Environmental Impact Statement Docket No. CP01-384-000 and CP01-387-000 (EPA ERP # FRC-B03010-00)

Dear Ms. Salas:

In accordance with our responsibilities under the National Environmental Policy Act (NEPA), Section 404 of the Clean Water Act and Section 309 of the Clean Air Act we have reviewed the Draft Environmental Impact Statement (DEIS) for the proposed Islander East Pipeline Project proposed by the Islander East Pipeline Company, L.L.C. and the Algonquin Gas Transmission Company (Algonquin).[1]

According to the DEIS, the Islander East Pipeline Company (Islander East) proposes to construct 50 miles of new 24-inch diameter pipeline in various locations between Connecticut and Long Island, New York. The project includes a 22.6 mile crossing of Long Island Sound (LIS) and other associated ancillary facilities including three meter stations and five mainline valves. The project is presented as a means to provide natural gas transmission from supply areas in the northeast to energy markets in Connecticut, Long Island, and New York City.

EPA believes that appropriately sited natural gas transmission and power generation infrastructure play a vital role in ensuring rational and environmentally sound new generation capacity. Substantial new natural gas generation capacity has been approved recently by EPA and the states in the northeast, plants that are substantially cleaner and thus represent a 'win' for the environment and the energy needs of the northeast.

Natural gas pipelines play a key role in ensuring reliable energy capacity, and as such it is important that these projects are routed in the least environmentally sensitive location and receive thorough but prompt environmental reviews. The DEIS presents and asks for comment on four system alternatives: the One-Pipe System Alternative and the ELI System Alternative both based on Iroquois' ELI Extension Project; the Long Island System Alternative; and Tennessee's

[1] EPA New England (EPA) plans to submit additional formal Clean Water Act Section 404 comments in response to the Corps of Engineers' public notice when it is issued.

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Connecticut-Long Island Lateral Project. The DEIS also states that one goal of the analysis is to consider "the enhancement of competitive transportation alternatives," and "the avoidance of unnecessary disruptions of the environment". Based on the information presented in the DEIS it is not clear that the current project does either. As part of this effort we agree with the DEIS that both the Iroquois and Tennessee projects should be evaluated and considered as alternatives.

Construction of the pipeline on land in Connecticut and Long Island will impact a total of 314 acres while offshore work in LIS will impact 221 acres. As proposed the pipeline would cross 43 wetlands and 14 waterbodies and will "temporarily disturb" 32.5 acres of wetland (81 percent of which is forested) during construction. Moreover, construction of offshore portions of the pipeline would disturb subtidal benthic habitat through trench excavation, sidecasting of trench spoil and associated sedimentation and construction barge anchor cable sweep.

F3-1

EPA provided scoping comments to the Federal Energy Commission (FERC or the "Commission") in November, 2001 to identify important issues that should be addressed as part of the EIS analysis. Our comments indicated that the scope of issues identified in the Notice of Intent was a good start and that particular focus should be directed toward a complete analysis of: project alternatives; wetland impacts and associated mitigation; direct, indirect and cumulative impacts to LIS resources; construction techniques, and water supply resources. Unfortunately, the DEIS fails to provide the type of rigorous analysis required under NEPA to fully evaluate and consider the relative impacts of the alternatives or to support informed decision-making regarding the project. We believe additional information about the alternatives with regard to their impacts to the marine environment, wetlands, drinking water supplies and mitigation must be provided in order to fully evaluate the environmental acceptability of the proposed project. Our comments below and in the attachment describe our specific concerns about the project, identify outstanding information deficiencies and make suggestions about how the NEPA process should proceed from this point forward.

Purpose and Need and Analysis of Alternatives:

F3-2

- **The project purpose and need (and later, during the Clean Water Act (CWA) § 404 permitting process, basic project purpose) must be clarified.** As part of the alternatives analysis, the DEIS considers scenarios where one, two or some combination of gas pipeline systems are put in place to address the project purpose and need. The DEIS states that these alternatives are considered because the Commission has not yet determined whether Algonquin and Iroquois are competing projects. However, the project must be driven by a defined need (i.e. a demand for a given quantity of natural gas in NY). The "One Pipe" alternative and the "two system" alternative each nearly double the volume of gas delivered by the system under consideration and increase the environmental impacts because two transmission pipelines instead of one would be built; but the DEIS does not explain the need for such a large quantity - much greater than the demand estimations of either Algonquin or Iroquois.

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F3-1 Thank you for your comment.

F3-2 At the time the DEIS was written, it was possible that the Commission might determine that both projects and/or the services they would provide were in the public convenience and necessity. Therefore, system alternatives were evaluated that combined the proposed transportation quantities of both projects. These analyses resulted in additional facilities that include more pipeline looping and/or compression upstream of the proposed project location, larger diameter pipe, etc. It is up to the Commission to determine the need for pipeline projects that will be explained in orders issued by the Commission related to the project. This procedure is explained in section 1.1 of the FEIS. In fact, the Commission issued a preliminary determination (PD) on December 19, 2001, in this proceeding which stated that the construction and operation of the proposed facilities for the proposed transportation services was in the public convenience and necessity. This action was noted in the DEIS and the PD has been publicly available for review. That document explains the Commission's reasons for issuing the PD.

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F3-3

- **The analysis of system alternatives lacks detail necessary for an objective comparison of the relative environmental impacts of the alternatives.** With the exception of the Tennessee Connecticut-Long Island lateral project system alternative, eliminated from further study because it would require 60 additional miles of pipeline, the DEIS repeatedly cites a lack of sufficient information to fully analyze the various alternatives being considered to meet the project purpose and need, as required by NEPA. In particular the DEIS cites a lack of sufficient information regarding the One-Pipe alternative (pg 4-3), the Brookfield to Milford loop (pg. 4-13), the ELI alternative (and thus any combination alternative incorporating the ELI alternative) (pg 4-18), and the Long Island System Alternative (pg. 4-19). In other words, effectively *all* of the system alternatives to the Islander East project presented in the DEIS are described by FERC as lacking sufficient information to be analyzed.[2]

F3-4

- **The lack of important information related to project alternatives in the DEIS suggests that its publication was premature and that the analysis should be supplemented.** We recommend that a number of identified analysis and content gaps be resolved through the submission of a supplemental document for public review and comment in advance of the preparation of a FEIS. This approach will afford local, state, and federal agencies, interest groups and the public the opportunity NEPA envisions to offer comments about project alternatives based on a more complete analysis of each projects' potential for community and other related environmental impacts. While we applaud FERC's request for input on the system alternatives from EIS reviewers, we find this particular request inappropriate given the timing of the request (as the DEIS is already published) and the absence of basic information about the relative impacts of the various system alternatives. Without this information, it is difficult to compare alternatives and even more challenging to offer meaningful comments that fill information gaps and support informed decisions.

