

authorizes ETNG to construct the pipeline along the applicant's proposed route, as modified by the South Fork Holston River and Reeds Creek Route Variations. The consultation process under Section 7 of the Endangered Species Act was completed on March 7, 2003, with the issuance of a Biological Opinion by the U.S. Fish and Wildlife Service. The consultation process under Section 106 of the National Historic Preservation Act was completed with the execution of a Programmatic Agreement (PA) between FERC and the Virginia and Tennessee State Historic Preservation Officers on April 29, 2003. FERC was the lead agency in these consultation processes. TVA was a concurring party to the PA.

*Decision:* TVA has decided to issue a 30-year term easement to ETNG for pipeline purposes under the Mineral Leasing Act (30 U.S.C. 185). The easement would allow ETNG to implement the South Fork Holston Route Variation and to cross 0.3 acre of TVA Tract No. FHR-1032 on Fort Patrick Henry Reservoir at South Fork Holston River Mile 16. In reaching its decision, TVA has reviewed the environmental impacts and public and agency concerns expressed for the entire pipeline project in Tennessee, Virginia, and North Carolina. TVA believes that the EIS process has enabled a thorough review of potential impacts and resulted in modifications and safeguards that would minimize adverse environmental impacts, while still allowing a needed energy supply project to proceed. The choice of the South Fork Holston River Route Variation and the use of directional drill, along with successful implementation of the 69 specific environmental safeguards contained in the November 20, 2002, FERC order, would minimize potential adverse environmental impacts of the proposal.

#### **Environmentally Preferable Alternative**

The proposed Patriot Project, as modified by the route variations and environmental protection measures approved by FERC, would avoid impacts to significant environmental resources, while accomplishing the applicant and FERC's goal of additional competitive natural gas supply for Georgia, North Carolina, and Virginia customers. Other alternatives, including the No Action Alternative, may result in greater impacts elsewhere as these energy demands are met through other energy supply system upgrades. Therefore, TVA concludes that the proposed Patriot Project route is an environmentally preferable alternative for supplying natural gas to Tennessee, Virginia, and North Carolina customers.

#### **Environmental Consequences and Commitments**

The Patriot Project would affect terrestrial and aquatic resources in a corridor stretching across parts of Tennessee, Virginia, and North Carolina. A total of 2,707 acres of land would be affected by new construction. The mainline expansion portion of the project generally would follow existing pipeline rights-of-way and would have minimal environmental impacts. However, construction would take place within 50 feet of 254 residences. A new pipeline corridor (the Patriot Extension) would be cleared for the pipeline extension and lateral lines between Wytheville, Virginia, and Eden, North Carolina. The Patriot Extension would affect an additional 28 residences. Recreational and public land would be crossed in four locations. In addition to the 0.3 acre of TVA land, the project would cross the Appalachian National Scenic Trail, New River Trail State Park, and Blue Ridge Parkway. Impacts to these properties would be minimized by time-of-year restrictions and the use of horizontal directional drill as opposed to open-trench construction. In exchange for a right-of-way easement to cross the Appalachian National Scenic Trail, the National Park Service would be provided title to 2 acres adjacent to the trail in Smyth County, Virginia. A billboard on Interstate 81, which is visible from the trail, would be removed. The crossing of the Blue Ridge Parkway in Patrick County, Virginia, would take place by horizontal directional drill that enters and exits outside National Park Service land.

About 34 percent of the proposed route is now forested and would be cleared for pipeline construction. A total of 922 acres of forested habitat would be cleared; of this, 404 acres would be permanently converted to herbaceous habitat or industrial use at compressor stations. The project would cross 367 surface water bodies. Major rivers along the route, including the South Fork Holston River, New River, and Smith River, would be crossed by horizontal directional drill to minimize impacts. Dry-crossing methods would be used for other stream crossings. A total of 71 wetland totaling 12.6 acres would be crossed. Of this, about 4.5 acres of forested wetlands would be permanently cleared. The project would not likely adversely affect the gray bat, Indiana bat small whorled pogonia, and large-flowered skullcap, but may affect the small-anthered bittercress and James spinymussel. No direct impacts to small-anthered bittercress plants are expected, and no reasonable and

prudent measures (RPMs) were identified by the U.S. Fish and Wildlife Service to minimize "incidental take." A number of RPMs, including time-of-year restrictions, will be implemented to minimize "take" of the James spinymussel. Construction activities and operation of compressor stations would have minimal air emissions. Compressor stations would be constructed in such a manner that would minimize potential noise impacts and would be limited to an average day/night level of 55 decibels (dB) on the A-weighted (dBA) scale. Three archaeological sites would likely be adversely affected by pipeline construction.

FERC has adopted mitigation measures to avoid or minimize environmental harm. TVA believes that the measures required by FERC in its November 20, 2002, order would substantially reduce the environmental impacts of this project. These include detailed construction Best Management Practices, use of environmental inspectors, compliance with Section 106 of the National Historic Preservation Act by adherence to the PA, and surveys of properties along the expansion route for the bog turtle, James spinymussel, and small-anthered bittercress. The endangered species surveys have been completed, and formal consultation under the Endangered Species Act has been concluded. The project is not likely to jeopardize the continued existence of the small-anthered bittercress and James spinymussel. Potential adverse effects to cultural resources would be resolved by treatment plans outlined in a PA with the Virginia and Tennessee State Historic Preservation Officers.

In its order issuing a certificate for the project, FERC provided 69 environmental protection-related conditions to minimize project impacts. For the South Fork Holston River crossing at Fort Patrick Henry Reservoir, FERC required (condition no. 67) that the crossing be made by horizontal directional drill. In addition, ETNG was required to submit a site-specific construction and contingency plan for the crossing. The plan was required (1) to identify how construction noise would be reduced during the directional drill, (2) to include projected daytime and nighttime noise levels at nearby residences, and (3) to provide mitigation measures that would be used to minimize noise at the residences if the noise levels would exceed an average level of 55 dBA at any residence.

TVA has reviewed the construction and contingency plan required by FERC condition No. 67. To reduce