PUBLIC COMMENTS AND RESPONSES

SECTION 6

Table 6-1
Oral Comments on the Elba III Project Draft EIS

The following table presents a summary of comments extracted from the transcripts for the DEIS public meetings conducted in Washington, Georgia (May 7, 2007), Thomson, Georgia (May 8, 2007), Sylvania, Georgia (May 9, 2007), and Pooler, Georgia (May 10, 2007). The full text of the transcripts is available in the public file on the FERC Internet website (http://www.ferc.gov) using the eLibrary link.

ID #[1]	Location / Transcript Page(s)	Comment Summary – *Commenter*	Response
WT-01	Washington/p. 6	The commenter is concerned that the pipeline route is through green space and believes that there is an alternative route using existing ROWs *(Cindy Russell-Bounds-Landowner)*	Section 3.3.2.2 of the EIS discusses the Full Collocation Alternatives (A and B) that primarily follow existing ROW corridors. As presented in table 3.3-1, these alternatives would affect substantially more acreage of land (3,285 and 2,121 acres, respectively) as the proposed route (1,119 acres), and subsequently would result in significantly greater impact to the environment. Therefore, these alternatives do not provide an environmental advantage over the proposed route. Additionally, section 3.3.2.2 discusses the Partial Collocation Route Alternatives that would partially collocate the proposed pipeline with other existing utilities and corridors located in the vicinity of the proposed route. Although the proposed route would traverse approximately 81.0 miles of green space, the West, Midwest, and East Route Alternatives also would traverse green space for approximately 55.6, 50.6, and 79.3 miles, respectively. As presented in table 3.3-2 and section 3.3.2.2, considering broader impacts to environmental and economic resources, we believe these alternatives do not provide a significant environmental advantage over the proposed route.
WT-02	Washington/p. 7-9	The commenter states that the gas pipeline will just "pass through" rural Georgia for the benefit of industry far away, and not the local community, which has no industry and does not need any natural gas. Commenter states that the pipeline company will only pay a one-time payment for the ROW, but the landowner will have to continue paying property taxes on land they can no longer use for anything, which is particularly detrimental for local tree growers/harvesters. The	In section 1.1 of the EIS, we discuss the objective of the project to provide natural gas to the Georgia and South Carolina interstate natural gas markets, and other markets in the southeastern and eastern united States. In section 2.2.2 and table 2.2-2, we identify that the Elba Express Pipeline would transport and deliver (through meter stations) natural gas to three existing gas-fired electric power plants (McIntosh and Effingham both in Effingham County, Georgia, and Rainey in Anderson County, South Carolina) that are local to the project area. Regarding property taxes, according to the State of Georgia Department of Revenue, property taxes are based on the fair market value as assessed by each county's Board of Assessors. Landowners have the option of making their

Table 6-1 (Continued)

ID #[1]	Location / Transcript Page(s)	Comment Summary – *Commenter*	Response
		commenter states that green space should be preserved. *(Deborah Bennett-Landowner)*	own assessment of the fair market value of their land for their county's Board of Assessors, or disputing a Board's assessment based on a factual event that has lead to a loss of their property value. See the Georgia Department of Revenue, Local Government Services Division website: http://www.dor.ga.gov/ptd/index.shtml and access the links to "About Property Tax", "Appeals", and "Appraisal Procedure Manual". According to the Internal Revenue Service, tree farmers who must cut trees in the ROW before the trees reach maturity may be able, on their federal income taxes, to take as a loss the difference between the price they received for the less mature trees verses the price they would have received for the fully mature trees. This is a one-time tax write-off. No losses can be claimed against land that is no longer available for tree growth. Contact the Internal Revenue Service for further information. The 50-foot-wide permanent ROW through upland forested areas would no longer be available for tree growth for the life of the project. Forested acreage temporarily disturbed by construction, however, could be replanted. Additionally, landowners may remove and sell any marketable pine or other trees before imminent construction, and still receive damages for the loss of marketable forested acreage disturbed by construction. The total land disturbed by the proposed project would be about 3,297 acres. As stated in section 4.5.1, the total acres of green space, defined here as upland forest and planted pine, permanently removed as forested lands for the ROW would be 528 acres. On a project-wide scale, that is about 16 percent of the total project. On a regional scale, out of a Georgia state total of 24 million forested acres (Georgia Forestry Commission, 2007) it is 0.002 percent.
WT-03	Washington/p. 9-10	The commenter is concerned that a ROW corridor will be established that may be used by other projects in the future, that trees will be removed unnecessarily affecting green space, and transit of farm equipment across the pipeline ROW. The commenter is also concerned that the removal of trees from the ROW will	While there are no immediate plans by other pipelines or utilities to construct facilities adjacent to EEC's proposed route, it is possible that the route would be used for such purposes in the future. This, however, would mean utilities could be located in one corridor, as opposed to impacting additional green space, thus minimizing cumulative land use impacts. See section 4.13.8 for additional discussion. In section 4.13 of the EIS we discuss potential cumulative impacts associated

Table 6-1 (Continued)

ID #[1]	Location / Transcript Page(s)	Comment Summary – *Commenter*	Response
		increase the effects of global warming as the trees will no longer be growing and sequestering carbon dioxide from the atmosphere. *(Virginia Thomas-Landowner)*	with development of the Elba III Project in the same general location or schedule of other known projects. Specifically, section 4.13.5 discusses cumulative impacts to vegetation and wildlife. The construction ROW, which is the minimum ROW width needed for the safe movement of construction equipment and personnel to install the 36-inch-diameter pipeline in this terrain, would be 110 feet. The permanent ROW, which is necessary for safe maintenance of the pipeline for the life of the project, would be 50-feet-wide. Additionally, there will be temporary workspaces of various sizes necessary when the ROW encounters a road, railroad, stream, foreign utility, or other obstacles. After construction, 60 feet of the 110-foot-wide construction ROW and all temporary workspaces would be returned to previous uses. Landowners can negotiate with EEC for specific revegetation requirements on these lands. Cross-section diagrams of the construction work areas are presented as figures 2.2-1 and 2.2-2. Regarding green space, see response to comment WT-02. We have revised section 4.8.1.2 of the EIS to include a section on agricultural lands, and state that use of farm equipment on agricultural land would be permitted across the pipeline ROW. As detailed in Table 4.8-1, about 342 out of 941 acres of upland forest and 186 out of 562 acres of planted pine would be *permanently* removed from the ROW. Therefore, this acreage would no longer be available for tree growth and carbon sequestering for the life of the proposed project. The remaining 599 acres of upland forest and 376 acres of planted pine would only be *temporarily* removed during construction and could revert to their previous land uses if individual landowners replant or request that EEC replant tree saplings during ROW negotiations. These areas replanted with trees would be again available for carbon sequestering. On a regional scale, the permanent removal of a total of 528 forested acres out of a Georgia state total of 24 million forested acres (Georgia Forestry Commission, 2007) would not significantly diminish vegetative sequestering of atmospheric carbon dioxide.
WT-04	Washington/p. 10-12	The commenter is concerned about the impacts of the proposed pipeline on her land; specifically, her ability to farm crops, the loss of forested acres, impacts	During construction, EEC would follow its Plan which has specific requirements for protecting, repairing or replacing drain tiles, maintaining irrigation systems; segregating topsoil from subsoil; and installing erosion controls to minimize soil disturbance. (See appendix E.) Additionally, during ROW negotiations,

Table 6-1 (Continued)

ID #[1]	Location / Transcript Page(s)	Comment Summary – *Commenter*	Response
		on a small wetland, and the effects of construction on quail. Additionally, the commenter is concerned about the impact of pipeline construction on the Savannah and Little Rivers. *(Carol Phillips-Landowner)*	landowners may request that the pipe be buried deeper than the required 3 feet so farm equipment does not impact the pipe in the future. Post construction, farm lands would be returned to their original state and the farming of crops may continue as before. See section 4.2.3 for a discussion on prime farmland soil impacts and mitigation. The 50-foot-wide permanent ROW through forested areas would no longer be available for tree growth for the life of the project. Forested acreage temporarily disturbed by construction, however, could be replanted. See section 4.8.1.2 for a discussion on land use impacts and mitigation for upland forest and planted pine. Regarding impacts on wetlands, see the discussion in section 4.4.2 and 4.8.1.2 regarding impacts and mitigation for forested, emergent and scrub-shrub wetlands. Given their mobility and the abundance of similar habitat in areas adjacent to the proposed ROW, quail are expected to vacate the immediate area of disturbance during construction activities. Following construction, quail would return to the area. Additionally, the edge habitat created by the ROW could attract quail to the project area. We have revised our discussion of EEC's proposed construction methods and mitigation for crossing the Savannah and Little Rivers. See section 4.3.3.
WT-05	Washington/p. 12-13	The commenter is concerned about the loss of marketable pine on her land as well as the loss of forested acres in deeper woods. Additionally, the commenter is concerned about the cutting of trees along a steep and rocky creek bank and the permanent loss of forest canopy over creeks crossed by the ROW. The commenter also expressed concern about the potential for blasting along the steep and rocky creek bank. *(Kay Johnston-Landowner)*	Regarding impact to forested areas, see response WT-02. Impacts from forest fragmentation are discussed in section 4.6.1 of this EIS. Regarding the loss of forest canopy along the creek, the landowner may negotiate with EEC to plant shallow-rooted shrubs within the ROW along the creek. However, deep-rooted trees, which are drawn to water, could damage the pipeline's coating and inhibit maintenance and/or repair activities, and therefore, would not be allowed within the permanent ROW. Blasting is a routine practice used during pipeline construction when rock is encountered at shallow depth (i.e., the diameter of the pipeline plus the minimum depth of cover) and cannot be ripped by the teeth of a backhoe or a trenching machine. Because rock is expected to be encountered along the

Table 6-1 (Continued)

ID #[1]	Location / Transcript Page(s)	Comment Summary – *Commenter*	Response
			trenching machine. Because rock is expected to be encountered along the proposed route, EEC prepared a Blasting Specification Plan. We have reviewed this plan and requested that EEC revise it to include the locations (by MP) where blasting would be required prior to commencing construction.
WT-06	Washington/p. 13-18	The commenter is concerned that two alternatives were not considered. The commenter also is concerned that the economic impacts on affected landowners are not being fully considered. *(Ed Hallman-representing citizen landowners of the region)*	Section 3.3.2.2 of the EIS discusses the commenter's first alternative of concern, the East Route Alternative, which represents the shortest distance between the Elba LNG Terminal and the Transco pipeline system. This section also discusses the commenter's second alternative of concern, the western leg of Major Route Alternative A, which follows existing pipeline ROW and joins the Transco pipeline system to the west of the proposed route. However, to meet the project objective of interconnecting with both Transco Zones 4 and 5, Major Route Alternative A requires both the western leg (Transco Zone 4 interconnect) and eastern leg (Transco Zone 5 interconnect). As a result, the western leg of Major Route Alternative A itself is not a viable, stand-alone alternative, and therefore we did not evaluate this alternative further. Regarding economic impacts and mitigation, see response to comment WT-02.
TT-01	Thomson/p. 6-8	The commenter is concerned that a 50-foot-wide ROW would destroy the integrity of a green space north of I-20 in McDuffie and Warren Counties, locally known as the "frontier", and open up the area to additional utility lines. The commenter questions whether there are any economic benefits to the local communities and landowners from the pipeline project. *(Jim Allfriend-Landowner representing five other landowners)*	The 50-foot-wide permanent pipeline ROW through contiguous forested lands would create an open corridor across those lands. For long linear projects such as pipelines, forest clearing is unavoidable for construction and maintenance, especially in a state like Georgia where about two-thirds of the state is forested. However, the majority of the forested land in the project area north of I-20 is owned by either private or commercial landowners for timber production with large parcels clear-cut as trees mature. Regarding the use of this line as a corridor for future lines, see response to comment WT-03. Local communities along the pipeline route would receive both short-term and long-term economic benefits from construction and operation of the proposed facilities. During construction of the pipeline, as the pipeline moves through each county, local communities would benefit from the temporary employment of local workers to construct the pipeline, the rental of hotel/motel rooms by construction crews, and money spent by construction crews on food, goods and services. See section 4.9.2 (Economy and Employment) and section 4.9.4

Table 6-1 (Continued)

ID #[1]	Location / Transcript Page(s)	Comment Summary – *Commenter*	Response
			revenues. During operation, EEC estimates that it would annually spend about $206,876 in Warren County and $303,540 in McDuffie County in ad valorum taxes for the life of the project. Section 4.9.3 has been updated to reflect all tax revenues by county.
TT-02	Thomson/p. 8-15	The commenter is concerned about routing the project through the area when there is no economic benefit to the local population and to the size of the temporary construction easement proposed. *(Deborah Bennett-Landowner representing 18 landowners)*	Regarding route alternatives for the Elba Express Pipeline, see response to comment WT-01. Regarding economic benefit to the local population, see response to comment TT-01. In section 2.3.2.1 of the EIS, we identify temporary construction easement requirements for the Elba Express Pipeline, Northern Segment. In section 4.8.1.2 of the EIS, we discuss land use impacts and mitigation. Regarding private forest land use impacts and mitigation, see responses to comments WT-03, WT-04, and WT-05.
TT-03	Thomson/p. 15-20	The commenter is concerned that his comments are not effective in changing the route of the project, that there are negative environmental impacts, and the effect of the permanent easement on his ability to grow trees. He is concerned and prefers the route be through existing ROWs. The commenter also states that he does not believe EEC would pay ad valorum taxes. The commenter asked whether the project is considered a public utility or a private industry. *(Harold Eubank-Landowner representing family owning three tracts of affected land)*	All comments received are reviewed by FERC staff during our environmental review process and are part of the public record in these dockets. Any alternatives that have been raised (by landowners, agencies, pipeline companies, and other stakeholders) regarding route alternatives for the Elba Express Pipeline, have been addressed during our review process and are included in this final EIS. In addition see response to comment WT-01. Regarding private forested land use impacts and mitigation, see responses to comments WT-03, WT-04, and WT-05. Regarding ad valorum taxes, see response to comment TT-01 and section 4.9.3. EEC is a private company. If the Commission issues a Certificate to EEC authorizing construction and operation of the Elba Express Pipeline, EEC would be a federally-regulated interstate transporter of natural gas. EEC's activities would be regulated by the FERC.
TT-04	Thomson/p. 20-21	The commenter has a question as to the impact on the route if property has its mineral rights leased to others. *(Murray Haddat-Landowner)*	EEC would buy out the mineral rights lease.

Table 6-1 (Continued)

ID #[1]	Location / Transcript Page(s)	Comment Summary – *Commenter*	Response
TT-05	Thomson/p. 21-24	The commenter is concerned about the size of the construction corridor being used for the project. The commenter is concerned that other potentially viable alternative routes were not evaluated for the project. *(Cindy Russell-Bounds-Landowner)*	The construction ROW, which is the minimum ROW width needed for the safe movement of construction equipment and personnel to install the 36-inch-diameter pipeline in this terrain, would be 110 feet. The permanent ROW, which is necessary for safe maintenance of the pipeline for the life of the project, would be 50 feet wide. Additionally, there will be temporary workspaces of various sizes necessary when the ROW encounters a road, railroad, stream, foreign utility, or other obstacles. After construction, 60 feet of the 110-foot-wide construction ROW and all temporary workspaces would be returned to previous uses. Landowners can negotiate with EEC for specific revegetation requirements on these lands. See responses to comment WT-02 and WT-04. The only trees that would be cut near streams are those within the construction ROW. Landowners can negotiate for tree saplings to be replanted in those areas not within the permanent ROW and for shallow-rooted shrubs to be replanted in those areas within the permanent ROW. Regarding alternatives, see responses to comments WT-01 and WT-06.
TT-06	Thomson/p. 24-27	The commenter is concerned that her comments are not effective. She is seeking other avenues to express herself. *(Ms. C. Shields)*	Comment noted.
ST-01	Sylvania/p. 6-9	The commenter does not understand all the abbreviations used in Table 4.8.2. The commenter is concerned about the loss of mature trees, if and how EEC would remove the trees, and if only limbs would be cut from trees which could make trees unstable during storms. The commenter is concerned about additional work spaces. *(Eugene Ansel-Landowner)*	Land use abbreviations are defined at the bottom of Table 4.8.2. Incorrect abbreviations have been corrected. Mature trees that are cut during construction would not be replaced with trees the same age. EEC would remove all trees and brush cut during the clearing of the ROW. Before construction, however, the landowner can negotiate a number of aspects regarding the cutting and removal of trees on their property as well as replantings on the temporary ROW. See responses to comments WT-02, WT-04 and WT-05. Additional workspaces would be necessary when crossing roads, streams, or other obstacles in order to accommodate extra spoil or specialized equipment (e.g., a bell hole and boring machine at highway and railroad crossings). Depending on site-specific conditions, the landowner can request that the workspace location be adjusted to avoid trees to the extent practicable.

Table 6-1 (Continued)

ID #[1]	Location / Transcript Page(s)	Comment Summary – *Commenter*	Response
			We note that on June 25, 2007, an EEC representative and this landowner met on the property to identify possible adjustments to the proposed route that could minimize the project's impacts on trees. EEC has stated that it would consider a further reduction of the construction workspace and a reduction or relocation of temporary workspace to limit tree impacts.
PT-01	Pooler/p. 6-11	The commenter is concerned that there were several subjects that were not completed in the DEIS and that she therefore could not comment on them. (*Judy Jennings-Georgia Chapter of the Sierra Club*)	Comment noted. See response to this commenter included as comment letter N-1.
PT-02	Pooler/p. 11-13	The commenter is concerned about the necessity of removing trees for the project that will affect the buffer between his property and the pipeline. *(Charles E. Patterson-representing homeowners of Coldbrooke Plantation)*	EEC has stated that it would consider making adjustments to the work plan, construction procedures, and workspace requirements to minimize impacts to trees where it is practicable and feasible. See revised section 4.8.1.2, Land Use Impacts and Mitigation. Regarding private forested land use impacts and mitigation, see responses to comments WT-02 and WT-04.
PT-03	Pooler/p. 13-17	The commenter is concerned about the possible impact of additional LNG storage capacity at the terminal on the potential worst-case fire emergency, the traffic analysis of the location of the LNG terminal within the Port of Savannah, and the LNG terminal site alternatives analysis. *(Steve Willis-Blue Planet Projects Group)*	The proposed LNG storage tanks would be sited in accordance with all applicable regulations in Section 49 of the Code of Federal Regulations (CFR) Part 193. The impact of additional storage capacity at the LNG terminal on a fire created by the breach of an LNG ship has been addressed in section 4.12.4.3. In section 4.13 of the EIS, we discuss cumulative impacts associated with the potential future Savannah Harbor Expansion Project (SHEP) and the South Atlantic International Terminal (Jasper County Port). In section 4.13.10 of the EIS, we specifically discuss cumulative impacts on marine transportation. In section 1.1 of the EIS, we discuss the purpose and need of the project. In section 3.2 of the EIS, we discuss LNG terminal facility site alternatives that potentially could fulfill the project's purpose and need. Based on our analysis in section 3.2 of the EIS, we concluded that these alternatives do not provide a significant environmental advantage over the proposed Elba LNG terminal expansion site.
PT-04	Pooler/p. 17-20	The commenter requests that hard	Hard copies of the DEIS were subsequently mailed, as requested. Hard copies

Table 6-1 (Continued)

ID #[1]	Location / Transcript Page(s)	Comment Summary – *Commenter*	Response
		copies of the draft EIS be sent to persons requesting them and to Congressmen Jack Kingston and John Barrow. (*Judy Jennings*)	of the FEIS will be sent to persons requesting them and to Congressmen Jack Kingston and John Barrow.
PT-05	Pooler/p. 20-24	The commenter restated the recommendations for specific sections of the DEIS: appropriate measures to avoid vessel strikes with the Atlantic White Whale; avoid Eastern Indigo Snake burrows; survey for Flatland Salamander habitat; minimize impact on the blue-bobbed pygmy sunfish; survey the Broad River for crayfish and lean crayfish; minimize impact on granite stone crop; granite whitlow grass, Indian olive Okamoki, Skull Cap, Parrot Pitcher plant, Pond Spice and Sweet Pitcher plants; assess need for additional surveys; survey for Camby's Drop Wart Pond Berry or Pouse Sprit (sic) ; hydrostatic testing should be planned to minimize effects on the sandbar shiner and robust red horse in the Broad River; recommends that no construction or hydrostatic testing on Ugetie Creek from June 1-August 31; and that no construction begin until consultations are complete and written notification from OEP is received. *(Gail Bowers-Sierra Club)*	At the meeting, the commenter emphasized that we were merely *recommending* these measures instead of *requiring* the company to implement them. The recommendations are to the Commission for inclusion in its Order, not to the applicant. Once these measures are adopted by the Commission and included in its Order, the measures become requirements of the applicant. Additionally, we have revised these sections (4.7.1 and 4.7.2 of the EIS) to include responses to comments received by individuals, agencies, and the applicants on the draft EIS to further address these measures.