F3-5

One example of this need for additional information, symptomatic of the greater overall problem with the DEIS, is found in the discussion of the ELI system alternative. This alternative would be shorter in length in the Connecticut onshore portion, as well as the Long Island Sound offshore portion, although there would be differences in terrain traversed (no detail provided). It would cross fewer streams and would apparently avoid shellfish beds in Long Island Sound. No information is provided about the potential wetland impacts associated with the ELI alternative. The limited analysis allows for a conclusion that the ELI alternative appears to meet the project purpose and need with a

[2] It should be noted that a similar alternatives analysis must be conducted under the Clean Water Act § 404 (b)(1), to determine the Least Environmentally Damaging Practicable Alternative (LEDPA), which is the only alternative that can receive a Section 404 permit. Unless a significant amount of additional detailed information is gathered and presented on the project alternatives, this effort will also be constrained by the paucity of meaningful data on which to base an evaluation of environmental impacts.

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F3-3 Section 4 has been modified to provide additional information on these alternatives.

F3-4 See response to comment 3.

F3-5 See response to comment 3.

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F3-5 reduced potential to impact the environment. Unfortunately, no concrete conclusions can be drawn about this alternative, because nothing but the most rudimentary comparison of environmental impacts is provided, coupled with glaring omissions of important environmental data (size and location of wetlands impacts, wetlands functions and values, water quality impacts, fish and wildlife resources associated with streams, amounts and types of wildlife habitat impacted, etc.). Again, the DEIS then states that FERC does "not have sufficient information to recommend the ELI system."

Wetland Impacts:

F3-6 • **The DEIS lacks the detailed information necessary to conduct an adequate review of the environmental impacts associated with the proposed project.** This deficiency includes a lack of detailed information on the locations or functions and values of the wetland systems impacted as well as an insufficient analysis of alternatives to the proposed project as required by both NEPA and CWA § 404(b)(1). In addition, no detailed information is presented on the location, size or quality of the specific wetlands systems impacted, or about the ecological or other functions and values exhibited by those systems.

F3-7 • **More information should be provided to describe potential modifications of alternatives presented (e.g. route variations) to avoid and minimize impacts to the aquatic ecosystem.** EPA recommends that reductions in the width of rights-of-way along the route be pursued to the greatest extent practicable to reduce adverse environmental impacts. A clear explanation of how the sizes for reduced rights-of-way are established would also be of great value as part of this process. Finally, in instances where sensitive resources are identified that cannot be avoided, the use of horizontal directional drilling (HDD) should be seriously considered as an appropriate construction technique to minimize wetland impacts.

Marine Impacts:

F3-8 • **The DEIS does not contain enough specific information to fully understand the potential for marine impacts.** The lack of site specific baseline information along the pipeline route is a primary factor in this regard that further limits the value of the DEIS as a tool to understand the potential effects of construction and operation of the proposed project. For example, the DEIS (pg 3-43) mentions that site-specific computer modeling to quantify the impacts of sediment displacement and related turbidity and current changes is currently underway. Although we raise several specific comments related to similar information voids below, we also recommend that the National Marine Fisheries Service input related to this, and other marine issues, be given serious consideration as part of FERC's efforts to develop supplemental information.

F3-9 • **The DEIS is constrained by a lack of specific sediment chemistry (information about the toxicity of marine sediments) along the proposed pipeline route.** Although some sediment chemistry data is provided in Appendix H of the DEIS, it is unclear where the

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F3-6 Wetlands affected by the project were delineated using the 1987 COE Wetlands Delineation Manual and delineation forms for the wetlands are all in the public record. Table 3.7.1-2 lists each wetland by number, milepost, NWI classification, crossing length, and acreage affected. We believe this provides sufficient information on which to evaluate potential wetland impacts. Additional details on dominant species, diversity, etc. of each wetland are available from the field delineation forms. There would be no net loss of wetlands due to project construction.

As stated in section 3.7.2 of the FEIS, we believe that Islander East has minimized wetland impacts through the proposed route, the use of its ESC Plan and other proposed impact mitigation measures that would avoid or minimize potential impacts on wetlands.

F3-7 Reduced rights-of-way have been recommended to decrease the width of construction workspaces in specific areas with sensitive resources such as forests, wetlands and residential properties. Islander East now proposes to cross both the Peconic and Carmans Rivers by HDD. Sections 3.3.3.2 and 3.7.2 have been revised to include this updated information.

F3-8 Sections 3.3.3.2 and 3.4.1.2 of the FEIS have been updated with the sediment dispersion modeling data.

F3-9 Section 3.3.3.1 of the FEIS has been updated with information concerning the location of dredge material disposal sites, and section 3.3.3.2 has been updated with information on contaminated sediment resuspension.

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F3-9 samples were collected and at what depth. Moreover, the analysis lacks a discussion of the potential for resuspension of sediments contaminated with organics, and related impacts, during the construction phase of the project. The analysis does incorporate a discussion of contaminant loads and sediment contaminated with heavy metals but no discussion of the effect on habitat of sediments contaminated with PCBs and Pahs. This lack of specificity, in combination with the lack of an evaluation of existing and/or historic dredge material disposal sites and whether they would be affected by the proposed marine route makes it difficult understand the potential impact of construction in these sediments and whether effective mitigation is possible. Specifically, it is not clear if the pipeline has been rerouted to avoid the Central Long Island dredged material site. Navigation coordinates for the pipeline in the vicinity of the disposal site would also be helpful.[3]

F3-10 • **Mitigation measures are an essential component of the project.** As was the case with another pipeline in the marine environment that we recently reviewed, the Hubline project in Boston Harbor, EPA is concerned with the magnitude of the marine impacts associated with construction of the project. The potential for impacts depends on a number of factors, including the route that is selected, the presence or absence of contaminated sediments along the route, and whether resources are present on the bottom and in the water column that would be impacted. After the impacts are fully documented, EPA urges FERC and the applicant to participate in an open dialogue with the relevant state and federal regulatory agencies on the issue of compensatory mitigation as soon as possible, and prior to the publication of any subsequent NEPA document. EPA looks forward to participating in those discussions.