(1) WT is Washington Transcript
TT is Thomson Transcript
ST is Sylvania Transcript
PT is Pooler Transcript

Table 6-2
Written Public Comment Letters on Elba III Project Draft EIS

Federal Agencies

F-1 United States Department of the Interior, Office of Environmental Policy and Compliance
F-2 United States Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Southeast Regional Office
F-3 United States Environmental Protection Agency, Region 4

State Agencies

S-1 South Carolina Department of Archives & History

Non-Government Organizations

N-1 Georgia Chapter Sierra Club
N-2 Savannah Riverkeeper

Private Individuals

P-1 Calvin C. Vaughn
P-2 B. Hugh Hosch
P-3 Gilbert Petition
P-4 Angell Petition
P-5 Decker, Hallman, Barber & Briggs (Landowner Intervenors)
P-6 Decker, Hallman, Barber & Briggs (Landowner Intervenors), Supplement
P-7 Decker, Hallman, Barber & Briggs (Landowner Intervenors), 2nd Supplement
P-8 Laurie G. Dehil
P-9 David and Karen Stubbs
P-10 Thomas W. Wright

Applicants

A-1 Elba Express Company, L.L.C.
A-2 Southern LNG Inc.

Letter F-1

United States Department of the Interior

OFFICE OF THE SECRETARY
Office of Environmental Policy and Compliance
Richard B. Russell Federal Building
75 Spring Street, S.W.
Atlanta, Georgia 30303

TAKE PRIDE IN AMERICA

9043.1
ER 07/289

May 17, 2007

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

RE: Draft Environmental Impact Statement for ELBA III Project, FERC Nos. CP06-470-000, CP06-471-000, CP06-472-000, CP06-473-000, and CP06-474-000, Chatham and hart Counties, Georgia and Anderson County, South Carolina

Dear Ms. Bose:

The Department of the Interior has reviewed the Draft Environmental Impact Statement issued March 2007 for the ELBA III Project located in Georgia and South Carolina. These comments apply to the project in Chatham and Hart Counties, Georgia (FERC Nos. CP06-470-000, CP06-472-000, and CP06-474-000). The Elba III project includes the Elba Terminal expansion that will be constructed and operated by Southern LNG, Inc. and Elba Express Pipeline constructed and operated by Elba Express Company, L.L.C. Construction consists of 188 miles of new natural gas pipeline and appurtenant facilities in Georgia and South Carolina.

The U.S. Fish and Wildlife Service Georgia Ecological Services Office have frequently communicated with representatives from FERC, Georgia Department of Natural Resources, Southern LNG, Inc, El Paso Company, NOAA National Marine Fisheries Service, the Army Corps of Engineers, and ENSR Consulting. Environmental concerns during construction of the project were topics of discussion at a meeting in Athens, GA on April 17, 2007. Presentations were given on project construction methodologies and best management practices.

The draft EIS addresses most of the Service's concerns and incorporates many of their recommendations. Section 4.6.1.1, Managed and Sensitive Wildlife Areas, of the draft EIS addresses the Di-Lane Plantation WMA in Burke County between mileposts 74.4 and 74.1 and the Clarks Hill WMA in Warren and McDuffie Counties between mileposts 134.8 and 135.3;
F1-1 however, in this section there is no mention of the Grady Pond wetlands that occurs on the Di-Lane Plantation WMA. The Georgia Department of Natural Resources Comprehensive Wildlife

Responses to Letter F-1

F1-1 DOI Grady Pond as Primary Habitat

In section 4.3.3 we acknowledge that pipeline construction could potentially rupture the containing layer of some ponds or wetland areas and state that the COE would require EEC to maintain the hydrology of wetland areas by issuance of its Section 404 permit. EEC would also be required to maintain pond hydrology by individual landowner agreements. Where waterbodies are an integral part of a wetland ecosystem, EEC would implement measures to ensure that the hydrologic regime of the waterbody/wetland complex would be maintained. In EEC's May 18, 2007 comments on the draft EIS, EEC indicates that soil segregation was discussed with GDNR as a means to ensure proper restoration of these wetlands. EEC stated that it would obtain core samples near these wetlands to determine subsurface soil conditions and evaluate the feasibility of this restoration technique. We have revised the text in section 4.3.3 to include this information.

Letter F-1

Conservation Strategy for Georgia (2005) lists Grady Pond, a forested depressional wetland, as a priority habitat. Our concern about this area and the Federally listed species that may occur there was communicated via an email dated May 1, 2007, from Keith Hastie (USFWS, Georgia ES) to Steve Weems of El Paso Company and James Hollingsworth of ENSR. Further discussion of this site occurred on May 4, 2007, via phone conversation between Strant Colwell of FWS and James Hollingsworth.

We appreciate the opportunity to review the draft EIS. If you should have any concerns or questions about these comments, you can reach me at 404-331-4524.

Sincerely,

Gregory Hogue
Regional Environmental Officer

cc:
FWS-R4, Atlanta
OEPC, Washington

Responses to Letter F-1

Letter F-2

UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Southeast Regional Office
263 13th Avenue South
St. Petersburg, Florida 33701
(727) 824-5317; FAX 824-5300
http://sero.nmfs.noaa.gov

MAY 21 2007

F/SER4:KD/pw

Philis J. Posey, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, District of Columbia 20426

Re: OEP/DG2E/Gas 1
Southern Natural Gas Company
Elba III Project
Docket Nos. CP06-470-000, et al.

Dear Secretary Posey:

NOAA's National Marine Fisheries Service (NMFS) has reviewed the Draft Environmental Impact Statement (DEIS), dated March 2007, from the Federal Energy Regulatory Commission (FERC) for the proposed expansion of the liquefied natural gas (LNG) import terminal at Elba Island and construction of its associated pipeline. The applicants for the proposed work are Southern LNG, Inc., Elba Express Company LLC, and Southern Natural Gas Company. On January 30, 2007, we provided informal comments to the applicants' consultant, TRC Companies, Inc., regarding an earlier, non-public version of the DEIS; the opportunity to provide these earlier comments reflected our role as a cooperating agency with FERC in the development of the DEIS. NMFS also has reviewed your letter dated April 17, 2007, initiating the essential fish habitat (EFH) consultation for impacts associated with expansion of the Elba Island terminal. FERC's initial determination is that the proposed project would not have a substantial adverse impact on EFH or federally managed fishery species. As the nation's federal trustee for the conservation and management of marine, estuarine, and anadromous fishery resources, the following comments and recommendations concerning the DEIS are provided pursuant to authorities of the Fish and Wildlife Coordination Act (FWCA), the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), and the Endangered Species Act of 1973, as amended (ESA).

Southern LNG's existing import terminal at Elba Island is located on the Savannah River near Savannah, Georgia. As noted below, this area includes habitats designated as EFH by the South Atlantic Fishery Management Council (SAFMC) and the Mid-Atlantic Fishery Management Council (MAFMC) under the Magnuson-Stevens Act. In contrast, the 188-mile pipeline, which would be operated by Elba Express Company, would pass through forested wetlands, rivers, and creeks within portions of the Savannah River and Ogeechee River basins. These areas are

Responses to Letter F-2

Letter F-2 Continued

upriver of designated EFH but still within habitats that provide important ecological services to fishery resources over which NMFS has purview. Since our statutory authorities, regulations, and procedures for the FWCA, Magnuson-Stevens Act, and ESA aspects of the project differ, we believe it will be most helpful to FERC if we separate our comments based on these authorities rather than follow the order of presentation within the DEIS.

Impacts to Essential Fish Habitat

Background

The area of the Elba Island terminal includes habitats identified by the SAFMC as EFH for federally managed fishery species, including larval and juvenile red drum (*Sciaenops ocellatus*), white shrimp (*Litopenaeus setiferus*), and brown shrimp (*Farfantepenaeus aztecus*). Categories of EFH in the project vicinity include estuarine emergent wetlands (salt marsh) and mud bottom. Salt marsh and mud bottom serve as nursery areas for these species, providing the high concentrations of food needed during larval and juvenile stages as well as providing a refuge from predators. The project area also includes EFH for juvenile bluefish (*Pomatomus saltatrix*) and juvenile and adult summer flounder (*Paralichthys dentatus*). Bluefish and summer flounder are managed by the MAFMC, and that Council has designated estuarine areas as EFH for these species. Detailed information on the EFH requirements of red drum, shrimp, and other fishery species managed by the SAFMC is provided in a comprehensive amendment to the fishery management plans prepared by the SAFMC in 1998; details about the EFH requirements of the species managed by the MAFMC are included in separate amendments to individual fishery management plans. The amendments were prepared in accordance with requirements of the Magnuson-Stevens Act (P.L. 104-297).

Specific Comments and Requests for Additional Information

F2-1 Page 4-25 Terminal Expansion Hydrostatic Testing

At the Elba Island terminal, Southern LNG proposes to use approximately 63 million gallons of water for hydrostatic testing its new facilities before placing them into service. Based on the current construction schedule, test water would be pumped from the Savannah River at a rate up to 5,000 gallons per minute during January 2010 and July 2012. Pump intakes would be screened with a 0.5-inch wire-mesh. To prevent the impingement or entrainment of fish, Southern LNG has agreed that screen boxes would be sized so that the velocity of the inflowing water at the screen surface would be less than 0.5 feet per second, which is less than the typical maximum swimming velocity of adults from fishery species. Southern LNG has also agreed to place intakes at a water depth recommended by resource agencies to further reduce the possibility of entrainment of eggs, ichthyoplankton, and fish larvae. We agree with FERC's recommendation within the DEIS that Southern LNG formally consult with the Georgia Department of Natural Resources and NMFS regarding the depth of the water intake and the times of year when water withdrawals are least likely to damage populations of larval fish and invertebrates. We also agree with FERC's recommendation that the results of this consultation should be filed with FERC prior to commencement of construction. In preparation for that discussion with Southern LNG, NMFS recommends that testing using estuarine water should not occur during the period of April through July.

2

Responses to Letter F-2

F2-1 NOAA EFH and Terminal Expansion hydrostatic testing

Comment noted.

Letter F-2 Continued

F2-2 Page 4-26 Operational Impacts
This issue is addressed in our comments on the section "Operational Impacts on Aquatic Resources." However, we note that while LNG ships will not discharge ballast water while docked at the Elba Island terminal, they would take on water as ballast while discharging LNG in order to maintain a constant draft at the berth. LNG ships would also withdraw water for cooling the ship's boilers, if necessary. With the potential increase of ships transporting LNG to the Elba Island terminal each year, the volume of ballast water withdrawn from the estuary could range from 0.6 to 2.0 billion gallons per year.

F2-3 Page 4-54 Construction Impacts to Aquatic Resources
The proposed expansion of the Elba Island Terminal would require the dredging of approximately 72,000 cubic yards of material from the existing berth and installation of a sheet pile bulkhead and four mooring dolphins. Construction will include using estuarine waters to perform hydrostatic testing of the new storage facilities. Impacts to the marine environment that could result from the construction and testing activities include reduced water quality from sedimentation, turbidity, and runoff; interruption of fish migration and spawning from the entrainment or impingement of larval fish and eggs; and interference with fish spawning from construction noise. Standard best management practices for minimizing sedimentation, turbidity, and runoff during construction should prove adequate for protecting fishery resources, are described in the DEIS, and would be required under the water quality certification. Our comments on the impacts from hydrostatic testing are presented under the section "Terminal Expansion Hydrostatics Testing."

F2-4 To minimize impacts from construction noise, we agree with FERC's recommendation within the DEIS that Southern LNG employ a "soft start" of the pile driver for each pile during construction of the new sheet pile bulkhead. We also recommend that FERC work with the resource agencies to define precisely what "soft start" means operationally so that the benefits to fishery resources can accrue without creating ambiguity on compliance by the licensee.

F2-5 Page 4-58 Operational Impacts to Aquatic Resources
Expansion of the terminal facilities would result in a potential annual increase of 95 additional LNG tankers unloading LNG cargo. The vessels would take on ballast water while discharging cargo in order to maintain a constant draft. Entrainment of fish and invertebrate species could occur during ballast water intake. Ballast water intakes are located near the bottom of vessels approximately 25 to 30 feet below the surface. Water intakes may also take place for cooling ship's boilers. It is estimated that a steam-powered LNG carrier would intake and discharge 57 million gallons for cooling during off-loading (approximately 22 hours). Diesel-powered ships require less cooling water. Screening and flow control measures would help to decrease the potential for impingement and entrainment. However, while the DEIS states correctly that the spawning of red drum has not been documented to occur in the immediate project area, larvae from eggs released near the mouth of the Savannah Harbor are likely be carried up the river to the project area. Juvenile white shrimp may also utilize the adjacent salt marsh and subtidal mudflats for feeding and as a nursery. NMFS is concerned that the presence of early life stages of these fishery species has not been thoroughly investigated and factored into the protocols for operation of the terminal. We note that an earlier version of the DEIS indicated coordination would occur

3

Responses to Letter F-2

F2-2 NOAA Volume of ballast water withdrawal

Comment noted.

F2-3 NOAA Construction impacts to aquatic resources

Comment noted.

F2-4 NOAA EFH and pile driving noise mitigation

Thank you for your comment. We have coordinated with NOAA to discuss and define "soft start" and revised section 4.6.2.2 to further define the softstart technique for pile driving.

F2-5 NOAA EFH and ballast water mitigation

The text in Section 4.6.2.3 has been revised to incorporate this information and include a condition that Southern LNG coordinate with ship operators and resource agencies to develop management practices to reduce ballast water consumption and subsequent impacts on larval and juvenile fish.

Letter F-2 Continued

among licensee, ship operators, and resource agencies to develop management practices that would reduce water consumption and impacts to larval and juvenile fish. We recommend the FERC reinstitute that plan.

F2-6 Page 4-49 Essential Fish Habitat
The site of the terminal expansion lies within the Savannah River, which includes habitats designated as EFH by SAFMC and MAFMC. Approximately 33.3 acres of estuarine habitat, including subtidal soft sediments and unconsolidated intertidal flats, would be affected by expansion of the existing berthing slip area. The DEIS states that FERC, as the lead federal agency, will address NMFS' comments and conservation recommendations in the final EIS; this process is acceptable to NMFS.

F2-7 Appendix J: EFH Assessment
Much of the EFH Assessment was incorporated into the main body of the DEIS, so we will simply summarize what we have already stated regarding impacts to EFH. NMFS agrees that impacts to EFH and federally managed fishery species from expansion of the terminal would be reduced by using concrete piles and by using soft starts for the pile driving. NMFS remains concerned that the effects of hydrostatic testing and nearly continuous water withdrawals for ballast and cooling could cause impacts to the estuarine water column and associated fishery resources. NMFS agrees with FERC's recommendation that Southern LNG consult with us as to the water depth and time of year when water withdrawals for hydrostatic testing will have the least impact on fishery resources. We also agree with FERC's conclusion that water withdrawals for engine cooling and ship's service have the potential to result in cropping of fish eggs and larvae as well as planktonic prey for filter feeding fish, such as shad and alewife, which are prey for other EFH species such as bluefish and sharks. However, the statement within the EFH Assessment that it is important for the applicants to minimize water use should be more fully developed and echoed in the main body of the DEIS, especially in the section "Operational Impacts to Aquatic Resources."

EFH Conservation Recommendations:
Based on the information provided in the DEIS, NMFS provides the following EFH conservation recommendations. Additional EFH conservation recommendations may be developed based on new or additional information provided by FERC in response to the request above.

EFH Conservation Recommendations

F2-8
- Hydrostatic testing in the estuary shall not occur during April 1 through July 31 in order to protect spawning fishery or prey species that utilize the project area during that period.

F2-9
- The terminal operator shall work with ship owners, NMFS, and state resource agencies to develop and implement methods that will reduce water withdrawal volumes for ballast and cooling while the vessels are berthed.

Section 305(b)(4)(B) of the Magnuson-Stevens Act and its implementing regulation at 50 CFR Section 600.920(k) require your office to provide a written response to this letter within 30 days

4

Responses to Letter F-2

F2-6 NOAA EFH

Comment noted.

F2-7 NOAA EFH Assessment

The text in section 4.6.2.3 and Appendix J has been revised to incorporate this information.

F2-8 NOAA EFH and hydrostatic testing mitigation

The text in section 4.6.2.3 and Appendix J has been revised to incorporate this information.

F2-9 NOAA EFH and ballast water mitigation

See response to comment F2-5.

Letter F-2 Continued

F2-10 of its receipt. Your response must include a description of measures to be required to avoid, mitigate or offset the adverse impacts of the activity. If it is not possible to provide a substantive response within 30 days, an interim response should be provided to the NMFS. A detailed response then must be provided at least 10 days prior to final approval of the action. If your response is inconsistent with our EFH conservation recommendations, you must provide a substantive discussion justifying the reasons for not implementing the recommendations.

Impacts to Diadromous Fish and Freshwater Habitats

F2-11 Page 4-28 Pipeline
The proposed Elba Express Pipeline would cross 352 surface waters, including 161 perennial streams/rivers, 150 intermittent/ephemeral streams, 11 ponds, and 30 manmade ditches. The project area is located within the Savannah River and Ogeechee River basins, which include areas known to support shortnose sturgeon. In accordance with the ESA, as amended, it is the responsibility of FERC to identify actions that may affect shortnose sturgeon or other threatened or endangered species or may destroy or adversely modify their designated critical habitat. Determinations involving listed species under the purview of NMFS should be reported to our Protected Resources Division (PRD) at the letterhead address.

F2-12 Page 4-30 Construction Impacts
Construction of the Elba Express Pipeline would involve open-cut crossings of all of the perennial streams and could adversely affect these surface waters. Potential impacts from clearing and grading, in-stream trenching, trench dewatering, and backfilling could increase sedimentation rates and turbidity, decrease dissolved oxygen, increase water temperature and introduce petroleum contaminates from accidental spills. Other impacts could include potential entrainment of fish and invertebrates and burial of sessile organisms. According to the DEIS, established procedures for waterbody crossings would be followed to ensure that adequate water flow rates would be maintained at all crossing locations and interruption of downstream uses would be prevented. The Broad River and Savannah River would be crossed using horizontal directional drilling (HDD). HDD construction techniques involve circulating drilling fluids to the drill bit. A release or inadvertent return of drilling fluid to the waterbody (i.e., a frac-out) could adversely impact water quality. When reviewing the earlier version of the DEIS, NMFS requested a plan be developed to address unavoidable impacts and impacts that could occur in the event of a frac-out. In the DEIS, the Elba Express Company stated that an HDD Contingency Plan and Feasibility Assessment would be implemented that describes how the drilling operations would be conducted and monitored to minimize the potential for a frac-out or drill failure. The HDD Contingency Plan and Feasibility Assessment also discusses procedures for clean-up of drilling mud releases and for sealing the drill hole if a drill cannot be completed.