F3-11 • **EPA agrees with the FERC recommendation that contingency plans should be identified for instances where Horizontal Directional Drilling (HDD) fails.** In addition to the development of a contingency plan, the EIS should describe the criteria which will be used to determine directional drill failure. It may be appropriate to consider directional drill failure criteria established for other projects as appropriate models for this project. In addition, the contingency plans should identify which agencies will be informed of the failure and that the contingency plan will be pursued.

Water Supply

F3-12 • **EPA supports FERC's call for pre and post construction monitoring of public and private wells along the pipeline route.** Well yield and water quality information will be of great value as part of the work to monitor potential construction impacts associated with the pipeline. The analysis should also provide information to explain the mechanisms that

[3] We acknowledge and appreciate FERC's request to Islander East to file site-specific contaminated sediment studies for portions of LIS with federal and state agencies; however, we maintain that this information should have been provided in the DEIS, not in correspondence outside of the NEPA process.

F3-10 Islander East continues to consult with relevant resource agencies to develop mitigation measures during the permitting process. Compensation is outside of FERC's jurisdiction.

F3-11 Our conditions regarding alternative crossing methods to be used in the event of HDD failure have been updated in the FEIS. Because each HDD is unique, establishing specific criteria to determine failure is not realistic; Islander East would consult with appropriate Federal and state agencies in the event that an HDD is not possible.

F3-12 Thank you for your comment.

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F3-12 typically exist to resolve complaints related to changes in well yield or water quality.

Conclusion/Rating

The DEIS identifies a number of instances where there is insufficient information to recommend an alternative or to fully understand its potential to cause impacts. It is clear that there is not enough information available at this point for FERC to take any action or even to recommend a preferred alternative. This is an unfortunate yet avoidable situation that leads us to recommend

F3-13 that FERC address outstanding deficiencies and increase the ability of the NEPA process to support informed decision-making through the preparation of a supplemental analysis that is made available for review and comment in advance of the preparation of a FEIS.

F3-14 We believe additional information with regard to impacts to the marine environment and to drinking water supplies as well as mitigation must be provided in order to fully evaluate the environmental acceptability of the proposed project.

For the reasons discussed above (and in the attachment which follows), EPA has rated this EIS "EC-2 Environmental Concerns-Insufficient Information" in accordance with EPA's national rating system, a description of which is attached to this letter. We look forward to reviewing responses to the issues and concerns highlighted in this letter and technical attachment in a supplemental document and my staff is available to provide additional input, as necessary, to help FERC develop a supplemental analysis. Please feel free to contact me or Timothy Timmermann of the Office of Environmental Review at 617/918-1025 if you wish to discuss these comments further.

Sincerely,

\S\

Robert W. Varney
Regional Administrator

Attachment

F3-13 Thank you for your comment.

F3-14 Comment noted.

Summary of Rating Definitions and Follow-up Action

Environmental Impact of the Action

LO--Lack of Objections
The EPA review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

EC--Environmental Concerns
The EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce the environmental impact. EPA would like to work with the lead agency to reduce these impacts.

EO--Environmental Objections
The EPA review has identified significant environmental impacts that must be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no action alternative or a new alternative. EPA intends to work with the lead agency to reduce these impacts.

EU--Environmentally Unsatisfactory
The EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of public health or welfare or environmental quality. EPA intends to work with the lead agency to reduce these impacts. If the potentially unsatisfactory impacts are not corrected at the final EIS stage, this proposal will be recommended for referral to the CEQ.

Adequacy of the Impact Statement

Category 1--Adequate
EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis or data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.

Category 2--Insufficient Information
The draft EIS does not contain sufficient information for EPA to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses, or discussion should be included in the final EIS.

Category 3--Inadequate
EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the NEPA and/or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

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Additional Detailed Comments on the Islander East Pipeline Project
Draft Environmental Impact Statement

Wetlands

F3-15 Right-of-Way Impacts
The DEIS states that "forested wetlands would be crossed adjacent to existing rights-of-way, where actual forest clearing would be less than 75 feet because the partial use for construction of 25 to 50 feet of the previously cleared right-of-way for construction." This technique should be applied to both wetland and upland, as upland vegetative losses would, among other things, have an indirect adverse impact on the aquatic ecosystem through loss of wildlife habitat, increased potential for infiltration of invasive species, and adverse impacts on water quality. It is also not clear exactly how the dimensions of the reduced rights-of-way (ROW) are chosen, and whether they could be further reduced in width. ROW width must be minimized to the greatest extent practicable to reduce adverse environmental impacts.

F3-16 Functions & Values Assessment
The DEIS does not contain any detailed information on the locations or functions and values of the wetland systems impacted. Specific wetland impact areas are identified in Table 3.7.1-1, but with only the Cowardin classification and the size of the direct impact, along with some limited, general discussion of wetland characteristics in the text of the document. Furthermore, discussion of impacts is limited primarily to direct impacts, with little or no discussion of indirect and secondary impacts.

F3-17 Delineation
It appears that much of the estimation of wetland impacts presented in the DEIS is based solely on National Wetland Inventory (NWI) mapping or aerial photography. Estimations made using NWI maps or aerial photography must be field verified using the Corps of Engineers methodology. To that end, it would be helpful if Corps wetland data sheets should be provided as an appendix to the EIS. Moreover, photographs (on-site and aerial), if available, of impact areas would be a useful tool to understand impacts.