F2-13 Page 4-33 Elba Express Pipeline Hydrostatic Testing
Testing of the Elba Express Pipeline would require a one-time withdrawal of approximately 21.7 million gallons of water from waterbodies in close proximity to the section of pipeline being tested. The water withdrawal could result in the impingement or entrainment of fish and other organisms. Elba Express Company commented that they would minimize the potential effects of

5

Responses to Letter F-2

F2-10 NOAA NMFS Correspondence

We responded to this request on June 4, 2007, indicating the final EIS would respond to NOAA's essential fish habitat conservation measures.

F2-11 NOAA ESA Determinations

In section 4.7, we discuss federal- and state-listed threatened, endangered, and other special status species (including their critical habitat) potentially occurring in the vicinity of the proposed Terminal Expansion and Elba Express Pipeline. Specifically, section 4.7.1 discusses potential impacts on shortnose sturgeon from activities associated with construction and operation of these facilities. Section 4.7.1 also presents measures to avoid, minimize, or mitigate impacts on shortnose sturgeon. No waterbodies containing shortnose sturgeon would be crossed by EEC's proposed pipeline route.

Determinations involving listed species under the purview of National Marine Fisheries Service will be reported to the Protected Resources Division of NOAA.

F2-12 NOAA Construction impacts on freshwater habitats

Comment noted.

F2-13 NOAA Pipeline hydrostatic testing mitigation

We disagree that diadromous fish species would be affected by hydrostatic test water withdrawals. Test water would be withdrawn from the Savannah River at the proposed HDD crossing location and from Ogeechee Creek. Diadromous fish species would need to cross two dams downstream from the proposed HDD crossing to be present where test water would be withdrawn from the Savannah River, and the withdrawal location on Ogeechee Creek (at the proposed crossing location) is outside the known range for diadromous species.

Letter F-2 Continued

hydrostatic testing on surface water resources by adhering to measures listed in the "Wetland and Waterbody Construction and Mitigation Procedures" located in Appendix F of the DEIS. These procedures specifically state that they "will not use state-designated exceptional value waters, waterbodies which provide habitat for federally listed threatened or endangered species or waterbodies designated as public water supplies, unless appropriate federal, state, and/or local permitting agencies grant written permission." Since it is already well documented that the pipeline project area, which includes the Savannah and Ogeechee river basins, supports diadromous species, including the federally endangered shortnose sturgeon, NMFS recommends that water withdrawals for hydrostatic testing in wetland areas upland from the estuary should not occur during the period of January 1 through April 30 to reduce the impacts to these species.

F2-14 Page 4-36 Affected Wetlands
The DEIS states that no vegetated wetlands would be affected by construction of the proposed facilities at the Elba Island terminal expansion site. Construction of the Elba Express Pipeline would involve wetland disturbances, and the primary impact of pipeline construction and right-of-way maintenance would be the temporary and permanent conversion of wetland vegetation. No permanent impacts to emergent wetlands are anticipated, and vegetation should regenerate in one to two years. However, complete regeneration of forested wetlands to preconstruction conditions may take up to 30 years.

F2-15 Page 4-38 Wetland Construction Procedures
Elba Express Company would implement restoration procedures for emergent and scrub-shrub wetlands impacted by construction of the pipeline according to their Wetland and Waterbody Delineation Report and Mitigation Plan. Compensatory mitigation for forested wetland impacts and other residual wetland impacts would be achieved by the purchase of credits from a wetland mitigation bank approved by the U.S. Army Corps of Engineers (COE) or by providing funding, such as in-lieu fees, for an approved, COE-sponsored wetland preservation, enhancement, or creation project within the same watershed as where the impacts occurred. Possible mitigation banks and restoration projects to be used to satisfy mitigation requirements include: Quacco Canal Wetland Restoration Project in Chatham County; Millhaven Mitigation Bank; Pine South Wetland Mitigation Bank; and Phinizy Swamp Wetland Mitigation Bank.

F2-16 *Summary of Impacts to Diadromous Fish and Freshwater Habitats*
The wetland construction and restoration measures proposed for the Elba III Project are commendable and, if followed closely, will avoid and minimize wetland impacts to a large extent. However, the DEIS has not adequately described impacts associated with construction of the Elba Express Pipeline that could reasonably be expected to occur to larval diadromous fish and eggs (including the federally listed shortnose sturgeon) found in the large tributaries of the Savannah River and the Ogeechee River. NMFS continues to request that more information on diadromous fish species found in these waterbodies be provided, with special attention given to migration and spawning seasons.

Impacts to Threatened and Endangered Species

6

Responses to Letter F-2

F2-14 NOAA Affected Wetlands

Comment noted.

F2-15 NOAA Wetland Construction Procedures

Comment noted.

F2-16 NOAA Impacts on diadramous fish and freshwater habitats

See response to comment F2-13.

Letter F-2 Continued

F2-17 FERC requested section 7 consultation under the ESA on April 17, 2007. NMFS has had two meetings with Southern LNG and their environmental consultant, the non-federal representative designated for the project, and several communications regarding the project. NMFS met with Southern LNG on April 16, 2007, to discuss vessel operation impacts on marine mammals. The agreed-upon harm avoidance measures resulting from this meeting will be used during completion of section 7 consultation with FERC. The applicant has agreed to implement a vessel strike avoidance plan for marine mammals and special conditions for Northern right whales. An additional meeting was held on May 14, 2007, to continue discussions on the details of right whale harm avoidance measures. Although some additional details and future collaboration is planned with Southern LNG, the agreed-upon plan will be used to complete section 7 consultation with FERC.

F2-18 Also at the May 14, 2007, meeting, we discussed the effects of pile-driving noise to protected species, and potential measures to reduce risk to those species. Southern LNG will provide the results of these meetings to FERC by the close of the comment period. Additional information needed and a pile-driving protocol were agreed to be completed that would be considered for completion of section 7 consultation with FERC. Southern LNG will provide the meeting minutes to FERC by the close of the comment period.

In an e-mail dated April 20, 2007, NMFS corresponded with FERC and Southern LNG regarding the inappropriate use of dBA, a unit of noise measurement in air, to characterize underwater noise levels from pile-driving activities. The difference in reference levels in air and water amounts to about 62 dB difference in dB units between air and water. Pressure measurements of equal pressures in air and water differ by 26 dB. Impedance of water is about 3600 times that of air, so the conversion factor for the intensity of sounds of equal pressure in air versus water is 36 dB. When the pressure and impedance differences are added together there is approximately a 62 dB difference. Because the reference values are different, the noise levels in water are represented in units of dB re 1 μPa, usually referenced at a distance of 1 meter from the source. So comparing the dBA noise levels in air to impacts on marine animals is not possible and the DEIS makes an improper conclusion based on the above. On page 4-77 of the DEIS, FERC references an in-air level of 133 dBA from pile-driving to infer conclusions regarding impacts to sea turtles. This value is also used to make conclusions for pile-driving noise effects on shortnose sturgeon and bottlenose dolphins that may occur in the project area. An adjustment of the in-air value for underwater noise would be approximately 195 dB re 1 uPa (rms) in water, when making effects determinations for aquatic animals. A study conducted in 2004 by Applied Technology & Management Inc. measured pile-driving noise from a port construction project on the Savannah River. The piles used to obtain the noise measurements were similar to piles proposed for the Elba II expansion. The study measured actual source levels of approximately 210 db re dB re 1 uPa. NMFS recommends this value be used in your determination of effects to protected species in the FEIS. Based on this value, potentially adverse impacts may occur near the pile-driving activity.

NMFS has met with the Southern LNG regarding these pile-driving concerns. A characterization of the impact zone based on the Applied Technology & Management Inc. study and a plan to

7

Responses to Letter F-2

F2-17 NOAA Atlantic right whale impact avoidance

Thank you for your comment. Southern LNG has been in consultation with NMFS and has agreed to file with the Commission measures to protect the Atlantic right whale from ship strike once finalized.

F2-18 NOAA Pile driving noise impact reduction measures

Thank you for your comment. Southern LNG has agreed to file with the Commission measures to reduce noise impact related to pile driving once finalized.

Letter F-2 Continued

ramp-up the pile-driving noise will be submitted to NMFS for consideration during consultation. Southern has also agreed to implement construction guidelines for protected species to be required during construction of the terminal. Once these details are received and the harm avoidance plans finalized, NMFS anticipates initiating informal section 7 consultation with FERC on the Elba III project.

We appreciate the opportunity to provide these comments. Please direct EFH-related correspondence to the attention of Ms. Kay Davy at our Charleston Area Office. She may be reached at (843) 953-7202 or by e-mail at Kay.Davy@noaa.gov. For any questions pertaining to threatened and endangered species, please contact Kyle Baker at (727) 551-5789 or by e-mail at Kyle.Baker@noaa.gov.

Sincerely,

Roy E. Crabtree, Ph.D.
Regional Administrator

cc (via electronic mail):

FERC – Sauter
COE Savannah District –King
F – Lindow
F/HC – Bigford
F/SER3 – Bernhart
F/SER32 – Baker
F/SER46 – Ruebsamen
F/SER47 – Davy
F/SER – Keys
PPI – Kokkinakis

8

Responses to Letter F-2

Letter F-3

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

May 29, 2007

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

SUBJECT: EPA Comments on the FERC Draft Environmental Impact Statement (Draft EIS) for the FERC "Elba III Project" (March 2007); OEP/DG2E/ Gas 1 Southern Natural Gas; Docket Nos. CP06-470-000. et al.

Dear Ms. Bose:

Pursuant to Section 309 of the Clean Air Act (CAA) and Section 102(2)(C) of the National Environmental Policy Act (NEPA), the U.S. Environmental Protection Agency (EPA) Region 4 has reviewed the Federal Energy Regulatory Commission's (FERC or Commission) draft environmental impact statement (EIS) for the "Elba III Project" proposed by Southern LNG [Liquefied Natural Gas] Inc. (Southern LNG) and Elba Express Company (EEC) L.L.C., both wholly-owned subsidiaries of Southern Natural Gas Company (Southern). Under Section 309 of the Clean Air Act, EPA is responsible for reviewing and commenting on certain major federal actions significantly affecting the quality of the human environment.

The draft EIS evaluates the Southern LNG proposal for the expansion and operation of the existing LNG import terminal (Elba Island near Savannah, Georgia) as well as the construction and expansion of an associated new natural gas pipeline, the "Elba Express Pipeline" in Georgia and South Carolina. The terminal expansion would increase the capacity of the terminal and incorporate "closed loop" LNG warming technology. Phase A (2010) additions would include a new 200,000 m^3 LNG storage tank with capacity of 4.2 billion cubic feet per day (Bcfd) of LNG, while Phase B (2012) would include a second 200,000 m^3 LNG storage tank. Modifications to the marine berthing slip and unloading docks would accommodate new, larger LNG tankers and facilitate simultaneous unloading of two LNG tankers. Like the terminal expansion, the construction of the 187-mile-long Elba Express Pipeline would also be completed in two phases (2011 & 2013). The pipeline would affect 2,748 acres of land and impact 237 acres of wetlands and other waters of the United States, with five major river crossings and 241 smaller stream crossings. Most project impacts are associated with the pipeline.

EPA supports the selected preferred alternative for the proposed project with the FERC staff's mitigation measures identified in the draft EIS. However, we do have several concerns, which are presented more specifically in the enclosed Detailed Comments. In general, our primary concerns focus on potential impacts to wetlands and other waters of the United States from construction of the proposed pipeline, and the need for additional analysis of potential

Letter F-3 Continued

impacts to air quality associated with construction and operation of the proposed terminal expansion.

With regard to impacts to wetlands and other waters of the United States, we believe that these impacts could potentially be reduced through the use of a pipeline route that would cross the Savannah River in only one location, as opposed to the two crossings under the current proposal. We recommend that the final EIS explore the feasibility of limiting the number of crossings of the Savannah River, and provide an analysis as to what extent this new alternative would reduce impacts to aquatic resources. We also suggest use of other impact avoidance and minimization procedures as well.

As to the air quality analysis, we are concerned that the information provided in the draft EIS does not include an analysis of all potential pollutant emissions for the project and facility, including construction and operations, both direct and indirect, and their anticipated impacts. Specifically, we recommend that the final EIS provide a complete air quality assessment of the entire terminal facility to complement the assessment of the proposed terminal expansion. We also recommend that additional information be provided in the final EIS regarding general conformity requirements.

EPA rates this draft EIS as an "EC-2" (i.e., we have environmental concerns and request additional information in the final EIS). A description of EPA's rating system is enclosed. We look forward to working with FERC staff and representatives of the applicant, as well as other relevant federal and state agencies, so that the appropriate information and analyses are available in the final EIS. We encourage open communication between our technical staffs to achieve this goal.

Thank you for the opportunity to review and comment on this draft EIS. If you have further questions, please contact me at 404/562-9611 (or mueller.heinz@epa.gov) or John Hamilton of my staff at 404/562-9617 (or hamilton.john@epa.gov).

Sincerely,

Heinz J. Mueller, Chief
NEPA Program Office
Office of Policy and Management

Enclosures: Enclosure 1, Detailed Comments on the Elba III DEIS
Enclosure 2, EPA Rating System Description

cc: Keith Parsons (Water Protection Branch) and Kelie Matrangos (Coastal Resources Division) Georgia Department of Natural Resource

Letter F-3 Continued

Enclosure 1: DETAILED COMMENTS ON ELBA III DEIS

LNG TERMINAL EXPANSION

Wastewater Discharges

F3-1

1. We recommend that the final EIS include a more detailed discussion of wastewater discharges (Georgia Environmental Protection Division is the NPDES permitting authority for this facility).
   Recommendations: We recommend that the final EIS include a discussion of the treatment and discharge of the process waters from the following sources: 1) submerged combustion vaporization units; 2) on-site sanitary discharges; and 3) stormwater from industrial areas. We also recommend that the final EIS provide a wastewater flow schematic to illustrate the fate of all discharges from the site.

   Subject matter contact: Karrie-Jo Shell, 404-562-9308

Air Quality

Section 4.11.1.2 – Air Quality and Noise; Ambient Air Quality Standards/Air Quality Control Regions and Attainment Status

F3-2

1. EPA notes that the draft EIS does not indicate whether FERC carried out a general conformity applicability determination for this project. We presume that an applicability determination was not performed, since the draft EIS explains on page 4-143 that none of the counties in which the project will be constructed or operated have been designated as nonattainment for any NAAQS pollutant. However, we also note that the draft EIS explains that one part of the project's pipeline is located in Anderson County, South Carolina – an area that EPA has classified as nonattainment for the 8-hour ozone standard, but for which the effective date of the ozone nonattainment designation has been deferred due to the County's participation in the Early Action Compact (EAC).

   Given this discussion of 8-hour ozone nonattainment in the draft EIS, FERC should be aware that the D.C. Circuit Court of Appeals recently vacated certain aspects of EPA's phase 1 rule implementing the 8-hour ozone NAAQS [*SCAQMD v. EPA*, 472 F.3d 882 (D.C. Cir. 2006)]. EPA and other parties are seeking rehearing from the court on several aspects of the decision, including conformity. The final position adopted by the D.C. Circuit could have implications for any action taken with respect to conformity programs in areas that were nonattainment or maintenance for the 1-hour ozone NAAQS at the time of revocation of the 1-hour ozone NAAQS.
   Recommendations: In order to make it clear that FERC analyzed whether general conformity requirements were applicable to the project and to provide a way in which general conformity requirements could be addressed after the possible designation of Anderson County as ozone nonattainment, EPA recommends that FERC add the following to the final EIS: "FERC concludes that because no project emissions will occur in an area that has been designated nonattainment for a NAAQS pollutant, general conformity requirements are not applicable to this project (See 40 CFR § 93.150 et seq.). If any area in which the project is located is designated as nonattainment before this project commences,

Responses to Letter F-3

F3-1 USEPA Terminal expansion wastewater discharge

In section 4.3.3, we discuss surface water operational impacts from the terminal expansion and state that surface water discharges (including stormwater runoff and condensate from the vaporizers) would be piped underground to recharge the existing firewater pond and would not be considered a regulated discharge by the GDNR or the Georgia Environmental Protection Division. In section 4.4.3, we discuss surface water and state that the existing stormwater facility at the Terminal would be modified to accommodate the additional runoff from the proposed Terminal expansion facilities. In addition, we updated information regarding discharge process and wastewater treatment in section 4.3.3.

F3-2 USEPA Air quality conformity requirements

The length of the proposed pipeline in Anderson County, South Carolina would consist of less than one mile and construction emissions within the county would be minimal. Given this limited scope we do not believe that general conformity would apply if the county is designated as non-attainment before the project commences. We have revised the text in section 4.11.1.2.

Letter F-3 Continued

2

an appropriate general conformity applicable determination will be made at that time." EPA is also available to assist with any conformity questions or issues that may arise in the future.

Section 4.11.1.5 - Air Quality and Noise; Air Emission Impacts

F3-3

1. We are concerned that the draft EIS does not apparently address all potential pollutant emissions for the project and facility, including construction and operations, and their anticipated impacts, both direct and indirect. Although reference is made in the draft EIS to impact assessments performed supporting a prevention of significant deterioration (PSD) permit application for the Elba III expansion, it is important to recognize that the PSD assessment only accounted for the impacts of nitrogen oxides (NO_X) and carbon monoxide (CO) emissions and did not address all indirect emissions for this expansion. Moreover, the PSD analysis only evaluated the air quality impacts from a subset of emissions sources associated with this proposed project.

   For example, Tables 4.11.1-3, 4.11.1-9, and 4.11.1-12 of the draft EIS indicate that the Elba Island LNG Terminal (after the Terminal Expansion project) will have 534 tons per year (tpy) of sulfur dioxide (SO_2) and 72 tpy of particulate matter ($PM_{2.5}/PM_{10}$) operating emissions. The air quality impacts of these emissions have not been quantitatively evaluated in the draft EIS. Additionally, there are 64 tpy of NO_X and 1,138 tpy of CO operating emissions that were not included in the referenced PSD air quality modeling analysis.

   Moreover, Table 4.11.1-6 of the draft EIS indicates that the following construction emissions are projected to occur over the 5 years it takes to finish the Terminal Expansion project: 306 tpy of NO_X, 102 tpy of CO, 44 tpy of SO_2, 2,876 tpy of PM_{10}, and 19 tpy of volatile organic compounds (VOCs). The air quality impacts from these construction emissions have not been addressed or evaluated.
   Recommendations: We recommend that the final EIS provide air quality impact evaluations that address the total project related emissions. We also recommend that the impact evaluations include the full air quality impacts of the entire Elba Island LNG Terminal subsequent to the Elba III Expansion project.

F3-4

2. Page 4-156: The section titled "Indirect Emissions from LNG Carrier Ships," discusses the emissions that are addressed in the Elba III expansion PSD impact assessment and indicates that additional modeling was submitted to the Georgia Department of Natural Resources, Environmental Protection Division which included "secondary emissions." It is our understanding that this additional modeling addressed only NO_X and CO emissions and did not include all secondary and indirect emissions from the vessels, *i.e.*, some of the emissions from the LNG cargo vessels and support vessels were excluded from the analysis.
   Recommendation: While the exclusion of some emissions may be appropriate for purposes of the PSD impact assessment, we recommend that the final EIS address impacts of emissions from all sources associated with the proposed terminal expansion.

Section 5.2 - Impact Summary

F3-5

3. The conclusions regarding air quality may need to be re-evaluated as a result of additional information and/or new modeling analyses that are included in the final EIS in response to

Responses to Letter F-3

F3-3 USEPA Air emission impacts

We have revised the text in section 4.11.1.5 to include additional information regarding a refined air dispersion analysis that provides a more thorough evaluation of the potential impacts on air quality in the vicinity of the Terminal Expansion conducted by Southern LNG. The air dispersion modeling analysis was used to predict the off-site concentrations in the vicinity of the project for NO2, CO, and SO2 emissions associated with operation of the project for comparison to the appropriate federal air quality standards. The modeling results show that the cumulative impacts of NO2, CO, and SO2 for the 3-hour and annual periods are all below the corresponding NAAQS. Cumulative impacts attributable to the Terminal exceed the NAAQS for the SO2 24-hour averaging period for 2 of the 5 meteorological data years analyzed, but the emissions from marine activities contributed substantially to the magnitude of the estimated exceedances. However, given the very conservative approach of the modeling, we believe that the Terminal Expansion alone would contribute to only a fraction of the impacts shown in the modeling analysis. Although the Terminal Expansion would contribute to the degradation of the regional air quality, it would not result in significant impacts to the regional air quality.

Finally, a comparative analysis of the yearly constructed-related emissions estimated for the Terminal Expansion and Chatham County's yearly emissions inventory was included in section 4.11.1.5. We believe that the construction emissions associated with the Terminal Expansion would not result in a significant impact on air quality.

F3-4 USEPA Air impact analysis for all emission sources

See response to comment F3-3. In section 4.11.1.5, we have added table 4.11.1-13 that provides a cumulative summary of secondary and indirect emissions from the future, fully-subscribed capacity of the Terminal Expansion.

F3-5 USEPA Air emissions impact summary

We have revised Section 5.2. See response to comment F3-3.

Letter F-3 Continued

3

our recommendations for additional information to be included in Sections 4.11.1.3, 4.11.1.4, and 4.11.1.5 as suggested in comments 1 and 2, above. EPA looks forward to working with FERC staff to address these issues.

Section 1.2.1 – FERC

F3-6 4. Page 1-17: The last sentence on this page states that "Although the FERC encourages cooperation between Applicants and state and local authorities, this does not mean that state and local agencies, through application of state and local laws, may prohibit or unreasonably delay the construction or operation of facilities approved by the FERC."
Recommendation: We recommend that the final EIS clarify the legal basis for this statement.

Subject matter contacts for Comments 1-4: Stan Krivo, 404-562-9123 and Katy Forney, 404-562-9130

Section 3.0 – Alternatives

F3-7 5. Data for Noise Sensitive Areas (NSAs) at the terminal showed that the operation of the terminal would not elevate ambient levels at the NSAs due to the terminal's distance from the NSA.
Recommendation: Because ambient levels are already above the 55 DNL criterion at the NSA closest to the terminal (58.9 DNL: pg. 4-171), we support the FERC staff's recommendation to monitor this site to confirm that there would be no incremental terminal expansion noise impacts at the nearest NSA. We recommend that any noise abatement be made through source reductions at the terminal and occur well within the proposed one-year timeframe.

Subject matter contact for Comment 5: Chris Hoberg, 404-562-9619

ELBA EXPRESS PIPELINE

Alternatives Section 3.0

F3-8 1. Phase 1 Northern Segment – Most of the Northern Segment of Phase 1 (81 of 83.1 mi) would be on a new location. Alternative segments on full or partial co-location with existing rights of way were considered, but rejected in the draft EIS. Table 3.3-1 indicated that the two alternatives considered for full co-location routes would be considerably longer and more expensive than the proposed route. Table 3.3-2 indicated that the three alternatives considered for partial co-location routes would be slightly longer and impact slightly more wetlands. The quality of the wetlands that would be impacted by the alternatives, including the preferred alternative, however, was not fully described. EPA recommends that the quality of the potentially impacted wetlands be more fully discussed in the final EIS. The need for any conversion from forested to herbaceous wetlands after pipeline placement should also be included. EPA has observed that on other similar projects, wetlands along an existing corridor may already have incurred secondary impacts and therefore may be of lesser quality – from a water quality and habitat function perspective – than wetlands on new corridors.

Responses to Letter F-3

F3-6 USEPA Legal basis for timely state and local agency permit issuance

Comment noted. We have added information to this discussion which clarifies the Commissions basis for this statement.

F3-7 USEPA Noise sensitive areas

Comment noted.

F3-8 USEPA Northern Segment route alternative wetland and waterbody impacts

In section 3.3.2.2, we discuss alternatives to the Elba Express Pipeline, Northern Segment, Partial Collocation Route Alternatives (West, Midwest, and East Route Alternatives). Our evaluation of these alternatives included review of EEC-provided data, review of USGS topographic quadrangle and National Wetland Inventory maps, and aerial inspection. Based on our evaluation, the nature and quality of affected wetlands was generally similar between the proposed route and the partial collocation routes, with the exception that the East Route Alternative would require longer crossings of COE-managed reservoirs and associated tributaries. As presented in table 3.3-2 and our analysis in section 3.3.2.2, considering broader impacts to environmental and economic resources, we believe these alternatives would not provide a significant environmental advantage over the proposed route. Because the results of our analysis supported eliminating the alternatives from further consideration, we believe more detailed field assessment of potentially affected wetlands and waterbodies is not warranted to support our conclusions.

Appendix I includes the quality of wetlands that would be crossed by the proposed route.

Letter F-3 Continued

4

F3-9 Table 3.3-2 also shows that one alternative (Midwest Route) has fewer stream crossings (94) than the proposed route (101). It is unclear if such crossings are significant in terms of the width of the waterbodies and the water quality impacts that can be expected during crossing construction (e.g., open cut vs. horizontal directional drill (HHD)). The amount of hardwood forest impacted by this alternative is also less (135.2 vs. 167.7 ac), but it is unclear if any of the acreage reduction includes forested wetlands or old growth. We recommend that the final EIS provide additional discussion of the relative wetlands impacts of the differing alternatives.

F3-10 Some route variations also were considered but rejected. Several of the variations would avoid major waterbodies or stream crossings but would involve greater linear feet of wetland impacts. However, the draft EIS indicated that use of HHD is being discussed for crossing these major waterbodies "…[I]f geologic conditions are favorable" (pp. 3-25; 3-28). Because we believe that use of HHD is environmentally preferred when large waterbodies are crossed in lieu of circumventing them, we recommend that the FEIS disclose whether geological conditions have been determined to be acceptable for HHD, and, if so, whether the applicant is committed to using HHD for those sites. If these sites are not geologically suitable for HHD, we recommend that the final EIS reconsider alternatives that would avoid crossing these waterbodies.

F3-11 2. Phase 2 Compressor Station – The proposed Jenkins County site for a new compressor station appears reasonable from a noise perspective since it is wooded and noise levels at the nearest NSA were predicted to be below the 55 DNL criterion during operation. We concur with the FERC staff recommendation that the applicant conduct post-construction monitoring to ensure compliant noise exposures. We also recommend that any resultant noise abatement be made through source reductions at the station itself (*e.g.*, more efficient technology, structural shielding, etc.) and be implemented well within the one-year recommendation.

F3-12 **Recommendation:** EPA suggests that the final EIS alternatives analysis provide additional information regarding wetlands impacts, as described above. We recommend that final route recommendations consider that lands parallel to existing corridors (if widening is needed for pipeline placement) may often be less environmentally sensitive than lands found in new corridors. Should it be necessary to route segments in new corridors, we recommend that the final EIS provide information regarding mitigation proposals that have been coordinated with federal, state and local agencies to compensate for any relevant environmental impacts.

Subject matter contact for above Comments 1 and 2: Chris Hoberg, 404-562-9619

Waters of the United States

F3-13 1. Savannah River Crossings – We are concerned that the proposed crossings at the Savannah River would impact a sensitive riparian corridor and lands owned by the Corps of Engineers (Corps) and managed as "mitigation" for several Corps projects.
Recommendation: In order to potentially reduce these impacts, we recommend that the final EIS examine the feasibility of an alternative that does not include a dual connection to the Transco pipeline and instead makes a single connection to the Transco pipeline on the

Responses to Letter F-3

F3-9 USEPA Partial collocation alternatives analysis

See response to comment F3-8. Based on a high-level analysis, the alternatives did not demonstrate a significant environmental advantage over the proposed route. We therefore eliminated the alternatives from further (detailed) consideration. As such, additional detailed analysis of potentially affected wetlands and waterbodies is not warranted.

F3-10 USEPA Major waterbody avoidance and HDD method

We have reviewed EEC's HDD feasibility assessment for the Little River, Beaverdam Creek, and Coldwater Creek dated May 18, 2007. EEC reports that HDD crossings of these waterbodies, if geotechnially feasible, would require HDD lengths that substantively exceed waterbody widths and would substantively increase construction cost by $11.5 million compared to conventional open cut crossings. EEC therefore proposes to construct these crossings using the open cut method, and has filed documentation indicating concurrence from the COE, FWS, and GDNR that the open cut method is acceptable for these crossings. We have revised the text in section 4.3.3 to incorporate this information. Because these crossings would be conducted using EEC's Procedures, we believe impacts would be reduced to the maximum extent practicable.

F3-11 USEPA Noise abatement

Comment noted.

F3-12 USEPA Wetland impact mitigation

See responses to comments F3-8 and F3-9. In section 4.4 we detail wetland impacts, as well as proposed impact avoidance, minimization, and on-site and off-site mitigation measures, for the proposed Elba Express Pipeline. Where necessary, EEC developed these measures in coordination with relevant federal, state, and local agencies. In addition, EEC would comply with federal and state permit conditions, such as from the COE under Section 404 of the Clean Water Act.

F3-13 USEPA Single Transco interconnect alternative

In section 1.1 we discuss that part of the purpose and need of the project is to interconnect with both Transco Zones 4 and 5. In section 3.3 we discuss alternatives to the proposed pipeline system and route that would meet this purpose and need. Due to the boundary between Transco Zones 4 and 5 being located at the Savannah River, a single Transco interconnect (on either side of the river) would not meet the project's stated purpose and need. Therefore, we did not evaluate single Transco interconnect alternatives.

We have clarified the discussion in section 3.3.2 to better explain why dual interconnects are needed and why a single new interconnect in Georgia would not meet one of the project's specific objectives. As presented in the EIS, EEC proposes to cross the Savannah River using an HDD, which is expected to have little or no impact on the

Letter F-3 Continued

5

Georgia side of the Savannah River.

F3-14 2. Forested Wetland Restoration –
Recommendation: To help ensure successful mitigation of the impacts resulting from the clearing of forested wetland areas, EPA recommends that all formerly forested areas be replanted with trees of the same species and diversity as were present prior to construction as opposed to simply allowing "natural regeneration" to occur, particularly for hard-mast-producing species.

F3-15 3. Waters of the United States Mitigation Plan –
Recommendation: We recommend that a detailed compensatory mitigation plan be prepared and be included as part of the final EIS, and that the plan include all minimization/onsite restoration measures and any offsite mitigation actions. We recommend that the plan address all wetland, stream, and open water impacts and include the Corps Savannah District's Standard Operating Procedure calculations. We recommend that the applicant strive to achieve "in-kind" mitigation, *i.e.*, wetland types impacted by the project are replaced by those same types. We also recommend that mitigation for all impacts be located as close as possible to the impact sites, and at the least within the same 8-digit Hydrologic Unit Code (HUC) watershed; this preference may necessitate a mitigation plan involving multiple sites.

F3-16 4. Mitigation Banks – The draft EIS indicates the potential use of several commercial mitigation banks as a means to compensate for unavoidable wetland impacts. In general, we find use of commercial mitigation banks an acceptable, and at times preferred, form of compensatory mitigation. However, as noted above, the banks used need to match the wetland and stream types being impacted. Since this project crosses many "ecoregions" and watersheds, it will impact many wetland and stream types and it is unlikely that one bank can match all of the wetland and stream types.

EPA supports the use of mitigation banks to mitigate for permitted impacts from the pipeline when a bank is available in the appropriate service area. In the DEIS there is a list of potential banks which EPA has reviewed with the following comments. EPA notes that the Quacco Canal Wetland Restoration Project in Chatham County is not a Corps of Engineers approved commercial mitigation bank and has expressed concerns about it being developed into a commercial bank. Also, EPA has specifically not concurred with the Pine South Mitigation Bank and notes that this bank consists of a wetland type likely not requiring mitigation for this project, while the Phinizy Swamp Mitigation Bank does not match the Piedmont wetland impacts.

Although we are uncertain if the Milhaven Mitigation Bank is still active or has available wetland credits. This bank better matches the coastal plain riverine wetlands the proposed project may impact, although it may not provide credits for the Piedmont riverine wetland impacts. It should be noted that these banks do not appear to have stream mitigation credits that may be required for this project. While currently there are few commercial mitigation banks in the Middle and Upper Savannah River, Broad River and Little River watersheds, a number of banks are pending that may meet this project's credit requirements for impacts in

Responses to Letter F-3

riparian corridor adjacent to the river itself. The COE has been actively involved with development of this crossing location, and is satisfied that appropriate mitigations would be applied to the crossing. Further, the crossing would be positioned immediately adjacent to a major pipeline corridor. See also new appendix M, EEC Mitigation Requirements for U.S. Army Corps of Engineers Lands.

F3-14 USEPA Forested wetland restoration

Comment noted. In section 4.4.2, we discuss wetland restoration for scrub-shrub, emergent, and forested wetlands. EEC has stated that it would not revegetate scrub-shrub and emergent wetlands by planting native species, but rather allow these wetlands to revegetate naturally. EEC has also stated that it would comply with the conditions of applicable authorizations such as from the COE under Section 404 of the Clean Water Act. The COE could require mitigation requirements for temporary impacts on forested wetlands including planting to reestablish the forest vegetation. Planting would likely include the use of live plants of specific sizes planted at specified densities with certain survival rates. In addition, in accordance with its Procedures, EEC must monitor revegetation success for the first 3 years, and continue revegetation efforts until revegetation is successful.

F3-15 USEPA Waters of the United States mitigation plan

In section 4.4.2, we discuss on-site and off-site mitigation for wetland impacts. This section states that EEC would implement restoration measures for scrub-shrub and emergent wetlands as described in its *Wetland and Waterbody Delineation Report and Mitigation Plan* and in accordance with its COE permit conditions. As indicated in section 4.4.2, EEC's compensatory mitigation plan for forested wetland impacts is currently under development and review by the COE. EEC will file the plan with the Commission once finalized.

F3-16 USEPA Wetland Mitigation Banks

We have included a recommendation in the final EIS that states EEC should continue to consult with the COE to evaluate the suitability of its proposed mitigation banks to maximize the "in kind" replacement of wetlands lost as a result of this project.

Letter F-3 Continued

6

the Georgia Piedmont. Because there appear to be direct impacts to South Carolina waters, a separate mitigation plan may be necessary since it has been our experience that states (via the Clean Water Act § 401 certification process) are unlikely to accept out-of-state mitigation.
Recommendation: We recommend re-evaluation of the local wetland banking options in order to determine one or more suitable banks that provide in-kind mitigation in the same watershed as project impacts.

Subject matter contact: Bob Lord, 404-562-9408

Air Quality –

F3-17

1. From an emissions perspective, the assessment of the proposed pipeline operation of a new compressor station in Jenkins County (Phase 2) is adequate. However, we were unable to determine from the draft EIS if the existing compressor(s) at Wrens Compressor Station ("Wrens") in Jefferson County will be operated at a higher average level due to the Elba III Project, possibly causing an increase in air pollutant emissions.
Recommendation: We recommend that the final EIS discuss whether there is a possibility of increased air emissions at Wrens as a result of the proposed project, and, if increased air pollution emissions are expected, we recommend assessing the likely air quality impact of such increased emissions.

Subject matter contact: Jim Little, 404-562-9118

Environmental Justice
Sections 4.9.7

F3-18

1. Demographic Data - The demographics analysis indicates that the Elba LNG terminal and pipeline facilities are predominately located in Georgia and South Carolina counties with percentages of low-income and/or minority populations exceeding the state averages (Tables 4.9-6 and 4.9-5). The demographic information provided in Tables 4.9-5 and 4.9-6 is unclear. For example, the values for "Total Minority" for Chatham County and the State Average do not equal the sum of each racial/ethnic group presented in the table 4.9-5.
Recommendation: EPA recommends that FERC re-evaluate the data presented in Tables 4.9-5 and 4.9-6 and make any necessary corrections in the final EIS.

F3-19

2. Public Involvement - The draft EIS does not provide information as to whether any specific public participation measures were taken to ensure the involvement of minority populations and low-income populations.
Recommendation: We recommend that FERC take specific measures to elicit participation of potentially affected minority populations and low-income populations, and provide a description of these efforts in the final EIS. We also recommend that FERC consider the need for innovative approaches to overcome linguistic, institutional, cultural, economic, historical, or other potential barriers that may limit a community's ability to participate.

3. Pipeline - The draft EIS concludes that the proposed pipeline "would not result in any disproportionately high or adverse environmental and human health impacts to minority

Responses to Letter F-3

F3-17 USEPA Air emissions at Wrens Compressor Station

In EEC's June 22, 2007, filing, EEC indicated that utilization of the existing Wrens Compressor Station would not increase due to the proposed pipeline. Therefore, there would be no change in facility emissions at the Wrens Compressor Station associated with the project.

F3-18 USEPA Reevaluate tables 4.9-5 and 4.9-6

We have revised tables 4.9-5 and 4.9-6.

F3-19 USEPA Participation of affected minorities

Thank you for your comment. In section 1.3, we describe in detail the NEPA public participation process, including open houses and public meetings that have been held in the vicinity of the proposed Terminal expansion project and several locations along the proposed pipeline to solicit public comment on the proceeding. We will take the recommendations offered into consideration during planning for future scoping efforts.

Letter F-3 Continued

7

F3-20 populations and low-income populations." This conclusion is based primarily on the assertion that once buried, the pipeline will have a minimal impact on the surrounding environment.

Recommendation: We recommend that the final EIS more clearly describe the extent to which the proposed pipeline may or may not affect minority populations and low-income populations, and if so, whether any of those impacts would be disproportionately high and adverse. As a first step in that analysis, rather than using population statistics at the county level, we recommend that the final EIS select a more limited geographic unit of analysis that parallels the pipeline route to better characterize the potentially affected communities. In addition, we recommend that the final EIS provide specific information on the communities along the pipeline route, and examine the potential community impacts from the pipeline and affiliated access roads (*e.g.*, potential impacts to private property and limitations on future property use). Finally, we recommend that the final EIS also provide information regarding potential impacts to aesthetics and public safety issues that are specific to the communities located adjacent to the proposed pipeline.

F3-21 4. Terminal Expansion - The draft EIS concludes that the proposed terminal expansion "would not result in any disproportionately high or adverse environmental and human health impacts to minority populations and low-income populations." This conclusion is based primarily on the assertion that the impacts of a substantial marine LNG release would be primarily to undeveloped and unpopulated land, although also noting that there are some populated areas in the "Zones of Concern." In addition, the draft EIS indicates that the terminal expansion would provide economic benefits to the region, thereby benefiting any potentially affected low-income populations.
Recommendation: We recommend that the final EIS more clearly describe the extent to which the proposed terminal expansion may or may not affect minority populations and low-income populations, and if so, whether any of those impacts would be disproportionately high and adverse. We recommend that the final EIS provide specific information on the population characteristics of areas potentially affected by a substantial marine LNG release (*i.e.*, Zones 1, 2 and 3). We also recommend that more specific information be provided regarding the potential economic benefits of the terminal expansion and the extent to which these benefits (e.g., temporary employment) will apply to the local populations.

Subject matter contact: Ntale Kajumba, 404-562-9620

Editorial Comments
Executive Summary – Table ES-1

F3-22 1. Page ES-vii: Table ES-1, titled… "Summary of Environmental Impacts Associated with the Construction of the Elba III Project," does not include the six submerged combustion vaporizers (SCVs) that will be part of this project.
Recommendation: Under the "Air and Noise Quality" section of Table ES-1, we recommend addition of the item "Number of new SCV's" in the *Resource Area/Impact* column of the table and add "6" under the *Facilities* column of the table.