F3-18 Impacts
Detailed maps of the proposed routes showing wetland impact areas are not provided. Instead, low resolution overviews of planned routes are provided which fail to show approximate wetland locations. Project components including temporary work spaces, access roads, and above ground facilities are identified in the DEIS as actions that would result in wetland impacts. It is not clear, however, whether these components were included in the estimation of wetland impacts. If they were the EIS should describe how. It is also unclear whether property access restrictions along ten percent of the alignment affected the calculation of wetland impacts.

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F3-15 As stated in section 3.4.2.2 of the DEIS, Islander East has minimized impacts by reducing the width of the permanent right-of-way in wetland and collocating the proposed right-of-way with existing rights-of-way. To further reduce impacts, Islander East has modified the proposed route between MPs 34.3 and 42.4 to reduce impacts on the Central Pine Barrens Region and undeveloped public lands associated with Brookhaven State Park and the Town of Brookhaven. The modifications included a reduced construction right-of-way configuration between MPs 34.3 and 36.6, a combination of four HDDs, and an alignment change between MPs 36.6 and 42.4. These modifications would reduce Central Pine Barrens Region impacts by approximately 80 percent over the originally proposed route in the Core Preservation Area. Cleared land in the Core Preservation Area would be reduced from 19.4 to 0.9 acres and increased from 27.0 to 28.4 in the Compatible Growth Area.

Right-of-way widths need to be of sufficient size to install the 24-inch-diameter pipeline and operate equipment safely. This width needs to accommodate spoil storage, the trench, pipe stringing, and equipment travel lanes. Some of these areas, such as the trench, have OSHA worker safety considerations. Also, topography must be considered since pipeline rights-of-way constructed along the sides of hills need greater width to establish safe workspaces. (We usually allow an additional 25 feet of right-of-way width in these areas.) A 50-foot-wide construction right-of-way for this large diameter pipe is usually the minimal width that is used in a relatively level terrain.

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Stream crossings

F3-19 The DEIS states that the proposed project will cross 14 streams (12 in Connecticut). The Connecticut onshore portion of the pipeline will pass through the Quinnipiac Watershed. All of the streams crossed are Class A coldwater fisheries, with the exception of two rivers (the Muddy and Branford Rivers) which are classified B/A coldwater fisheries. At least two of the crossings will affect streams (Farm River and Stony Creek) known to support anadromous fisheries. Other than the water quality classification, identification as coldwater or anadromous fisheries, and some general descriptive language about the watershed, the DEIS is characterized by a lack of information regarding the quality of the streams, fish and wildlife use of the streams, etc. at the specific impact areas. This lack of information makes it difficult to discern the potential for impacts due to construction.[4] In addition, detailed maps and diagrams showing impact areas are not provided.

F3-20 On page 3-29 the DEIS states that Islander East has proposed a variance to sidecast spoils into "intermediate" water bodies greater than 30 feet in width. The DEIS points out that none of the stream crossings are this wide. If that is the case, then EPA sees no reason for such an allowance to be specified, and agrees that no such variance should be granted. Furthermore, if stream widths are for some reason underestimated, and widths in excess of thirty feet are encountered, EPA would oppose the allowance of sidecasting spoils into the stream, due to the avoidable and adverse environmental impacts that could result.

Mitigation

F3-21 Page 3-76 of the DEIS recommends that post construction reports should be filed for the first three years or until each wetland is "successfully revegetated." Given the extended time frame expected for complete revegetation, a monitoring period of greater than three years is warranted, especially in the forested wetland areas. A minimum of five years of monitoring should be required, with additional requirements that corrective actions be taken to address unsuccessful revegetation. In addition, invasive species should be addressed in a comprehensive mitigation

F3-22 plan that includes monitoring and specific actions necessary to remove invasives. EPA would like

F3-23 to be included in the group of resource agencies reviewing any wetland mitigation or revegetation plans. The current list provided in the DEIS does not include EPA.

[4] Potential impacts from stream crossing and construction activities (e.g. clearing an grading of stream banks, blasting, instream trenching, trench dewatering and backfilling) include the loss of vegetative buffer, streambank erosion, destruction or modification of aquatic habitat, increased sedimentation and turbidity (and the resultant reduction in light penetration), decreased dissolved oxygen, increased water temperatures, release of chemical and nutrient pollution loads from sediments, as well as the potential for pollution from fuel spills or other chemical contamination from construction activities.

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F3-16 See response to comment 6.

F3-17 See response to comment 6.

F3-18 Section 3.7 has been revised to more clearly identify potential wetland impacts associated with access roads and temporary work spaces.

F3-19 Thank you for your comment. We believe that the EIS contains an adequate level of information on the existing environment and on potential impacts from construction.

F3-20 Thank you for your comment.

F3-21 Our Procedures require Islander East to monitor wetland revegetation for 3 to 5 years. However, if revegetation is not successful at the end of 3 years, as stated in section 3.7.2 of the DEIS, Islander East would develop and implement (in consultation with a professional wetland ecologist) a remedial revegetation plan to actively revegetate the wetland with native vegetation. These remedial revegetation plans could have continuing monitoring requirement for an appropriate length of time.

F3-22 Islander East has developed a draft *Construction, Restoration and Invasive Species Control Plan for the Central Pine Barrens Region* and a draft *Construction, Restoration and Invasive Species Control Plan for the Branford Land Trust Properties*. These plans will identify species of concern, procedures to

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Pine Barrens/Land Trust Land Impacts

F3-24 • EPA encourages close coordination between FERC, the applicant, the three identified land trust organizations and the Pine Barrens Commission to develop acceptable construction and mitigation plans. In those instances where impacts are anticipated, agreements should be developed to address how impacts will be minimized and what mitigation measures will be necessary. Based on the information provided in the DEIS, EPA believes the Pond Variation proposal to avoid impacts on property owned by the Branford Land Trust warrants further attention.

Marine Issues

Sediment Chemistry

F3-25 • The DEIS utilized §305(b) and §303(d) water quality reports and fish consumption advisories as a means to determine whether contaminated sediments are present in the vicinity of the proposed waterbody crossings. Because these reports represent a first cut analysis, a review of studies and sediment chemistry information from other projects (such as dredging projects) in the vicinity of the proposed project should be factored into the analysis.