Responses to Letter F-3

F3-20 USEPA Affect on Minority Populations

We have revised section 4.9.7 with an additional analysis of the minority and low-income populations along the pipeline route through Georgia and South Carolina by census tract, which is a more limited geographic unit of analysis than county statistics. We found that given the low population density of rural Georgia, however, many of the census tracts statistics were the same as the broader county data. Therefore, we again conclude that all landowners along the proposed pipeline would be subject to the same pipeline construction impacts, regardless of race, ethnicity, or income status. We discuss potential aesthetic impacts and public safety impacts in sections 4.8 and 4.12, respectively.

F3-21 USEPA Terminal Expansion Effects

We have amended section 4.9.7, Environmental Justice with an additional analysis of minority and low income populations within Zones of Concern 1, 2 and 3 by census tract, which is a more limited geographic unit of analysis than county statistics. Given that the census tracks extend well beyond the Zones of Concern, we could not determine with any accuracy the numbers of these populations specifically within the zones. However, because the proposed project would only increase the number of offloading vessels and storage capacity at the Terminal, and under the No-Action Alternative current operations would continue, there would not be a significant change from an operational standpoint, and therefore no change to the current effects on low-income and minority populations.

Regarding economic benefits to the local community, see revised section 4.9.3, Local Taxes and Government Revenue.

Regarding temporary employment of the local population, in section 4.9.2, we state that during the proposed 64-month construction period of the LNG terminal expansion, Southern LNG would use local workers to the extent they possess the necessary skills. This section also describes the positive indirect and induced economic benefits to local workers and the community.

F3-22 USEPA Submerged combustion vaporizers

The six submerged combustion vaporizers have been added to table ES-1.

Letter F-3 Continued

8

Section 4.11.1.2 - Air Quality and Noise: Existing Air Quality

F3-23

2. Page 4-150 combined with page 1-16, Table 1.5-1 – In the last paragraph on page 4-150, the draft EIS states that for the proposed new Elba Express Compressor Station in Jenkins County, Georgia:

> "For minor sources, the GEPD [Georgia Environmental Protection Division] allows for the issuance of either a combined construction and operating permit or alternatively, separate construction and operating permits. At a minimum, a state construction permit would be required from GEPD prior to the start of construction of the Elba Express Compressor Station."

However, in the Table 1.5-1 (pg. 1-16) list of major permits, approvals, and consultations, a minor source permit for the new compressor station is not shown.
Recommendation: We suggest that "minor source air emissions permit" be added to Table 1.5-1 and indicate that it is for the new compressor station.

F3-24

3. Page 4-162, Table 4.11.1-13 – At the bottom of this table is a note starting with the words… "The emissions provided above..." We could not find emissions values in Table 4.11.1-13.
Recommendation: We assume this note was intended for Table 4.11.1-14 at the bottom of page 4-162 and suggest the note be removed from the final EIS.

Section 4.11.1.5 - Air Quality and Noise; Air Emission Impacts

F3-25

4. Although Table 4.11.1-6 provides a summary of project emissions for the construction of the Terminal Expansion project, there does not seem to be a single summary table of operating emissions for either the entire Elba III expansion (*i.e.,* direct air equipment emissions and indirect vessel emissions) or for the entire Elba Terminal (*i.e.,* existing terminal direct and indirect emissions, which include Elba I and Elba II, and the proposed Elba III expansion). There are various tables in Section 4.11.1.5 that provide portions of the Elba Terminal's projected operating emissions, but determining the total operating emissions from these tables is difficult. Additionally, detailed information on the basis for the estimated emissions was not provided.
Recommendation: We suggest that a single summary table of all existing and proposed expansion operating emissions for the Elba Island LNG facility should be provided in Section 4.11.1.5. Additionally, detailed emission calculation information could be provided in the final EIS (*e.g.,* in an Emission Calculation Appendix) to allow for a complete review and evaluation of the potential impacts.

Editorial Comments and Recommendations 1-4: Stan Krivo, 404-562-9123, Katy Forney, 404-562-9130, and Jim Little, 404-562-9118

Responses to Letter F-3

F3-23 USEPA Compressor Station air permit requirements

The GEPD minor source construction/operating permit has been added to table 1.5-1.

F3-24 USEPA Remove emissions note

The referenced note has been removed from table 4.11.1-14.

F3-25 USEPA Summary table of air emissions

Table 4.11.1-10 has been added to summarize the future operating emissions associated with the future Elba LNG Terminal.

Letter S-1

The South Carolina Archives & History Center
History & Heritage For All Generations

FILED
OFFICE OF THE
SECRETARY

2007 MAY 16 P 3:14

FEDERAL ENERGY
REGULATORY COMMISSION

CP06-470

May 9, 2007

Philis J. Posey, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, NE, Room 1A
Washington, DC 20426

RE: Draft Environmental Impact Statement Elba III Project, Anderson County, SC.

Dear Philis:

S1-1 I have reviewed the above-mentioned EIS document pertaining to cultural resources within the state of South Carolina. We concur with the findings and recommendations of the draft document.

These comments are provided to assist you with your responsibility under pertinent state and federal laws. If you have any questions or comments, please contact me at (803) 896-6181.

Sincerely,

Chuck Cantley

Chuck Cantley, MA, RPA
Staff Archaeologist/GIS Coordinator
State Historic Preservation Office

S.C. Department of Archives & History • 8301 Parklane Road • Columbia • South Carolina • 29223-4905 • 803-896-6100 • www.state.sc.us/scdah

Responses to Letter S-1

S1-1 South Carolina SHPO Cultural Resources

Thank you for your comment.

Letter N-1

May 28, 2007

Philis J. Posey, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, NE, Room 1A
Washington, DC 20426

Re: Docket Nos. CP06-470-000, et al.

Dear Ms. Posey,

The Georgia Chapter of the Sierra Club requests that the Federal Energy Regulatory Commission complete the March, 2007, Draft Environmental Impact Statement for the Elba III project and extend the comment period appropriately before issuing a Final EIS.

N1-1 We make this request based on the National Environmental Policy Act, PL 91-190, Section 102 (2) (C) which states:

"The Congress authorizes and directs that, to the fullest extent possible, all agencies of the federal government shall include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement by responsible officials on:
* the environmental impact of the proposed action,
* any adverse environmental effects which cannot be avoided should the proposal be implemented,
* alternatives to the proposed site
* the relationship between local short term uses of man's environment and the maintenance and enhancement of long-term productivity, and
* any irreversible and irretrievable commitments of resources which would e involved in the proposed action should it be implemented."

Given this requirement of NEPA, we find the DEIS to be patently insufficient to meet the minimum requirements of the law.

The following is a partial list of information not available in the DEIS. These items and all others required to make the DEIS a document of full disclosure to the public should be addressed in a revised and completed DEIS with sufficient public notice and period of public comment.

PRIOR TO BLASTING:

N1-2 Page 4-3: Elba Express Company, LLC (EEC) will submit a specification plan for shallow bedrock blasting in Piedmont prior to commencement of blasting.

Responses to Letter N-1

N1-1 Sierra Club Complete DEIS and extend comment period

We disagree with the assertion that the draft EIS is "patently insufficient to meet the minimum requirements of" the National Environmental Policy Act of 1969 (NEPA). The draft EIS fully meets the requirements of NEPA Section 102 (2)(c). There is no regulatory requirement that the discussions of the topics listed be segregated into discrete sections. In fact, the draft EIS follows our NEPA regulations which were developed in conjunction with the CEQ (see 18 CFR 380). The format of the EIS clearly meets the NEPA requirements of consideration and disclosure of environmental impacts. Discussions of potential environmental effects and the commitment of resources are included in section 4 of the document including those that would be temporary, short-term, long-term, and permanent. Alternatives to the proposal are identified and evaluated in section 3.

Further, we have authority to issue conditional draft and final EISs pursuant to 18 CFR 380.7 and 18 CFR 380.7(e), which state that a Commission EIS will include a staff conclusions section (see section 5.5 of the EIS) that references any pending, completed, or recommended studies that might provide baseline data or additional data on the proposed action. The goal of the Commission's NEPA process is to ensure all potential adverse impacts to the human environment are avoided, minimized, or mitigated to a level that is not undue or significant. As part of this NEPA process and through the public comment process, many of the conditional items identified in the draft EIS have been addressed and the text of the final EIS has been revised to incorporate the resolution of these items. Remaining conditional items (recommendations) identified in section 5.5 of the final EIS require that Southern LNG and/or EEC file documentation for Commission review and approval prior to construction, initial site preparation, construction of final design, commissioning, commencement of service, or within a specified period following commencement of service, as appropriate to and indicated by each specific condition. In addition, if the Elba III Project is approved by the Commission, these conditional items (recommendations) would be included in the Commission's Order. Accordingly, Southern LNG and/or EEC may not proceed with construction, commence facility operation, or continue facility operation, until the Commission is fully satisfied that all potential adverse impacts to the human environment are avoided, minimized, or mitigated to the maximum extent practicable.

Accordingly, we do not plan to reissue the draft EIS, or extend the draft EIS comment period.

N1-2 Sierra Club Blasting plan

The potential impacts of blasting are fully disclosed in sections 4.1.1 and 4.3.1. As presented therein, we believe that any impact on groundwater flows in the project area would be minor and localized. While EEC has already prepared a Blasting Specification Plan, we have recommended that this plan be supplemented with additional information to ensure that blasting locations are identified and water supply wells/systems are protected during construction (see draft EIS recommendation #15).

Letter N-1 Continued

This is a particularly egregious shortcoming since the Floridan Aquifer, a pure source of drinking water for significant parts of Georgia and South Carolina, is recharged in the Piedmont region.

PRIOR TO CONSTRUCTION:

N1-3 P. 4-22: EEC will file locations by milepost of all springs, seeps, and wells identified within 150' of Right of Way.

N1-4 P. 4-22: Within 30 days of placing pipeline facilities in service, it is recommended that EEC will file a report identifying all water supply systems damaged by construction and how they will be prepared.

Again, given the water supply challenges for Georgia, the public should have full disclosure of all impacted water resources.

N1-5 P. 4-24: It is recommended SLNG will conduct a study comparing the current and future size requirements of the turning basin.

Information on the turning basin is of paramount economic and environmental importance since on March 12, 2007, the Governors of Georgia and South Carolina signed a Term Sheet to begin the process of developing a deepwater marine terminal in Jasper County, SC. The Elba Island turning basis is in the immediate proximity of the proposed Jasper County Port.

N1-6 P. 4-26: It is recommended SLNG consult with GDNR and NOAA Fisheries regarding the least damaging time of the year to conduct hydrostatic test water withdrawals for LNG storage tank testing.

N1-7 P. 4-31: Work is left to be done on Horizontal Directional Drills.

As is obvious from the next six items, much work remains to be done on Endangered Species.

N1-8 P. 4-64: EEC should consult with FWS to assess the need for additional endangered species surveys.

N1-9 P. 4-86: EEC should contact FWS to obtain guidance regarding impacts to poolsprite, a federally endangered species, and other endangered aquatic life.

N1-10 P. 4-89: EEC shall not begin construction before Section 7 Consultation with FWS and NMFS.

We believe this to be an explicit requirement of the Endangered Species Act.

N1-11 P. 93: EEC should file consultations on Georgia endangered bluebarred pigmy sunfish.

Responses to Letter N-1

N1-3 Sierra Club Milepost locations wells, springs, and seeps

As disclosed in section 4.3.1, 67 private water supply wells have been identified within 150 feet of construction work areas associated with the Elba Express Pipeline. Appendix G of the draft EIS presents the location of these facilities by milepost. Because survey work is expected to continue until construction commences, there is the potential that additional springs, seeps, and wells will be identified. Our recommendation (#16) for EEC to file the location of all such resources within 150 feet of its construction ROW ensures that these resources will be protected during construction.

N1-4 Sierra Club Identify damaged water supplies and repairs

As previously disclosed, any impacts on groundwater resources are expected to be minor and localized. However, in the unlikely event that a water supply system is damaged by construction activities, we have recommended that EEC report any such damage and how damages were repaired (#17). This report will be placed in the public file and available for inspection within 30 days of the placing the pipeline facilities in service.

N1-5 Sierra Club Turning basin size requirements study

We have reviewed EEC's turning basin study and revised section 4.3.3 to incorporate this additional information. The study was forwarded to the U.S. Coast Guard for its use.

N1-6 Sierra Club Terminal expansion hydrostatic testing

NOAA Fisheries has recommended a time-of-year restriction for withdrawal of hydrostatic test water from the Savannah River at the Terminal location (April 1 through July 31) to minimize impacts to essential fish habitat species. We agree with this time of year restriction and have included it in our recommendations.

N1-7 Sierra Club HDD feasibility studies

The potential impacts associated with the proposed HDD crossing of the Broad and Savannah Rivers were fully disclosed in the draft EIS. We have retained the recommendation in section 5.5 of the final EIS that EEC file the results of its HDD geotechnical feasibility investigations for these waterway crossings prior to construction. We have revised the text in section 4.3.3 to incorporate new information.

Letter N-1 Continued

N1-12 P. 4-94 and 4-96: FWS and GDNR should approved dry crossing plan and/or hydrostatic testing water withdrawal.

N1-13 P. 4-96: EEC should file results of consultation on Georgia threatened Broad River Burrowing Crayfish and Lean Crayfish.

N1-14 P. 4-178 to 4-182: These five pages are replete with concerns identified by staff related to reliability, operability, and safety of the proposed design of Elba. Some of the information is promised to the public as far out as commencement of service.

Given post 9/11 concerns about the transportation and storage of LNG, and the ongoing governmental study efforts of LNG safety, all of this information should be made available to the public in the DEIS with ample comment time.

PRIOR TO THE END OF THE COMMENT PERIOD OF THE DEIS:

The public is not likely to know of this information's availability or have time to adequately comment on it.

N1-15 P. 4-31: More work on site specific Horizontal Directional Drilling

Again, the next four items show much work is left to be done on Endangered Species, most of which we believe to be requirements of the ESA.

N1-16 P. 4-74: Recommended that SLNG consult with FWS to determine appropriate measures to avoid vessel strikes to Right Whale.

N1-17 P. 4-82: Recommended EEC file plan detailing whether it intends to avoid burrows occupied by eggs of the federally-listed and Georgia-listed Indigo Snake during construction. Also, assessment of impacts to Gopher Tortoises.

N1-18 P. 4-85: Recommended EEC provide completed surveys of habitat of federally-listed and South Carolina-listed Flatwoods Salamander.

N1-19 P. 4-99: Recommended EEC consult with GDNR on Sweet Pitcher Plant, endangered in Georgia and South Carolina.

N1-20 P. 4-111: Plan for vegetative maintenance.

N1-21 P. 4-112: EEC will file its evaluation and revised site specific residential plan.

N1-22 P. 4-115 and 4-116: EEC will file site specific plan with developers.

N1-23 P. 4-170: Drilling noise analysis.

Responses to Letter N-1

N1-8 Sierra Club Preconstruction threatened and endangered species surveys

We have retained this recommendation in section 5.5 of the final EIS.

N1-9 Sierra Club FWS guidance on poolsprite and aquatic life

We have retained this recommendation in section 5.5 of the final EIS.

N1-10 Sierra Club ESA consultation with FWS and NMFS

We agree. We have retained this recommendation in section 5.5 of the final EIS.

N1-11 Sierra Club Agency consultation on bluebarred pigmy sunfish

Thank you for your comment. Section 4.7.2 has been updated with new information. We have retained this recommendation in section 5.5 of the final EIS

N1-12 Sierra Club Approval of dry crossing plan and hydrostatic test water withdrawal

We have retained this recommendation in section 5.5 of the final EIS.

N1-13 Sierra Club Broad River burrowing crayfish and lean crayfish

Thank you for your comment. Section 4.7.2 has been updated with new information. We have retained this recommendation in section 5.5 of the final EIS.

N1-14 Sierra Club Public availability of operational information

We disagree with the assertion that the information sought as a result of our technical review of the front-end engineering design for the terminal expansion "should be made available to the public in the DEIS with ample comment time." The draft EIS is *completely* adequate without inclusion of this material. As a point of fact, much of the information sought is designated as Critical Energy Infrastructure Information, and will not be available to the public, either as part of our environmental review process or afterwards. Certain details of the design in the record are designated as Critical Energy Infrastructure Information (CEII) and are restricted from public access. The Commission has established procedures for gaining access to CEII. Those procedures are available on the FERC website (http://www.ferc.gov).

N1-15 Sierra Club HDD feasibility studies

See response to comment N1-7.

N1-16 Sierra Club Atlantic right whale impact avoidance plan

Thank you for your comment. Southern LNG has been in consultation with NMFS and has agreed to file with the Commission measures to protect the Atlantic right whale from ship strikes once finalized.

N1-17 Sierra Club Eastern indigo snake and gopher tortoise

Thank you for your comment. Section 4.7.1 has been updated with new information.

N1-18 Sierra Club Preconstruction surveys of flatwoods salamander

We have reviewed EEC's flatwoods salamander survey plan, filed with FWS and GDNR on May 1, 2007, and provided in its comment letter dated May 18, 2007. EEC states that biological surveys for protected species are required to be conducted within one year of construction. Therefore, EEC intends to survey areas identified as potential habitat for the flatwoods salamander in the spring of 2008. If flatwoods salamanders are found to inhabit these areas, measures would be developed to avoid or minimize impact to the flatwoods salamander. FWS and GDNR have verbally agreed with this approach. We have revised section 4.7.1 to incorporate this information.

N1-19 Sierra Club GDNR consultation (sweet pitcher plant)

As a result of our recommendation in the draft EIS, EEC developed mitigation in consultation with GDNR for this species that we found acceptable. We have revised section 4.7.2 to reflect this new information.

N1-20 Sierra Club Vegetative maintenance plan

We included recommendation #36 in the draft EIS to enable us to publish a completely accurate version of EEC's Upland Erosion Control, Revegetation, and Maintenance Plan (Plan) in the final EIS. Between EEC's initial Plan (presented as appendix E in the draft EIS) and the substance of our recommendation, there is simply *no more information* concerning EEC's Plan for the public to review or comment on. We have revised the text in section 4.8.3 to incorporate EEC's revised Plan and again presented the Plan as appendix E in the final EIS.

N1-21 Sierra Club Site-specific residential crossing plans

EEC submitted updated site-specific residential plans on May 18, 2007. We have reviewed these drawings and believe EEC's implementation of the measures specified would lessen impact on the affected residences. However, for those residences within 25 feet of the construction ROW, we have recommended that EEC provide more detailed plans which outline the construction technique(s) to be used, minimize the time that the trench would

Responses to Letter N-1

remain open, and provide evidence of landowner concurrences where construction work areas would be within 10 feet of a residence. Table 4.8-4, which details the distances of the residences from the construction work areas and pipeline, and associated mitigation measures, has been updated to reflect these changes.

N1-22 Sierra Club Site-specific development crossing plans

We included recommendation #38 in the draft EIS to update our information on consultations with land developers potentially affected by construction of the Elba Express Pipeline. While this information would be useful in the final EIS, it is highly unlikely that it would reveal any previously undisclosed or potentially significant impact. And in fact, because neither the pipeline nor the developers are prepared to commence construction in the immediate future, there is little new information to report regarding these consultations (see revisions to section 4.8.4). When additional information regarding these consultations becomes available, it will be placed in the public record for these dockets and accessible via the FERC internet website at http://www.ferc.gov under the "e-Library" link.

Additionally, EEC met with the COE on May 7, 2007, and developed a mutually-acceptable mitigation plan for the crossings of COE-managed properties, which has subsequently received concurrence from the FWS and GDNR. We have revised the text in section 4.8.5, COE Mitigation Lands, to incorporate this information, and included a summary of the mitigation plan in Appendix M.