F3-26 • We suggest that FERC review several reports published by the Corps of Engineers as part of the Disposal Area Monitoring System (DAMOS) which describe both sediment chemistry and recolonization patterns in contaminated sediments following disposal in Long Island Sound. These reports may be useful as part of the work to determine what impacts sediment resuspension would have on the environment in and adjacent to the construction area.

Resources

F3-27 • The DEIS reports that Islander East is in the process of collecting benthic data as part of the evaluation of marine benthic organisms along the pipeline route. This information is relevant to the discussion of project impacts and should be made available as part of the supplemental NEPA analysis provided for review and comment in advance of the publication of a FEIS.

F3-28 • The EIS should include a specific discussion of how state and federal agency comments and concerns offered on the project regarding EFH-designated species and other marine issues will be addressed.

Construction Impacts

F3-29 • The DEIS should include a discussion of impacts associated with delays should the project encounter complications. For example, the discussion does not describe what effects are

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prevent the spread of invasive plant species, restoration seed mixtures and procedures, and monitoring procedures. Islander East provided the respective site-specific plan to the Branford Land Trust for review and comment on May 16, 2002 and has submitted the Central Pine Barrens plan to the Central Pine Barrens Commission on June 10, 2002. These plans are discussed in sections 3.5.2 and 3.8.3.2.

Islander East has stated that it is committed to using native species for its restoration efforts in these areas and will continue to work with representatives of the Central Pine Barrens Commission and the Branford Land Trust to address concerns regarding revegetation and restoration issues in these areas. Islander East has stated it will file copies of future communication records with the Commission once they are available.

In addition, Islander East would implement general invasive plant species control measures in all areas. Islander East would require contractors to clean equipment prior to the beginning of work on the right-of-way and use silt fences to the maximum extent possible while generally avoiding the use of hay bales, which may contain seeds from invasive species. In wetland areas, Islander East would monitor the right-of-way for invasive species following construction pursuant to its ESC Plan. If revegetation is not successful at the end of 3 years, Islander East would develop and implement (in consultation with a professional wetland ecologist) a remedial revegetation plan to actively revegetate the wetland with native vegetation.

F3-29 likely to occur should the submarine trench remain "open" longer than expected (in this instance, one concern might be that lobsters may be more likely to burrow in the newly suspended sediment and then be impacted when the trench is backfilled).

F3-30 • It appears the HDD will begin offshore and extend into LIS. The analysis should explain how contaminated materials (from the nearshore environment) will be contained and removed since drilling seaward may displace toxic sediments and fluids that may settle on the ocean floor.

F3-31 • It is not clear why a 40 foot wide x 8 foot deep trench would be necessary to install a pipeline that measures 24 inches in diameter.

F3-32 • The DEIS explains that blasting would directly disturb and destroy submerged aquatic vegetation (SAV), shellfish, and benthic macroinvertebrates but that the habitats would recover over the short- term to support these species once again. In fact, most SAVs do not recover from these types of impacts quickly, if at all, resulting in long- term impacts to species that use this habitat. The supplemental analysis should provide additional information to support revegetation claims advanced in the DEIS.

F3-33 • Pipeline construction should be staggered by location and time of year to reflect input from state and federal agencies concerning "construction windows" to protect species and habitat during critical life stages.

F3-34 • EPA supports efforts to fully bury the pipeline as it crosses LIS in a manner that reestablishes preconstruction substrate conditions along the pipeline corridor. If this is not possible, the analysis must more fully discuss the impacts associated with a partially to fully exposed pipeline. The discussion should also include mitigation measures to account for the potential long term loss of productivity of benthic habitat affected by the project.

Spill Prevention Control and Countermeasure Plan (SPCC)

Recommendations
We recommend the following procedures for Class I (Water Utility owned lands) and Aquifer Protection (Level A and Level B) delineated areas:

F3-35 • The applicant should be required to coordinate closely with the appropriate state agencies prior to any field activities. Surficial drinking water supplies are regulated by the Connecticut Department of Public Health (CT DPH) and aquifer protection areas are regulated by the Connecticut Department of Environmental Protection (CT DEP). Although the separation distances and values cited in this plan may reflect standard criteria we recommend that these distances and values be the subject of specific coordination with the CT DEP so as to provide the best level of protection in all situations.

F3-36 • FERC and the applicant shall recognize state requirements and regulations that require

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F3-23 The FEIS includes the EPA as a resource agency to be contacted to review any wetland or revegetation plans.

F3-24 See response to comment 22.

F3-25 Site-specific information on offshore contaminated sediments is presented in section 3.3.3.1 and Appendix H of the FEIS.

F3-26 Comment noted.

F3-27 The benthic data collected by Islander East was made available in a Supplement Data Filing submitted to FERC by Islander East in March 2002, and also in Volume 2 of the U.S. Army Corps of Engineers Joint Permit Application, dated March 2002. The results of the study are discussed in section 3.4.1.

F3-28 We do not agree that the FEIS requires a specific section discussing how state and Federal agency comments and concerns are addressed beyond this appendix.

F3-29 Section 3.4.1.2 has been revised to include a discussion of the potential impacts resulting from delays in backfilling the trench.

F3-36 notification of the appropriate Water Utility of activities which will occur within Class I Watershed or aquifer protection area wellhead boundaries. Also, in the event of a release within Class I Watershed or aquifer protection area wellhead boundaries the Water Utility should be notified immediately.

F3-37 • No storage of contaminants should be allowed in Class I Watershed or aquifer protection area wellhead boundaries.

F3-38 • Refueling and maintenance of equipment and transferring of liquids should be conducted outside of Class I Watershed or aquifer protection area wellhead boundaries.