N1-23 Sierra Club HDD noise impact analysis

Thank you for your comment. EEC submitted a noise analysis of HDD operations at the nearby NSAs for both the Broad River and the Savannah River. Based on the results of this analysis, the final EIS retains a recommendation to limit noise impact at nearby NSAs. We have revised the text in section 4.11.2.2 to incorporate this information.

Letter N-1 Continued

N1-24 P. 4-172 and 4-173: Noise information can be provided as far out as one year after in-service date.

Clearly, the public is deprived of comments on noise analysis.

FURTHER WORK

N1-25 P. 4-140: Native Americans - Eastern Band of Cherokee to determine relevant information to project.

N1-26 P. 4-140: On cultural resources.

N1-27 P. 4-142: On historic structures.

N1-28 Additionally, we believe the analysis of alternatives is cursory and not considerate of new methodology available for LNG transportation and gas delivery systems.

N1-29 A full Economics Analysis is necessary for a project of this scope and potential consequences and we therefore request a comprehensive Economics Analysis including pricing of LNG and delivered gas to point-of-use, Elba's economic relationship to ongoing and proposed construction projects in the Lower Savannah River, and all impacts to ground and surface water resources in the Lower Savannah River and along the pipeline route.

N1-30 We have many concerns about conclusions drawn from information that was presented in the DEIS. Air quality impacts, for instance. But, we feel that it is inappropriate to detail those concerns in this comment letter since we believe the DEIS document does not comply with NEPA requirements and should be completed before full comments are warranted.

Sincerely,

/s/ Judy Jennings
Coastal Issues Leader, Georgia Chapter Sierra Club
7609 La Roche Avenue
Savannah, GA 31406
912-352-0122 home
912-356-3070 fax
912-655-6574 cell
JudyJennings@comcast.net
Submitted by
James L. Darby Jr.
Chairman, Coastal Group
Georgia Chapter Sierra Club
912-234-1034
coastalgroup@bellsouth.net

Responses to Letter N-1

N1-24 Sierra Club Terminal operation noise analysis

We disagree. The draft EIS presents our assessment of potential noise impact at nearby noise-sensitive areas for operation of both the terminal expansion and the new compressor station. In both cases, we conclude that there would be no significant noise impacts resulting from operation of the proposed facilities. We have included recommendations in the final EIS to ensure that Southern LNG and EEC operate in compliance with our guidelines or implement appropriate additional noise controls if noise levels are found to exceed an Ldn of 55 dBA at any nearby NSA.

The one year period referenced in our conditions is a typical requirement that allows for mechanical modifications or other noise mitigation measures to a facility in order to reduce noise levels to the required 55 dBA Ldn limit, should compliance testing reveal an out-of-compliance condition. Public comment on the type of additional noise control applied is not warranted.

N1-25 Sierra Club Native American Information

As recommended in the draft EIS, EEC has further consulted the Eastern Band of Cherokee Indians (ECBI). The ECBI have provided no further information to date. We have revised the text in section 4.10.3 to incorporate this information.

N1-26 Sierra Club Unanticipated Discoveries Plan

As recommended in the draft EIS, EEC has revised the unexpected discovery plan and provided the revised plan to the FERC and the COE. We have revised the text in section 4.10.2 to incorporate this information.

N1-27 Sierra Club Historic Structures

As recommended in the draft EIS, EEC has provided the Georgia State Historic Preservation Office with the requested additional information on historic structures. We have revised the text in section 4.10.1 to incorporate this information.

N1-28 Sierra Club Alternatives analysis

Comment noted. As stated in section 1.2.1, the draft EIS was prepared in compliance with the requirements of NEPA, the CEQ regulations for implementing NEPA (40 CFR 1500-1508), and the FERC regulations implementing NEPA (18 CFR 380). As required, section 3.2 objectively evaluates all reasonable LNG terminal facility alternatives that would potentially result in less severe environmental impact than the proposed action, including use of existing LNG import terminal systems, LNG terminal (onshore) site alternatives, and offshore terminal alternatives (offshore unloading and offshore regasification alternatives). Reasonable alternative gas pipeline delivery systems are addressed in section 3.3. We are not aware of what "new methodology available for LNG transportation and gas delivery systems" were not included in these discussions.

Responses to Letter N-1

N1-29 Sierra Club Economic Analysis

In section 4.9, we provide a socioeconomic analysis that includes project benefits and costs. Relationship to other ongoing construction projects has been considered in section 4.9 and section 4.13.9. The economic analysis requested is beyond the scope of this document.

N1-30 Sierra Club Concerns with DEIS conclusions

We disagree with the assertion that the draft EIS does not comply with NEPA, or that the document is at a stage of completeness that doesn't yet warrant thoughtful and reasoned public comment.

Letter N-2

Savannah RIVERKEEPER®

Savannah RIVERKEEPER®
1226 River Ridge Road
Augusta, GA 30909

May 23, 2007

Philis J. Posey, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, NE, Room 1A
Washington, DC 20426

Reference Docket Nos. CP06-470-000, et al.

Re: Draft Environmental Impact Statement Concerning the Elba Island Liquefied Natural Gas Facility, Savannah, GA

Gentlemen:

The Savannah Riverkeeper, Inc., is a private, non-profit 501(c)(3) river advocacy organization incorporated in the state of Georgia. We have offices in Augusta and Savannah, Georgia. With a membership in the hundreds, we speak for those who have expressed an interest in protecting the water quality of the Savannah River and the integrity of its watershed, and promoting an enlightened stewardship of this unique heritage.

For a number of reasons we believe that the DEIS is not only insufficient but also inadequate for the purposes intended. Specifically, we find the following:

N2-1 ✓ There does not seem to be any No Action Alternative considered along with the proposed action. The does not conform to the provisions and conditions of the National Environmental Policy Act.

N2-2 ✓ At last count there were over 120 instances where the authors indicated that they would be informing the local authorities as to a particular action. This type of response does not allow the decision maker to be able to make informed conclusions.

N2-3 ✓ No consideration is provided in the DEIS as to transporting the LNG westward tapping into the transcontinental pipeline in Louisiana where it originates and where so much virgin land and so many new river crossings are not necessary.

N2-4 ✓ Another alternative that was not considered is running the line along current right of ways from Wrens to Aiken and then along current right of ways from Aiken to the Transco pipeline in SC.

N2-5 ✓ Why is it necessary to parallel the Transco from Hartwell into SC before tapping into the pipeline? The Savannah River crossing there is totally unnecessary.

I would appreciate these comments being included with others concerning the DEIS.

Thank you for providing me with this opportunity.

Sincerely,

Charles W. Belin, Jr., Ph.D.
Chairman of the Board of Directors

Frank Carl, Ph.D.
Chief Executive Officer and
Savannah Riverkeeper

www.savannahriverkeeper.org; 706-364-5253; Frank.Carl@savannahriverkeeper.org

Responses to Letter N-2

N2-1 Riverkeeper No action alternative

See responses to comments N1-1 and N1-28. Specifically, 40 CFR 1502.14(d) states that the alternatives analysis shall: "include the alternative of no action." Additionally, 40 CFR 1502.14(a) states that the alternatives analysis shall: "Rigorously explore and objectively evaluate all reasonable alternatives, *and for alternatives which were eliminated from detailed study, briefly discuss the reasons for their having been eliminated*". In section 3.1 we briefly discuss the No-Action or Postponed-Action Alternative and the reasons for their having been eliminated from detailed study. Specifically, section 3.1 states that the potential environmental consequences associated with the proposed action (identified in section 4.0) would be avoided or delayed. Section 3.1 further states that selection of the No-Action Alternative would result in jeopardizing the objective of providing direct access to imported LNG supplies for the southeastern and eastern U.S. market and could result in these supplies going to other destinations around the world. Ultimately, it would be purely speculative to predict the resulting actions that would be taken by the end users if the natural gas supplied by the project were not available or the associated direct or indirect environmental impacts of these actions. Given the speculative nature of these environmental consequences, the No-Action Alternative is not further discussed in section 4.0.

N2-2 Riverkeeper Conditional information

While not all of the information about the proposed project was included in the draft EIS, we believe that adequate information was provided to initiate informed comments by respective agencies, landowners, and other stakeholders regarding the various impacts that would result from project implementation. We have also made numerous changes to the draft EIS including adding new material and clarifying discussions presented in the draft document. We believe that the final EIS, including responses to all comments received on the draft, will enable the Commission to be fully informed regarding the potential environmental ramifications of any decision it makes regarding the Elba III Project.

N2-3 Riverkeeper System alternatives

Section 3.2.1 presents an evaluation of existing LNG import terminal system alternatives, including expansion of the Trunkline LNG Lake Charles LNG import terminal in Calcasieu Parish, Louisiana. As discussed therein, this system alternative was eliminated from further consideration because further expansion of the Lake Charles terminal is limited by site constraints.

Any alternative which delivered the LNG to some point on the Gulf Coast (e.g., Louisiana) would still require:

a. a transmission link (either an entirely new greenfield pipeline or a large-diameter loop and compression) to deliver the gas between an import terminal and Transco's pipeline system; and

b. significant additional facilities (large-diameter loop and compression) to transport the gas to Transco Zones 4 and 5.

As discussed in the material added to section 3.3.2.2, transporting the gas across additional Transco zones would result in a project too expensive to be economically attractive to either the shippers (Shell and BG) or customers in Transco Zones 4 and 5. The facilities needed to accept the LNG, regasify it, and then transport it between the Gulf Coast and Transco's system would further exacerbate the cost consequences.

From a purely environmental impact standpoint, while such an alternative would avoid the 82 miles of greenfield pipeline (Northern Segment) associated with the proposed action, it most certainly wouldn't avoid crossing numerous waterbodies and wetlands (including the Savannah River) between a Gulf Coast import point and Transco's Zone 5 (South Carolina). Construction disturbance of a large-diameter loop along Transco's system between a point along the Gulf Coast and South Carolina would be several times that associated with the proposed action.

As a result, we don't consider delivery of the gas to Transco's system in Louisiana (or Texas, Mississippi, or Alabama) a reasonable alternative to expansion of the existing import terminal and construction of the proposed pipeline facilities.

N2-4 Riverkeeper Major route alternative

This alternative was considered as the "east leg portion" of Major Route Alternative A (see figure 3.3-1 in the final EIS). However, in order to satisfy the project's objectives, two interconnections (one in each of Transco's Zone 4 and Zone 5) are necessary. For the east leg of Alternative A to satisfy this requirement, an additional pipeline loop along Transco's system between where the east leg interconnects with Transco (near Spartanburg, South Carolina) and the west side of the Savannah River (Hart County, Georgia) would be needed. See our discussion of Major Route Alternative B in section 3.3.2.2 and the revised discussion in section 1.1 which clarifies the Project Purpose and Need.

Responses to Letter N-2

N2-5 Riverkeeper Single Transco interconnect alternative

See revised discussion in section 1.1 which clarifies that two new interconnections with Transco's system at the end of its Zone 4 and the beginning of Zone 5 (the west and east sides of the Savannah River, respectively) are one of the project's specific objectives.

Letter P-1

FILED
OFFICE OF THE
SECRETARY

2007 APR 11 P 2:35

FEDERAL ENERGY
REGULATORY COMMISSION

April 4, 2007

FERC

Ref. to ELBA Pipeline
Docket Nos. CP06-470-000 et. al.

Att.: Phillis Posey

Dear Ms. Posey,

I own property in Elbert Co., GA in the Middleton area. The proposed pipeline, as laid out now, will go through my largest hay field. It also will be extremely close to my daughter's home.

P1-1 If the surveyors would move the line just about a half mile above my property to the old landfill area, it would not be near any homes nor any personal property. The area I am referring to is the Lithia Springs Road and the Jenkins Road section.

This is a very important request as I own only 65 acres and this proposed route will split my acreage in half.

Sincerely,

Calvin C. Vaughn

Calvin C. Vaughn
1192 Middleton Ch Rd
Elberton, GA 30635

706-283-4346

Responses to Letter P-1

P1-1 Vaughn Landowner-proposed route variation

We have evaluated a route variation based on this comment and believe the suggested variation would provide no environmental advantage over the proposed route. Specifically, the suggested variation would affect a greater number of landowners, approach more densely populated areas, and possibly involve a landfill. We have revised the text in section 3.3.3 to incorporate this information.

Letter P-2

official FERC-Generated PDF of 20070614-0160 Received by FERC OSEC 05/01/2007 in Docket#: CP06-470-000

CP06-470-000

ORIGINAL

FILED
OFFICE OF THE
SECRETARY

2007 MAY -1 P 4: 12

FEDERAL ENERGY
REGULATORY COMMISSION

4-2-07

My name is B. Hugh Hosch my farm address is 174 Left Fork Rd. Waynesboro, Ga. 30830

I am writing this because I am very against the gas line coming through our farm. They have already taken two (2) miles

P2-1 of land through our farm which they do not pay for. They do not pay the taxes on this

P2-2 land. They do not maintain the land. They only use it, run it down leaving the mess as our problem. They have about a 2 mile span of our farm land already, from Gowin Spur Rd. to Harvey Rd. which was TAKEN from us not bought or rented.

I thought I lived in America where what is yours belongs to you. You pay taxes keep it up and its yours. Unless you decide to sell. It should not be taken again your will and without compensation.

These Corp. TAKE our land use it and pay nothing to the owners. They do not

P2-3 pay taxes on it but require us to. They do not maintain it, they only use it for their profit and give nothing back. I am required to pay them for the gas I use. I would pay for the land they take

Responses to Letter P-2

P2-1 Hosch Compensation for ROW easements

We discuss the temporary (for construction) and permanent (for operation) ROW easement acquisition process and compensation for short-term and long-term economic loss of value in section 4.8.2.

Across this parcel (mileposts 87-89), EEC would require an additional 70-foot-wide temporary ROW during construction but no new permanent ROW for operation of the proposed pipeline. The area of disturbance would be restored as near as practicable to its current condition following construction.

P2-2 Hosch EEC tax payments

According to the State of Georgia Department of Revenue, property taxes are based on the fair market value as assessed by each county's Board of Assessors. Landowners have the option of making their own assessment of the fair market value of their land for their county's Board of Assessors, or disputing a Board's assessment based on a factual event that has lead to a loss of their property value. See the Georgia Department of Revenue, Local Government Services Division website: http://www.dor.ga.gov/ptd/index.shtml and access the links to "About Property Tax", "Appeals", and "Appraisal Procedure Manual".

EEC would pay taxes on the pipeline during both the construction and operation periods. During construction, EEC would pay sales tax revenues on the facilities in the ground and during operation, EEC would an annual ad valorem tax for the life of the project. Section 4.9.3 has been updated to reflect all tax revenues paid by EEC to each county through which the pipeline passes.

P2-3 Hosch ROW maintenance

In section 2.7.2, appendix E, and appendix F, we discuss EEC's pipeline facility and ROW maintenance requirements and procedures. These procedures include, but are not limited to, monitoring of revegetation success, continuation of

Letter P-2 Continued

ficial FERC-Generated PDF of 20070614-0160 Received by FERC OSEC 05/01/2007 in Docket#: CP06-470-000

At this time they are only using 1/4 of the 1st land they took. They should have to use what they have already taken not take more. They do not give us the land owner the courtesy of maintaining the land as promised & make no attempt to respond to our request that they do so. They get their money its only fair that we do as well.

Its time these Company's have to be responsable for themselves an Stop using the very people who make it possiable for them to have a Company. My rights should be as important as theirs since I am a tax payer. Once again I ask that you do not let them TAKE any more of my timber and land.

P2-4

Thank You
B. H. Hosch

706-554-4427

Referance Docket # CP06-470-000 et. al.

Responses to Letter P-2

revegetation efforts until revegetation is successful, monitoring and correction of drainage or irrigation system problems, routine vegetation maintenance, efforts to control unauthorized off-road vehicle use, and maintenance of signs, gates, and vehicle trails as necessary. We also require that EEC maintain revegetation records, and file a quarterly activity report documenting problems, including those identified by the landowner, and corrective actions taken for at least 2 years following construction. We believe that this approach is effective and that use of these procedures would result in an appropriately maintained ROW.

P2-4 Hosch Request to not take timber or land

EEC has stated that it would work with individual landowners during easement negotiations to minimize impact on trees. See section 4.8.1.2, Land Use Impacts and Mitigation - Upland Forest and Planted Pine, for further discussion. Also see section 4.8.2, Landowner and Easement Requirements.

Only the permanent ROW through upland forested areas would no longer be available for tree growth for the life of the project. Forested acreage temporarily disturbed by construction, however, could be replanted. Landowners may negotiate to have EEC plant saplings in those areas of disturbance outside the permanent ROW.

Letter P-3

Unofficial FERC-Generated PDF of 20070525-0012 Received by FERC OSEC 05/23/2007 in Docket#: CP06-470-000

ORIGINAL

May 16, 2007

2007 MAY 23 P 3:00

Philis J. Posey, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, NE, Room 1A
Washington, DC 20426

Reference Docket Nos. CPO6-470-000, et al.

Dear Ms. Posey,

The signatories below oppose the expansion of the Liquid Natural Gas (LNG) plant on the Savannah River for the following reasons:

- The pipeline would cross 161 perennial streams, 180 intermittent streams, and 5 major rivers.
- 237 acres of wetlands and riparian habitat would be disturbed, as well as 941 acres of upland forest, and the pipeline would cross 352 warmwater fisheries.
- 20 Federally listed endangered species could be affected. One of the worst aspects is the potential for strikes to the endangered right whales. (Only 350 of the species survive). With 95 MORE big ships a year, this is a serious threat.
- Cultural resource surveys for the proposed pipeline in Georgia have identified 152 archeological sites, 110 archeological non-site loci, 28 archeological resources and 5 cemeteries which could be affected.
- The Environmental Impact Statement says that the expansion would result in air emissions worsening air quality.
- The socio-economic impact of a marine LNG release could be significant. A substantial marine LNG release resulting in a pool fire may cost more than $650 million and include severe damage to the shore-side.

P3-1 **The Draft EIS is insufficient and incomplete. Over and over in the document there is the statement that information will be provided "prior to the end of the comment period on the draft EIS".**

When and how will this information be available?

Sincerely,

Name	Address
[illegible]	312 Vernonburg Rd 31418 5-12-07
[illegible]	306 Charlton St. 31401
Betty Gilbert	34 Rockwell Drive S. 31419
Jim Cuman	31 Island Dr. 31406

all addresses above are Savannah, Ga.

Responses to Letter P-3

P3-1 Gilbert Petition Availability of additional information

The draft EIS contained 12 recommendations which requested that EEC provide further information prior to the end of the comment period. This information would be useful in the final EIS in a variety of ways including: being able to publish EEC's Plan accurately (draft EIS recommendation #36), obtaining further detail on stream crossing methods (#21), updating our information on consultations with land developers (#38), and enabling the timely completion of consultations with other agencies (i.e., U.S. Fish and Wildlife Service, National Marine Fisheries Service, U.S. Army Corps of Engineers). While we believe this information has been helpful, it did not identify any previously undisclosed potentially significant impact nor did it materially harm the integrity or the conclusions of the analysis presented in the draft EIS.

Further, withholding the draft EIS from public review until later on the basis of this information would not have benefited either the public or the applicant. For instance, there is very little new information to report regarding consultations between EEC and developers (#38) because neither party proposes to commence actual construction in the immediate future. As a result, we have retained this recommendation in the final EIS. The information sought by 8 of the 12 recommendations has been incorporated, as appropriate, into the final EIS. All information filed subsequent to issuance of the final EIS will be placed in the public record for these dockets, accessible via the FERC internet website at http://www.ferc.gov under the "e-Library" link.

Letter P-4

Official FERC-Generated PDF of 20070525-0013 Received by FERC OSEC 05/23/2007 in Docket#: CP06-470-000

ORIGINAL

May 16, 2007

Philis J. Posey, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, NE, Room 1A
Washington, DC 20426

2007 MAY 23 P 3:00
2007 MAY 23

Reference Docket Nos. CPO6-470-000, et al.