F3-39 Emergency Response Procedures
By law the CT DEP regulates the storage, transport and disposal of hazardous wastes. As part of this role the CT DEP responds to and provides oversight for emergency response and remediation of hazardous material spills. The SPCC should be revised to clearly indicate that spills should be reported to the Haz/Mat Spill Response Program in the CT DEP simultaneously with any other notifications provided. Also, in the event of a spill in a Class I Watershed or an aquifer protection area wellhead boundary the Haz/Mat Spill Response Program and the Water Utility should also be notified. The SPCC should also be supplemented to describe the criteria and associated thresholds the Chief Inspector would use to determine if a release requires reporting to regulatory agencies and to reflect that all hazardous substance releases are to be reported to the Haz/Mat Spill Response Program.

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F3-30 The HDD would begin onshore and extend offshore into the Sound. Since issuance of the DEIS, Islander East has submitted a Directional Drilling Monitoring and Operations Program Plan that describes measures it will undertake to monitor for, and contain and remediate, planned and unplanned releases of drilling mud to the Long Island Sound. We have reviewed this plan and believe that its implementation would adequately minimize environmental impacts from releases of drilling mud. Section 3.3.3.2 of the FEIS has been updated to reflect this.

F3-31 The trench size is needed to account for slumping of material from the sides of the trench during its excavation and to obtain at least 3 feet of cover over the pipe.

F3-32 A detailed geophysical study of the proposed route was conducted after issuance of the DEIS. This study indicates that there are no offshore blasting requirements. Therefore, no blasting would occur in SAV or shellfish beds. The text in section 3.4.1.2 of the FEIS has been revised to reflect this.

F3-33 We agree that Islander East should adhere to state and Federal "construction windows" designated to protect species and habitat during critical life stages.

F3-34 Islander East is planning to bury the pipe for the majority of the offshore route. Only relatively short sections of the pipe would remain on the seafloor where the pipeline crosses other existing utilities. Section 3.4.1.2 of the FEIS has been updated with information on the specific sections that would remain on the seafloor and potential impacts.

F3-35 As mentioned in sections 3.3.1.2 and 3.3.2.2 of the DEIS, we believe that strict adherence to limits on prohibition of refueling activities and storage of hazardous materials to over 200 feet from private wells and 400 feet from public water supply wells, and to over 100 feet from surface waterbodies, would provide adequate protection to water supply sources.

However, where the pipeline crosses aquifer or wellhead protection areas where additional requirements would apply, we agree that the applicants should also abide by the location requirements.

F3-36 Thank you for your comment. The text in section 3.3.2.2 of the FEIS has been updated to address your concern.

F3-37 See response to comment 35.

F3-38 See response to comment 35.

F3-39 Thank you for your comment. Section 3.3.1.2 of the FEIS has been modified to include a recommendation to address your concerns.

Ms. Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
Room 1A
888 First Street, N.E.
Washington, D.C. 20426

Re: FERC Docket Numbers CP01-384-000 and CP01-387-000

Dear Secretary Salas:

F4-1 We have reviewed the draft environmental impact statement (DEIS) for the proposed Islander East Pipeline Project (FERC/EIS - 0143D), and find that it does not provide adequate and accurate information regarding the aquatic resources and their habitat relationships. We recommend that the DEIS be revised to meet the objectives of the National Environmental Policy
F4-2 Act (NEPA) to include more accurate depictions of the existing conditions, proposed activities, and means of avoiding, minimizing, mitigating, and compensating for adverse impacts associated with project authorization.

General Comments

Existing Conditions

F4-3 The DEIS characterizes the seafloor as not leased, and habitat along the pipeline alignment as "unproductive." Conversely, the habitat is a part of the ecosystem of Long Island Sound in general, and a vital component of the Thimble Islands habitat. The shellfish habitat in the general vicinity of the Thimble Islands is part of the eastern foundation of the central basin of the Connecticut shellfish industry. In recent years, northern quahog harvesting in this area supported some of the commercial fishing pressures displaced by recent, marked declines in standing stocks of American lobster and eastern oyster. As a result of the shift, northern quahog landings and their importance have increased significantly.

F4-4 The significance of the shellfish habitat should not be decided on whether or not the grounds are leased. The leases for the two referenced "unproductive" areas were associated with uncharacteristic exploitation of the seafloor. The beds were then fully harvested to remove the crop and the lease was surrendered based on economic decisions rather than retained during the

F4-1 The FEIS has been revised to provide additional information regarding aquatic resources and their habitat relationships. See sections 3.3.3 and 3.4.1.2.

F4-2 Thank you for your comment.

F4-3 Section 3.4.1.2 has been revised to recognize that the unleased shellfish areas are indeed productive shellfish habitat.

F4-4 See response to comment 3.

F4-4 three to five years needed for crop reestablishment to occur naturally. This does not relegate the beds as "unproductive." They were, and are, productive habitat for shellfish. For the purposes of the pipeline installation, the beds should be considered as productive as other natural setting and growing shellfish beds closer to shore.

Proposed Action

Although horizontal directional drilling (HDD) can avoid all adverse impacts associated with pipeline and cable installations, there is a potential for the discharge and "loss" of drilling mud at the offshore exit point or along the route from "frac out" events, when the drill head inadvertently breaks through the surface in an area other than the planned exit point. These points are not fully addressed. Drilling mud releases can cause localized degradation of the habitat and community until the material is dissipated. In addition, drilling mud remains a potential resource threat even if it is dispersed, as the principal component of drilling mud is usually barite which contains elemental mercury. Although the US EPA has restricted the mercury level in drilling mud to one part per million, sessile filter feeders could still conceivably bioaccumulate mercury when exposed to sediments, and the potential should be addressed. The existing mercury levels in the sediments of the area are two orders of magnitude lower than that allowed in the drilling mud

F4-5 (Appendix H, Table 1, DEIS). Limiting recovery of "lost" drilling mud to 60 percent, as predicted in the document, could expose harvested aquatic resources and the public to this pollutant, and could jeopardize the well-being and value of the aquatic resources in the area.