Dear Ms. Posey,

The signatories below oppose the expansion of the Liquid Natural Gas (LNG) plant on the Savannah River for the following reasons:

- The pipeline would cross 161 perennial streams, 180 intermittent streams, and 5 major rivers.
- 237 acres of wetlands and riparian habitat would be disturbed, as well as 941 acres of upland forest, and the pipeline would cross 352 warmwater fisheries.
- 20 Federally listed endangered species could be affected. One of the worst aspects is the potential for strikes to the endangered right whales. (Only 350 of the species survive). With 95 MORE big ships a year, this is a serious threat.
- Cultural resource surveys for the proposed pipeline in Georgia have identified 152 archeological sites, 110 archeological non-site loci, 28 archeological resources and 5 cemeteries which could be affected.
- The Environmental Impact Statement says that the expansion would result in air emissions worsening air quality.
- The socio-economic impact of a marine LNG release could be significant. A substantial marine LNG release resulting in a pool fire may cost more than $650 million and include severe damage to the shore-side.

P4-1 **The Draft EIS is insufficient and incomplete. Over and over in the document there is the statement that information will be provided "prior to the end of the comment period on the draft EIS".**

When and how will this information be available?

Sincerely, → all addresses below + next page are Savannah, Ga.

Name	Address
Carrie Darbyshire	2758 Whitefield Ave (06)
Diane Cooden	209 Fiddlers Bend (06)
[illegible]	32 Backwell Circle 31419
[illegible]	307 E. Charlton 31401

Responses to Letter P-4

P4-1 Angell Petition Availability of additional information

See response to comment P3-1.

Letter P-4 Continued

ficial FERC-Generated PDF of 20070525-0013 Received by FERC OSEC 05/23/2007 in Docket#: CP06-470-000

Name	Address
[illegible]	34 Rockwell Dr. S
Ashby Angell	486 Beaulieu 31406
Rudell Lawrence	49 Skipwatch Rd 31410
Jane Smith	13214 White Bluff 31419
[illegible]	34 Rockwell Ave S 31419
[illegible]	1601 Atlantic Ave 31405
[illegible]	2 - 8th Pine Wood Drive 31406
Armin Chisholm	95 Shadaway Is. Park Rd. 31411
Marjorie Simpson	627 E. 44th St. Sav. GA 31405
Malinda Bergen	15 Country Club Dr. Sav. Ga 31410
[illegible] Morgan	Rte. 3, Box 486 A Savh, GA 31406
[illegible] Gussler	37 E 48th Savh, GA 31405
Margery [illegible]	315 E [illegible] " " "
Frances Maclean	412 E. 45th St. " " "
Katherine Reeves	634 Nancy Ave " 31419
[illegible]	9 W. Charlton St " 31401
[illegible]	31 E. 51st St. 31405
Mary Meade Sipple	43 Mulberry Bluff Dr. 31406
Katherine Chisholm	24 Rockwell Ave. S. SAV. 31419
Suzanne Williams	8 Rockwell Ave. Savannah, Ga 31419
Mary Cann	505 Herb River Dr, Savannah 31406
Page Hunger [illegible]	12730 Rockwell Ave. SAVANNAH GA 31410

Responses to Letter P-4

Letter P-5

)070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

DECKER, HALLMAN, BARBER & BRIGGS
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

F. EDWIN HALLMAN, JR.
(404) 588-2525 Direct
e-mail: ehallman@dhbblaw.com

260 PEACHTREE STREET, N.W.
SUITE 1700
ATLANTA, GEORGIA 30303
(404) 522-1500 MAIN
(404) 577-9149 FACSIMILE

May 25, 2007

BY FEDERAL EXPRESS

Ms. Philis J. Posey
Federal Energy Regulatory Commission
888 First Street, N.E.
Room 1A
Washington, DC 20426

Re: In re:
Southern LNG, Inc.
Elba Express Company, L.L.C.
Southern Natural Gas Company
Docket Nos. CP-06-470-000, et al.
DHBB File No. 3090/002

Dear Ms. Posey:

Enclosed please find an original and two copies of Intervenors' Comments to Draft Environmental Impact Statement. The text of the Comments, together with Exhibits A and B have been electronically filed today. Because we may be unable to electronically file Exhibit A, due to its size, we are also including hard copies along with CDs. Exhibit C is too large to electronically file, and therefore, is being included herewith on five DVDs.

If you have any questions or comments concerning this matter, please do not hesitate to contact the undersigned.

Sincerely,

F. Edwin Hallman, Jr.

For DECKER, HALLMAN, BARBER & BRIGGS

FEHjr:kps
Enclosures
c: Clients

3090-002\KPS\Corres\18498.wpd

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Southern LNG, Inc.	Docket No. CP06-470-000
Elba Express Company, L.L.C.	Docket Nos. CP06-471-000 CP06-472-000 CP06-473-000
Southern Natural Gas Company	Docket No. CP06-474-000

COMMENTS TO DRAFT ENVIRONMENTAL IMPACT STATEMENT

COME NOW, Latha Anderson; Lincoln H. Bounds; Mark and Dena Daniel; Adelle G. Dehil; Dennis G. Dehil; Bob and Belle Guin; Kay Johnston; Charles McCann; Marion and Dorothy McHugh; Douglas M. Nelson; Carol Phillips; William W. Robinson; R. Almond Standard; Richard and Virginia Thomas; and Marcus O. Tucker ("Intervenors" or collectively as "Landowners for Economic and Environmental Protection" or "LEEP"), and file these their Comments to the Draft Environmental Impact Statement.

BACKGROUND AND SUMMARY

On March 30, 2007, the Federal Energy Regulatory Commission ("FERC") released the Draft Environmental Impact Statement, Elba III Project ("DEIS"), regarding the proposed terminal expansion and new pipeline construction. Intervenors herein submit their comments and objections to the presumptions, analyses, and conclusions contained in the DEIS.

3090-002\KPS\Pleading\18470.wpd

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

P5-1 Elba Express Company, LLC's ("EEC") Chosen Greenfield Condemnation Corridor, as described in the DEIS, will result in the taking and destruction of over 1,000 acres of pristine land in one of the most unspoiled and historically significant areas of the State of Georgia. This corridor is described in the DEIS as the "83.1 mile- Elba Express Pipeline- Northern Segment" which would "… involve Greenfield construction." There is an existing right-of-way ("ROW") that can and should be used construct the Northern Segment of the Pipeline, with a *de minimus* net impact to the environment, which has not been considered as an alternative.

P5-2 FERC has misrepresented the requirements of the project and has manipulated all described alternate routes, in an effort to justify destruction of the environment and the exercise of the power of eminent domain solely for the economic gain of EEC. FERC has acted egregiously in an arbitrary and capricious manner by ignoring the existing physical infrastructure and imposing imaginary project requirements in order to benefit private natural gas companies at the expense of the Citizens of Georgia to the detriment of Georgia's natural resources.

The Greenfield Condemnation Corridor of the Elba Express Pipeline will consist of the construction of 83 miles of 42- to 36-inch diameter natural gas pipeline through existing homesteads, historically significant properties, forests, pastures, wetlands and waterways from Wrens, Georgia to Hart County, Georgia and Anderson County, South Carolina. The project will require clear cutting forested lands and disturbing soils along the

3090-002\KPS\Pleading\18470 wpd - 2 -

Responses to Letter P-5

P5-1 Landowner Intervenors Northern Segment route alternatives

Section 3.3.2.2 discusses two alternatives to the Northern Segment which follow existing ROWs entirely. As demonstrated in this discussion, both would result in greater environmental impact than the proposed Northern Segment route.

P5-2 Landowner Intervenors Purpose and need, and alternatives

We disagree. The EIS identifies the proposed action, which includes (among other things) transportation of natural gas between Port Wentworth and two new points of delivery with Transcontinental Gas Pipe Line Corporation (Transco) in Hart County, Georgia and Anderson County, South Carolina. (Draft EIS, p. 1-1.) Alternatives to the proposed Northern Segment route which follow existing ROWs entirely are evaluated in section 3.3.2.2.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

proposed route in a construction ROW 110 to 125 feet wide. The finished pipeline will require a permanent 50-foot wide ROW.

P5-3 The power of eminent domain cannot by justified to destroy the resources of the State of Georgia and take the private property of landowners solely for the economic benefit of a billion-dollar natural gas pipeline company.

PURPOSES OF NEPA

Section 102(2) of the National Environmental Policy Act, 42 U.S.C. § 4332(2) ("NEPA"), requires all agencies of the federal government proposing "major Federal actions" to prepare "a detailed statement by the responsible official" concerning, *inter alia*, the environmental impact of the proposed action and any alternatives to the action, including the environmental consequences of the alternatives. *National Resources Defence Council, Inc. v. Morton*, 458 F.2d 827, 833-34, 148 U.S.App.D.C. 5, 11-12,(1972).

The purposes behind this requirement are:

> The 'detailed statement' required by § 4332(2)(C) serves at least three purposes. First, it permits the court to ascertain whether the agency has made a good faith effort to take into account the values NEPA seeks to safeguard. To that end it must 'explicate fully its course of inquiry, its analysis and its reasoning. *Ely v. Velde*, 451 F.2d 1130, 1139 (4th Cir. 1971); *Appalachian Power Co. v. E.P.A.*, 477 F.2d 495, 507 (4th Cir. 1973)). *See also Natural Resources Defense Council v. E. P. A.*, 478 F.2d 873 (875) (1st Cir. 1973); *Environmental Defense Fund, Inc. v. Ruckelshaus*, 142 U.S.App.D.C. 74, 439 F.2d 584 (1971). Second, it serves as an environmental full disclosure law, providing information which Congress thought the public should have concerning the particular environmental costs involved in a project. To that end, it 'must be written in

Responses to Letter P-5

P5-3 Landowner Intervenors Eminent domain

Comment noted. The proposed project is intended to provide benefits to both the public in general (by delivering natural gas to three electric power generating facilities in both Georgian and South Carolina) and the citizens of each county crossed (by providing ad valorem taxes for the life of the facilities). Additional information regarding estimated annual ad valorem tax revenues has been included in section 4.9.3. See also response to comments WT-02 and TT-01.

Letter P-5 Continued

P5-4

> language that is understandable to nontechnical minds and yet contain enough scientific reasoning to alert specialists to particular problems within the field of their expertise.' Environmental Defense Fund, Inc. v. Corps of Engineers of U.S. Army, 348 F.Supp. 916, 933 (W.D. Miss.1972). It cannot be composed of statements 'too vague, too general and too conclusory.' Environmental Defense Fund, Inc. v. Froehlke, 473 F.2d 346, 348 (8th Cir. 1972). Finally, and perhaps most substantively, the requirement of a detailed statement helps insure the integrity of the process of decision by precluding stubborn problems or serious criticism from being swept under the rug. A conclusory statement 'unsupported by empirical or experimental data, scientific authorities, or explanatory information of any kind' not only fails to crystallize issues, Natural Resources Defense Council, Inc. v. Grant, 355 F.Supp. 280, 287 (E.D. N.C.1973), but 'affords no basis for a comparison of the problems involved with the proposed project and the difficulties involved in the alternatives.' Monroe County Conservation Council, Inc. v. Volpe, 472 F.2d 693, 697 (2d Cir. 1972). Moreover, where comments from responsible experts or sister agencies disclose new or conflicting data or opinions that cause concern that the agency may not have fully evaluated the project and its alternatives, these comments may not simply be ignored. There must be good faith, reasoned analysis in response.

Silva v. Lynn, 482 F.2d 1282, 1284-85 (1973).

DISCUSSION

P5-5

The expressly stated Project Purpose and Need and the proposed pipeline construction actions described in the DEIS to accomplish these goals are inconsistent. As stated in the DEIS:

> The primary purpose of the Elba III Project is to provide an incremental source of, and the transportation infrastructure required to deliver, firm, long-term, and competitively priced natural gas to the Georgia and South Carolina interstate natural

Responses to Letter P-5

P5-4 Landowner Intervenors Conflicting data or opinions

We have responded to all comments received on the draft EIS and have engaged the assistance of other agencies with jurisdiction by law or special expertise (U.S. Army Corps of Engineers, U.S. Coast Guard, National Marine Fisheries Service, Georgia Department of Natural Resources) throughout preparation of the EIS. No comments have been ignored.

P5-5 Landowner Intervenors Project purpose and need

We have revised the discussion presented in section 1.1 (Project Purpose and Need) to clarify that two new interconnections with Transco's system at (1) the end of its Zone 4 and (2) the beginning of its Zone 5 (the west and east sides of the Savannah River, respectively) are one of the projects specific objectives and therefore part of the *proposed action*, as was clearly indicated on page 1-1 of the draft EIS.

Connection to Transco's system on both sides of the Savannah River (i.e., the end of Transco Zone 4 and the beginning of Transco Zone 5) is, in fact, pivotal to providing "competitively priced natural gas to the Georgia and South Carolina interstate natural gas markets". See response to comments P5-8 and P5-13.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

gas markets, and other markets in the southeastern and eastern United States (U.S.).

DEIS, pp. 1-4.

P5-5 Cont.

There is no justification in the DEIS Project Purpose and Need for FERC's and EEC's presumption that the proposed pipeline must interconnect with the existing Transco Pipeline on both sides of the Savannah River to "provide an incremental source of, and the transportation infrastructure required to deliver, firm, long-term, and competitively priced natural gas to the Georgia and South Carolina interstate natural gas markets, and other markets in the southeastern and eastern United States." Therefore, this presumption is unfounded, is directly contrary to the purposes of NEPA, and is an arbitrary and capricious basis for the proposed pipeline route.

P5-6

The existing Transco Pipeline serves a market from Texas to New England with customers in Georgia and South Carolina. The Transco Pipeline has sufficient capacity to serve the markets described in the goals of the project by utilizing a **single** interconnection with a new, larger pipeline from Elba Island. The presumption by FERC that any new pipeline must connect on **both** sides of the Savannah River, is pervasive throughout the DEIS, and is a fundamental flaw in FERC's environmental analysis. There is physically no difference in capacity in the existing Transco Pipeline on either side of the Savannah River. The total lack of basis for FERC's presumption, that both interconnections are required, is a fatal flaw of the DEIS and a Supplemental Environmental Impact Statement must be prepared.

3090-002\KPS\Pleading\18470 wpd - 5 -

Responses to Letter P-5

P5-6 Landowner Intervenors Project purpose and need

The existing Transco pipeline system does not possess sufficient capacity to serve the markets described in the goals of the project by utilizing a single interconnection with a new larger pipeline from the Terminal expansion. Although Transco's pipeline system has a west-to-east capacity in excess of 3 Bcfd in the vicinity of the interconnect of the western leg portion of Alternative A (Jonesboro, Georgia), this capacity is under contract to other shippers on Tranco's system and therefore not available for transporting an incremental 1 Bcfd of capacity from Jonesboro east to Anderson, South Carolina.

See response to comments P5-5 and P5-8. The proposal being considered by the Commission is presented by EEC in its application. Our analysis includes verification of the system design requirements by the Commission's engineering staff. There is no "presumption", and a supplemental EIS is not warranted.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

P5-7 FERC clearly has taken no "hard look" at the true destruction of the environment, because it has blindly adopted EEC's baseless presumptions throughout the DEIS. FERC has acted arbitrarily and capriciously by ignoring the existing physical infrastructure for construction of additional pipeline capacity, when capacity of the Transco Pipeline is the same on both sides of the Savannah River. The Transco Pipeline requires no alterations whatsoever to transport the increased natural gas volume of the Elba Island Terminal Expansion Project.

P5-8 The DEIS Project Purpose and Need states that the Elba III Project would fulfill its stated purpose and need by providing:

> … firm interstate natural gas pipeline capacity that can move gas from the Elba Island Terminal to major pipeline interconnects with 1) the existing Southern Pipeline System in its Zone 3 near the end of its South Main Line, 2) the existing Transco Pipeline System at the end of its Zone 4, and 3) the existing Transco Pipeline System at the beginning of its Zone 5.

DEIS, pp. 1-4.

However, the term "competitively priced" natural gas is not defined or explained anywhere in the DEIS. The DEIS does not explain how the Project will exclusively meet its goals by connecting to both Zones 4 and 5 of the Transco Pipeline. There is no explanation or support provided, or existing, for the need to connect to both Transco Zone 4 and Zone 5 at all. There is no difference in the natural gas transport capacity of Transco's pipeline at the end of Transco Zone 4 and beginning of Transco Zone

3090-002\KPS\Pleading\18470 wpd - 6 -

Responses to Letter P-5

P5-7 Landowner Intervenors Project purpose and need

See response to comment P5-6. As stated in section 3.3.2.2 and table 3.3-1, in order to transport an incremental 1 Bcfd of natural gas from the Wrens Compressor Station to Transco's system in *both Georgia (Transco Zone 4) and South Carolina (Transco Zone 5),* the Northern Segment alternatives (Alternatives A, B, and C) require construction of more transmission and looping pipeline, as well as additional compression, than does the proposed action. (Note that the final EIS includes discussion of a new Northern Segment Route Alternative C in response to comment P5-16.)

P5-8 Landowner Intervenors Project purpose and need

Our discussion of Route Alternatives to the Northern Segment in Section 3.3.2.2 twice references "incremental transportation charges." We have revised this discussion. In short, natural gas transportation rates increase as gas travels from one zone to another. By providing interconnections to both Transco Zones 4 and 5, customers in each zone receive natural gas at the lowest transportation rate possible rather than paying an additional transportation fee for gas delivered in an adjacent zone and transported across zone boundaries.

Our analysis of the proposed crossing of the Savannah River does not support commenter's assertion of "inevitable and irreversible degradation." See response to comment P5-6.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

5 on the eastern side of the Savannah River. There can be no justification for the inevitable and irreversible degradation of the environment by shunting a pipeline through the Savannah River, where there is an existing, fully functional, and completely adequate pathway in place.

P5-9 The Greenfield Condemnation Corridor to the border of Georgia and South Carolina requires tunneling beneath one of the largest Rivers in the Eastern United States, purely so that the Project can be considered "interstate." The lack of necessity for this route proves that the use of eminent domain, to take the property of hundreds of landowners and destroy thousands of acres of pristine countryside, is completely arbitrary and capricious. The route has been endorsed by FERC solely to provide private economic benefit for the natural gas companies, and will not benefit the public, including citizens of the State of Georgia, in any way. Having two pipelines through the Savannah River is an unnecessary duplication of facilities and is incurably arbitrary and capricious.

A. Alternative Routes Identified But Not Analyzed.

The alternatives mentioned, but not analyzed by EEC and FERC, have been grossly manipulated to justify FERC's flawed presumptions. The DEIS identifies two alternate routes for the Northern Segment, as discussed in Section 3.3.2.2. of the DEIS, that use existing ROW for the Northern Segment in order to reach the Transco Pipeline.

3090-002\KPS\Pleading\18470 wpd - 7 -

Responses to Letter P-5

P5-9 Landowner Intervenors Alternatives

We disagree. Because EEC would transport natural gas for resale in interstate commerce, it would be an "interstate" natural gas company if it did nothing more than deliver gas to Southern Natural Gas Company (Southern) at the proposed interconnection near the end of Southern's South Main Line at the Wrens Compressor Station in Jefferson County, Georgia (MP 104.8).

See response to comment P5-3.

As a point of fact, there are presently five natural gas pipelines which cross the Savannah River in the immediate vicinity of EEC's proposed crossing.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

P5-10

1. **Major Route Alternative A.**

In Section 3.3.2.2 of the DEIS, there are two identified, but ultimately discarded, alternatives for the Northern Segment of the Elba Express route, which use existing pipeline ROWs. Major Route Alternative A, as described, is comprised of two distinct "legs": one Eastern Leg to the Transco Pipeline in South Carolina, and one Western Leg to the Transco Pipeline in Georgia near Jonesboro.