Much emphasis is placed on the HDD under of the nearshore shellfish beds and rocky habitat of

F4-6 Branford. HDD is proposed from mile point (MP) 10.1 to MP 10.9. However, using the open cut trenching for the next mile of the alignment (approximately MP 10.90 to MP 12.00) could negate much of the environmental benefit from employing HDD in the first portion of the alignment. Appended to the Department of the Army application by Islander East is a depiction of the net, water mass circulation pattern in the area. The depiction indicates that currents would carry suspended sediment from the trench construction area both east and west of the trench as

F4-7 well as landward, across the specific shellfish beds being afforded protection by the HDD effort. As trenching can suspend a considerable amount of fine dredged material, the fines can disperse within, and even well outside of, the construction right-of-way. Because of the north to south Islander East alignment, the prevailing wind and current patterns from the east and west could exacerbate the excessive suspension, possibly necessitating additional or follow-up trenching. Moreover, a construction schedule that embraces the fall and winter seasons in Long Island Sound could amplify the impacts due to increased likelihood of storm events during the work period. There is no discussion of these matters in the DEIS.

F4-8 Loss of the material sidecast during trench creation may leave an insufficient amount of material to refill the trench. Without adequate refill material, the trench remains a depression, below the surrounding seafloor. Artificially created depressions in the seafloor tend to collect organic and other less dense materials. These "nephloid layer" materials can alter habitat types, reduce

FEDERAL

F4-5 Section 3.4.1.2 has been revised to included a discussion on the potential impacts of HDD drilling mud on the benthic community.

F4-6 Offshore construction techniques are discussed in sections 2.3 and 3.3.3. Section 3.4.1.2 discusses impacts to the benthic communities.

F4-7 Use of a subsea plow and backplow are preferred methods in waters at depths greater than 20 feet. Adverse impacts to biota cannot be completely eliminated. The recommended schedule would minimize adverse impacts, including those to biota, to the extent practicable.

F4-8 Section 3.4.1.2 has been revised to include a discussion on the formation of depressions which may develop poor water quality.

F4-8 habitat suitability, adversely impact resource use, and protract site recovery. The document should discuss this.

F4-9 The document discusses burying the 75 cm (30 inches) pipeline at least halfway [about 37.5 cm (15 inches)] but describes burial equipment that would create a trench as deep as 2.4 meters (eight feet) into the seafloor with the jet plow or plow method. There should be some discussion on the need for going so deep and displacing such massive volumes of sediment with these methods.

F4-10 The discussions regarding the dynamic mooring of the lay and burial barges do not include any recognition that some anchors will not catch or "set," and the drag scours will be much longer than 20 feet, and larger than approximately 5 square meters (172 square feet). With an estimated 2,628 anchor scars, the approximately 4 hectares (10 acres) of habitat destruction as listed in the document may be an underestimate. Additionally, the anchor set areas act much like larger depressions, accumulating fine-grained and organically enriched detritus. Those accumulations

F4-11 will affect many of the organisms attempting to colonize the depressions. Where storm energy or prevailing currents have the ability to refill these depressions, recovery will occur. However, fully refilling a hole up to 2.4 meters (8 feet) deep may require more than a decade. In the areas below about 18 meters (60 feet) of water depth, those depressions will be dependent on local currents and natural deposition for refilling.

Environmental Analysis and Appendix I [Essential Fish Habitat Assessment (EFH)]

F4-12 Resources and their habitat relationships need additional evaluation with respect to project impacts. Passage of Northern lobster over the pipeline, for instance, is based on an assumption that lobsters can swim. Unfortunately, the discussions do not identify that Northern lobster walk in a forward motion but "swim" in a backward direction. Swimming in Northern lobster is used primarily as a predation avoidance or flight behavior. Similar misrepresentations of resource use can be found for many of the species used to depict the environmental compatibility of the proposed action.

F4-13 While the document states that all stages of winter flounder can be found within the project area (Appendix I, pages 4-4 and 4-5), the presence of their embryos and the impact from pipeline installation is overlooked. Sediment can be a major source of mortality of winter flounder embryos. The presence of drilling mud, suspended dredge material, and plumes arising from sidecast dredged material mounds, jet-plowing, or simple plowing as significant threats to the well-being of winter flounder should also be considered.

F4-14 The EFH assessment (contained within Appendix I) cites the NOAA *Guide to EFH Designations in the Northeastern United States* as the source of the EFH designation species found in Table 4-1. Unfortunately, the EFH assessment relied on the guide as an exclusive source for consideration of EFH impacts. The Guide states that it "serves as a summary of the Councils' EFH documents and

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F4-9 The proposed pipeline would now be buried with 3 feet of cover. The trench size is needed to account for slumping of material from the sides of the trench during excavation and to obtain the required cover.

F4-10 Section 3.4.1.2 has been revised to include the potential for anchor drag impacts.

F4-11 See response to comment 8. Storm events have been included in the offshore modeling.

F4-12 Section 3.4.1.2 has been revised to include a more accurate description of lobster movement capabilities.

F4-13 Section 3.4.1.2 and appendix I have been revised to discuss potential impacts to winter flounder embryos.

F4-14 Tables and discussions in section 3.4.1.2 and appendix I have been revised to include the managed species that were not previously included.

F4-14 is not intended for use on its own." The Councils' fishery management plans and other sources should be referred to for more extensive information regarding EFH wherever necessary.

F4-15 Use of the Guide caused a number of oversights, one being that adult black sea bass and longfin inshore squid are not included in the assessment. Adult black sea bass could suffer a loss of habitat in the construction/impact zone due to sediment deposition on a hard substrate and the removal of rock outcrops in the actual alignment. Longfin inshore squid are migratory and exploit Long Island Sound seasonally. Reproduction and feeding may be impacted by the proposed activities. A comprehensive EFH assessment is needed on which we will provide conservation recommendations, as appropriate.

F4-16 Lastly, there are any number of additional inaccuracies within the DEIS that are modest and minor, but individually and collectively they reduce further the quality of the environmental impact statement. We would be glad to discuss these items as they relate to our trust resources.

Thank you for the opportunity to offer comments. Should you wish to discuss these comments further, please contact Mr. Michael Ludwig of our Milford, CT facility at 203-882-6504.

Sincerely,

Peter D. Colosi, Jr.
Assistant Regional Administrator
For Habitat Conservation

cc: HCD - Milford, Sandy Hook
Gas Group 2, PJ-11.2
US EPA Reg I
US F&WS - Ninegret
CTDEP OLISP
CTDoA, BoA

islandeeast - 022

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F4-15 See response to comment 14.

F4-16 Thank you for your comment.

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

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FEDERAL ENERGY
REGULATORY COMMISSION

Centers for Disease Control
and Prevention (CDC)
Atlanta GA 30341-3724

May 16, 2002

Magalie Roman Salas, Secretary
Federal Energy Regulatory Commission
888 First St., N.E., Room 1A
Washington, DC 20426

Re: Docket No CP01-384-000 and CP01-387-000

Dear Secretary Salas:

We appreciate the opportunity to review the Draft Environmental Impact Statement (DEIS) for Islander East Pipeline Project. We are responding on behalf of the U.S. Public Health Service, Department of Health and Human Services (DHHS).

F5-1 We have reviewed this document for potential human health and safety concerns. We believe this DEIS has addressed our potential concerns, and we have no specific comments to offer at this time. We believe the potential construction-related impacts and cumulative impacts have been addressed and the planned mitigation measures should minimize potential impacts to human populations if adequately implemented as described in this DEIS.

Thank you for the opportunity to review and comment on this document. Please send us a copy of any future EAs or EISs which may indicate potential public health impacts and are developed under the National Environmental Policy Act (NEPA).

Sincerely yours,

for Paul Joe, DO, MPH
Medical Officer
National Center for Environmental Health (F16)
Centers for Disease Control & Prevention

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F5-1 Thank you for your comment.

DEPARTMENT OF THE ARMY
NEW ENGLAND DISTRICT, CORPS OF ENGINEERS
696 VIRGINIA ROAD
CONCORD, MASSACHUSETTS 01742-2751

REPLY TO ATTENTION OF

June 17, 2002

Regulatory Division
CENAE-R-200103091

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First street, N.E., Room 1A
Washington, D.C. 20426

Re: Islander East Pipeline Project - Docket Nos. CP01-384-000 / CP01-387-000

Dear Secretary Salas:

The Army Corps of Engineers (Corps) has received and reviewed the Draft Environmental Impact Statement (DEIS) for the above-referenced project which describes a proposal to construct 50 miles of new 24-inch diameter pipeline in various locations between Connecticut and Long Island, New York, including a 22.6 mile crossing of Long Island Sound and associated ancillary facilities (three meter stations and five mainline valves) for the purpose of providing natural gas transmission to Connecticut, Long Island and New York City. The Corps received an application for the subject project on April 3, 2002, and issued a Public Notice on May 1, 2002.

The intent of this letter is to provide comments and to impart our interpretation of the analysis of alternatives, within the DEIS, as they relate to *Clean Water Act Section 404 (b)(1) Guidelines*(Guidelines) *for Specification of Disposal Sites for Dredged or Fill Material*(40 CFR Part 230). The Guidelines, which are binding regulations, are the substantive environmental standard by which all Section 404 permit applications are evaluated. The fundamental precept of the Guidelines is that discharges of dredged or fill material into waters of the United States, including wetlands, should not occur if there is a practicable alternative to the proposed discharge which would have less adverse impact on the aquatic ecosystem, provided that the alternative does not have other significant adverse environmental consequences. A permit cannot be issued, therefore, in circumstances where a less environmentally damaging practicable alternative for a proposed discharge exists. Further, where insufficient information is provided to determine compliance, the Guidelines require that a permit be denied (40 CFR 230.12(a)(3)(iv)).

The inherent flexibility of the Guidelines' are discussed in the Preamble (45 FR 85336 December 24, 1980), 40 CFR Section 230.6, and 40 CFR Section 230.10. In particular, it is important to note that notwithstanding this

flexibility, the record must contain sufficient information to demonstrate that the proposed discharge complies with the requirements of Section 230.10(a) of the Guidelines. The amount of information needed to make such a determination, and the level of scrutiny required by the Guidelines, should be commensurate with the severity of the environmental impact and scope or complexity of the proposed discharge activity. Our preliminary review of the analysis of alternatives, as presented within the DEIS, indicates that:

F6-1 • The analysis does not contain sufficient information to make a reasonable determination as to whether the proposed discharge will comply with the Guidelines.

F6-2 • The analysis fails to adequately compare the environmental impacts of system alternatives to the proposal currently under consideration, allowing for a determination as to whether the need or demand for gas transmission to Connecticut and Long Island can be met in a less environmentally damaging manner.

• The analysis, although incomplete, appears to suggest that the Eastern Long Island (ELI) system alternative would be practicable, shorter in length (both onshore and offshore), cross fewer streams, avoid designated shellfish beds, affect fewer residences, and minimize trenching in the nearshore environment. Consequently, the ELI alternative, as presented in the DEIS, appears to meet the stated project purpose and need while discernibly reducing potential adverse impact to the aquatic environment.

To summarize, the Corps' preliminary analysis of alternatives, as presented in the DEIS, supports one of two conclusions:

F6-1 1. The proposal fails to comply with the Guidelines based on the fact that there is insufficient information to determine if the proposed activity is the least environmentally damaging practicable alternative.

F6-2 2. There appears to be a practicable system alternative to the proposed discharge that would have less adverse effect on the aquatic ecosystem.

F6-1 Only the Least Environmentally Damaging Practicable Alternative (LEDPA) may receive a federal permit.

At this time, the Corps would like to request an interagency coordination meeting to attempt to resolve the perceived shortcomings of the draft

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F6-1 The FEIS has been revised with additional information to assist in your determination.

F6-2 Based on our environmental analysis, the ELI System Alternative is environmentally preferable to the proposed route because it reduces onshore and offshore impacts, except for emissions. However, there are other policy-related considerations and/or factors that may make this alternative less desirable. Such considerations are beyond the scope of this EIS. The Commission will address these issues when it considers the entirety of Islander East's proposal. See section 4.2 of the FEIS for additional information.

environmental documentation, particularly, the comparison of the alternatives. It would be counterproductive if the Final Environmental Impact Statement recommended an alternative which cannot receive a federal permit.

If you have any questions, please contact me at 978-318-8335, or Ms. Cori M. Rose of my staff at 978-318-8306.

Sincerely,

Christine A. Godfrey
Chief, Regulatory Division

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