The Alternative A Western Leg is comprised of two independent segments: 1) the east-west segment between Wrens and Thomaston; and 2) the north-south segment between Thomaston and Jonesboro where the pipeline would interconnect with Transco. The DEIS states that the east-west segment from Wrens to Thomaston has sufficient excess capacity such that no new pipeline would be required along this approximately 80-mile segment. The north-south segment from Thomaston to Jonesboro measures 60 miles and would require construction of a new 36-inch pipeline. This segment would require a construction ROW of only 70 feet and 20 - 30 feet of permanent ROW.

The Eastern Segment of Alternative A, as described in Section 3.3.2.2, is not physically required to transport the increased supply of natural gas to the ultimate users. *See* DEIS p. 3-19. This segment has been concocted by EEC and ratified by FERC, based upon the ubiquitously flawed presumption that the pipeline must be connected on both sides of the Savannah River. This presumption intentionally skews the comparison of the adverse

3090-002\KPS\Pleading\18470 wpd - 8 -

Responses to Letter P-5

P5-10 Landowner Intervenors Alternative A

As discussed in section 3.3.2.2, Alternatives A and B were found to require substantially more environmental disturbance than that associated with the proposed route between the Wrens Compressor Station and the proposed interconnections with Transco's Zones 4 and 5. Because they provided no environmental benefit when compared to the proposed route, they were eliminated from further consideration. The respective acreages of disturbance for the proposed and alternative routes are presented in tables 3.3-1 and 3.3-2.

This description of the draft EIS findings on the east-west segment is not entirely accurate. As a point of fact, the draft EIS states that the east-west segment of Alternative A between Wrens and Thomaston, Georgia, would require the addition of "*little* or no new pipeline" (emphasis added), not no new pipeline, to transport the additional volumes of gas. This statement was based on the results of a high-level analysis. A complete hydraulic simulation has now been conducted which indicates that over 50 miles of 30- and 36-inch-diameter pipeline loop and additional compression at two existing compressor stations would actually be needed to provide firm transportation between Wrens and Thomaston. We have revised this discussion to more accurately reflect that additional facilities that would be needed to move the Elba Expansion volumes (1.175 Bcfd) between Wrens and Thomaston via Southern's existing system for the western leg of Major Route Alternative A.

The east leg portion of Alternative A was designed to provide EEC's proposed Zone 5 interconnection while following existing ROWs between Wrens and Transco's Zone 5. See response to comments P5-5, P5-6, and P5-7.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

impacts between using the existing ROW of the Western Leg Segment and the Greenfield Condemnation Corridor of the Northern Segment.

The Western Leg of Alternative A alone has sufficient capacity to achieve project goals. More importantly, the overall impacts to the environment will be significantly less than the destruction of the Greenfield Condemnation Corridor, because of both decreased impacted area and utilization of previously disturbed lands. Most astonishingly, as the DEIS states, the existing pipeline between the existing Wrens Compressor Station and the junction in Thomaston is already sufficient to handle the increased capacity, and no new construction would be required along this portion of the route, at all.

P5-11

> Along the western leg, Southern's existing pipeline system between Wrens and Thomaston has a west-to-east design capacity of a little less than 1 Bcfd; therefore, little or no new pipeline would be needed ….
>
> Between the Transco Interconnection and Transco Zone 4, little or no new pipeline construction would be required because this portion of Transco's system has available capacity.

DEIS, p. 3-19.

Only 60 miles of new pipeline with 70 feet of temporary construction ROW in an existing ROW would be required to create the additional needed capacity. The Greenfield Condemnation Corridor, by comparison, would require 81 miles of construction ROW of 110 to 120-feet in width, through existing homesteads and pristine forest lands. It is obviously easier, less expensive, and more environmentally sound to provide the

3090-002\KPS\Pleading\18470 wpd - 9 -

Responses to Letter P-5

P5-11 Landowner Intervenors Alternative A

We disagree. As described in section 3.3.1, the western leg of Alternative A *does not include an interconnection with Transco Zone 5*, which is part of the proposed action (see draft EIS, page 1-1), and therefore would not satisfy one of the project's specific objectives. See response to comment P5-5. Nor does the western leg have sufficient capacity to achieve the project goals (see revised discussion of Alternative A and new discussion of Route Alternative C for specific information on this topic). See response to comment P5-6.

The Wrens-to-Thomaston portion of Alternative A's western leg would require significant looping. See response to comment P5-10.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

P5-11 Cont.

increased volume of natural gas to its ultimate destination using the Western Leg Segment to satisfy the project goals.

P5-12

Inclusion of the Eastern Leg in Alternative A creates a false impression of an economic advantage for the selection of the Greenfield Condemnation Corridor. The careful analysis herein proves that the only reason for the Greenfield Condemnation Corridor is to provide an arbitrary economic subsidy for EEC.

The DEIS states at page 3-19:

> As seen in table 3.3-1, the length of pipeline (and therefore the environmental impacts) required by Alternative A is significantly greater than that associated with the proposed route….Additionally, the cost to construct Alternative A is greater than 3 times that of the proposed action between Wrens and Transco's Zones 4 and 5.

These statements are only true because of the inclusion of the Eastern Leg Segment of Alternative A.

P5-13

Additionally, the following statement from the DEIS indicates FERC's bias toward the pipeline companies' private economic gains:

> Alternative A would also conflict with the project's objectives because it would incur additional incremental transportation charges associated with the use of Southern's pipeline system between Wrens and Thomaston.[1]

DEIS, p. 3-19.

---

[1] It is important to note that Southern LNG, Inc., Southern Natural Gas Company, and EEC are owned by the same company, El Paso Corp.

Responses to Letter P-5

P5-12 Landowner Intervenors Alternative A

We disagree with commenter's assertion. The east leg of Alternative A was designed to satisfy the project objective of an interconnection with Transco Zone 5 while following existing ROWs between Wrens and Zone 5. Without the east leg, Alternative A would not meet the project objective.

P5-13 Landowner Intervenors Project need

We disagree with commenter's assertion. See response to comment P5-8. The sentence cited by commenter was included in our discussion to provide the public with further insight into the rationale behind the proposed action and the specific objectives of providing new interconnections with both Transco Zones 4 and 5. Significant economic impacts associated with the design of a project should be considered when comparing alternatives. Any alternative which would require the project shippers to pay transportation rates on multiple pipelines or across rate zones would not meet the project objective because the incremental rates associated with these activities would not "provide a competitively priced natural gas transportation infrastructure that would attract incremental global LNG supplies", as stated in draft EIS section 1.1 (Project Purpose and Need).

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

P5-14

This statement indicates a clear bias toward the natural gas companies, at the expense of the interests of the landowners impacted by the proposed route, and does not include an evaluation of the balancing of interests between the economic benefit to the pipeline companies and the affected landowners.

> The balancing of interests and benefits that will precede the environmental analysis will largely focus on economic interests such as the property rights of land owners .... If the environmental analysis following a preliminary determination indicates a preferred route other than the one proposed by the applicant, the earlier balancing of the public benefits of the project against its adverse effects would be reopened to take into account the adverse effects on land owners who would be affected by the changed route.

Federal Energy Regulatory Commission, Commission Opinions, Orders and Notices, Certification of New Interstate Natural Gas Pipeline Facilities, Statement of Policy, 88 FERC p. 61227 (1999).

P5-15

A quick comparison of the individual leg portions and the Greenfield Condemnation Corridor shows that there is a clear advantage to using the existing ROW and pipeline of the Western Leg to provide the increased natural gas output from the Elba Island Terminal. Only by imposing the imaginary requirement of shunting the pipeline into both Georgia and South Carolina is FERC able to provide a rationale to counter the clearly obvious and superior existing route.

3090-002\KPS\Pleading\18470 wpd - 11 -

Responses to Letter P-5

P5-14 Landowner Intervenors Balance of economic interests

As cited by the commenter, the Commission's Policy Statement makes clear that *it* (not the Commission staff) will balance the economic interests and public benefits of proposals when it makes a Preliminary Determination on Non-Environmental Issues (PD). The Commission issued a PD for EEC's proposed Elba Express Pipeline on April 4, 2007, in which it found, subject to completion of the environmental review and the fulfillment of conditions enumerated therein, that the benefit of EEC's proposed pipeline will outweigh any potential adverse effects, and is required and permitted by the public convenience and necessity.

P5-15 Landowner Intervenors Alternatives

We disagree. See response to comments P5-7 and P5-10.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

P5-16

2. **Major Route Alternative B.**

FERC's Major Route Alternative B is merely the Eastern Leg of Alternative A, with no physical differences. Astonishingly, Alternative B, which is the Eastern Leg of Alternative A, is identified as an independent means of accomplishing the goals of the Project, but the Western Leg of Alternative A is not evaluated as an independent alternative. This gamesmanship is shocking, because it cannot be refuted that the Western Leg of Alternative A, alone, is completely capable of satisfying the goals of the Project, without destroying irreplaceable pristine, human, plant, and wildlife habitats in Georgia. Alternative B is also fundamentally flawed in its presumptions, and has been manipulated to skew the adverse impacts of the route comparisons in favor of the Greenfield Condemnation Corridor.

P5-17

As with Alternative A, Alternative B has been presented by FERC as impacting a greater number of acres than the proposed action, because the length of the new pipeline construction required for this Alternative is more than twice the length when compared to the Greenfield Condemnation Corridor. And again, because Alternative B would use a portion of Transco's system to transport gas between Spartanburg and Zone 4, it would incur "additional incremental transportation charges". *See* DEIS p. 3-20.

There is no explanation of why any "incremental transportation charges" should factor into FERC's environmental analysis of the Project, but that becomes the rallying reason for FERC's determinations. FERC is clearly favoring private economic interests that have no beneficial impact on the public. By admitting and openly ratifying its

Responses to Letter P-5

P5-16 Landowner Intervenors Route Alternative B

Please see figure 3.3-2, which clearly delineates the differences between Route Alternatives A and B. Also note the first sentence of the Route Alternative B in section 3.3.2.2:

> Alternative B uses the east leg portion of Alternative A *but extends the east leg along Transco's system to the southwest to enable deliveries in Zone 4* (the Georgia side of the Savannah River.) (emphasis added)

We have also added a discussion of a new Route Alternative C, which is designed to build upon the western leg of Alternative A, follow existing ROWs, *and* fulfill the project objective for a Zone 5 interconnection.

As explained in response to comment P5-11, the western leg of Alternative A is not capable of satisfying the project objectives. See also response to comment P5-6.

P5-17 Landowner Intervenors Route Alternative B

We have explained that the proposed action includes the specific project objective of establishing new interconnections with Transco Zones 4 and 5 (see response to comments P5-2 and P5-5).

See response to comments P5-8 and P5-13 for further explanation of how "incremental transportation charges" have shaped the project objectives.

Also, see response to comment P5-9, which addresses the assertion that the project would not benefit the public in both Georgia and South Carolina.

We disagree that our conclusions, or the analysis that supports our conclusions, are based on "arbitrary and capricious factors." Nor are we aware of any statement, either implied or explicit, which supports commenter's assertion that "FERC has admitted that it cares not about the property rights of the citizens of the state of Georgia" or its ecosystems.

Letter P-5 Continued

bias toward the EEC chosen route, to the total detriment of the Citizens of Georgia, FERC is clearly basing its decision process on arbitrary and capricious factors. FERC has admitted that it cares not about the property rights of the Citizens of the State of Georgia or the delicate ecosystems that will be irreversibly destroyed, but bends completely to the whims of major corporate conglomerates.

C. The Western Leg Alternative A Not Evaluated

P5-18 FERC intentionally ignored the Western Leg as an independent route, by arbitrarily identifying the Eastern Leg in Alternative A as a stand-alone route alternative. Alternative B, which is simply the Eastern Leg Segment of Alternative A, was identified as a separate independent alternative, even though it is physically identical to the Eastern Leg Segment of Alternative A. FERC intentionally failed to consider the Western Leg as a separate alternative, even though it is the least environmentally damaging and most cost effective route. A Supplemental Environmental Impact Statement must be prepared to fully evaluate the Western Leg Segment.

D. The No Action Alternative Not Adequately Analyzed.

P5-19 Section 3.1 of the DEIS contains no analysis of the No Action Alternative, and merely concludes that the objectives of the Project would not be met under the No Action Alternative.

> If action on the project is postponed, it could have the same result as the No Action Alternative, i.e., the objective of providing direct access to imported LNG supplies for the

Responses to Letter P-5

P5-18 Landowner Intervenors Western leg of Alternative A

See response to comment P5-16.

P5-19 Landowner Intervenors No action alternative

We have carefully reviewed the discussion of the No Action Alternative presented in draft EIS and disagree with commenter. If the Commission were to take no action on the proposal to expand importation of LNG at the existing Elba Island facility and construct additional pipeline transmission facilities, the proposal would either be delayed or withdrawn. If the proposal were withdrawn (or delayed for a significant period of time), the LNG supplies proposed for importation to the Elba facility would simply be marketed elsewhere. We don't believe that this concept requires the support of studies or reports.

We disagree that the discussion implies "postponing or preventing the Project will result in natural gas suppliers cutting off supplies to the east coast." In fact, section 3.2.1 of the draft EIS discusses two existing LNG import terminals that are presently undergoing expansion to receive additional LNG supplies. We have clarified the No Action Alternative discussion to better explain that without projects like the Elba III Project, natural gas customers in the area proposed to be served "may have fewer and potentially more expensive options for obtaining natural gas in the near future" (draft EIS, page 3-2). We believe this conclusion is fully supported in the EIS.

Letter P-5 Continued

P5-19 Cont.

> southeastern and eastern U.S. market would be jeopardized and could result in these supplies going to other destinations around the world.
>
> As a result, natural gas customers may have fewer and potentially more expensive options for obtaining natural gas supplies in the near future.

DEIS, p. 3-2.

There are no citations to any authority for these purely speculative assertions. FERC is implying that postponing or preventing the Project will result in natural gas suppliers cutting off supplies to the east coast. Furthermore, the DEIS states:

> Ultimately, it is purely speculative to predict the resulting actions that would be taken by the end users if the natural gas supplied by the Project were not available or the associated direct and indirect environmental impacts of these actions.

DEIS, p. 3-2.

It is unquestioned that FERC has not taken a "hard look" into the No Action Alternative, and is basing the above-stated assumptions on nothing at all. FERC has acted arbitrarily and capriciously by not evaluating any data, studies, or reports in the No Action Alternative.

CONCLUSION

P5-20

For all of the reasons stated herein, and more completely set forth in the Supplemental Comments to DEIS attached hereto as Exhibit A, the accompanying Affidavits attached hereto as Exhibits B, and the Background Data on five DVDs collectively

Responses to Letter P-5

P5-20 Landowner Intervenors

Written responses to all comments received on the draft EIS are presented in this appendix to the final EIS. A supplemental EIS is not warranted. See response to comments P5-6, P5-11, and P5-16.

Information in the "Background Data" referenced as exhibit C was too large to reprint in this document. Further, portions of commenter's exhibit C did not meet the Commission's filing requirements and had to be rejected. The remainder is in the public file.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

referenced as Exhibit C,[2] Intervenors request a full written, detailed response to all comments presented, and request that FERC prepare a Supplemental Environmental Impact Statement to fully consider and weigh the benefits of utilizing the Western Leg Segment of Major Route Alternative A against the Greenfield Condemnation Corridor.

Respectfully submitted May 25, 2007.

/s/ F. Edwin Hallman, Jr.
F. EDWIN HALLMAN, JR.
State Bar of Georgia #319800

/s/ Richard A. Wingate
RICHARD A. WINGATE
State Bar of Georgia #770617

For DECKER, HALLMAN, BARBER & BRIGGS
Attorneys for Intervenors

260 Peachtree Street, N.W.
Suite 1700
Atlanta, Georgia 30303
(404) 522-1500

[2] Exhibit C will be filed separately by Federal Express .

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document on each person designated on the official service list compiled by the Secretary in this proceeding.

/s/ Richard A. Wingate
RICHARD A. WINGATE
State Bar of Georgia #770617

For DECKER, HALLMAN, BARBER & BRIGGS
Attorneys for Intervenors

260 Peachtree Street, N.W.
Suite 1700
Atlanta, Georgia 30303
(404) 522-1500

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

AFFIDAVIT OF DOROTHY P. McHUGH

Personally appeared before me the undersigned officer duly authorized by law to administer oaths, Mrs. Dorothy P. McHugh, who, after being duly sworn, deposes and states as follows:

(1)

I am over the age of eighteen (18), suffer no disability, and have personal knowledge of the facts set forth herein.

(2)

I am a citizen and resident of the State of Georgia. My address is 7780 Elberton Road, Tignall, Georgia 30668.

(3)

I own property along the path of the proposed route for the Elba III natural gas pipeline. Approximately 1.5 miles of the proposed pipeline will bisect my property.

(4)

P5-21 To the best of my understanding, the route of the proposed pipeline will cross over and destroy several wetland and riparian areas on my property, as well as other environmentally sensitive areas.

3090-002\ZMW\Blank\18346 wpd

EXHIBIT 61

Responses to Letter P-5

P5-21 Landowner Intervenors Wetlands, Riparian Areas, Environmentally Sensitive Resources

As stated in sections 4.3.3, 4.4.2, 4.6.1, and 4.7, we believe that implementation of the measures and procedures contained in EEC's Procedures, project-wide Spill Plan, agency-required permit conditions and mitigation, and our recommendations would avoid, minimize, or mitigate potential impacts on surface water quality, wetlands, wildlife, and threatened and endangered species, respectively.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

(5)

P5-22 In particular, the proposed pipeline would cross the confluence of three important streams on the property, including Chickasaw Creek. The placement of the pipeline in this area would alter the natural flow of the streams and create an adverse impact on the surrounding environment and wildlife.

(6)

P5-23 The proposed pipeline would pass within close proximity of my residence, causing me to fear for the health and safety of myself, family, friends, and guests on the property. The Environmental Impact Statement submitted by Elba III does not adequately address these fears or the adverse effects the proposed pipeline will have on my residence.

(7)

This Affidavit is given so that it may be used for any purpose allowed by law.

FURTHER AFFIANT SAITH NOT.

Dorothy P. McHugh
DOROTHY P. McHUGH

Sworn to and subscribed before me
this 23 day of May, 2007

Carol L. Jackson
Notary Public [Affix Seal and
Expiration Date]

Commission expires 9-10-2007

3090-002\ZMW\Blank\18346.wpd - 2 -

Responses to Letter P-5

P5-22 Landowner Intervenors Surface water impacts

In section 4.3.3, we assess potential impacts to surface waters (including streams) crossed by the proposed Elba Express Pipeline and have recommended mitigation measures to minimize impacts on surface waters during open-cut crossings. We have also stated that EEC would need to obtain and comply with all conditions of its COE Section 404 permit and Section 401 state water quality certifications.

P5-23 Landowner Intervenors Pipeline safety

We note that commenter's residence is about 975 feet from the edge of the proposed construction work area and about 1,000 feet from the proposed pipeline centerline.

Pipeline safety standards are discussed in detail in sections 4.12.8, 4.12.9, and 4.12.10. Specifically, the available data show that natural gas pipelines continue to be a safe, reliable means of energy transportation. Based on approximately 301,000 miles in service, the rate of public fatalities for the nationwide mix of transmission and gathering line in service is 0.01 per year per 1,000 miles of pipeline. Using this rate, EEC's pipeline might result in a public fatality every 532 plus years. This would represent only a slight increase in risk to the nearby public. We have revised the text in section 4.12.10.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

AFFIDAVIT OF MARION E. McHUGH

Personally appeared before me the undersigned officer duly authorized by law to administer oaths, Mr. Marion E. McHugh, who, after being duly sworn, deposes and states as follows:

(1)

I am over the age of eighteen (18), suffer no disability, and have personal knowledge of the facts set forth herein.

(2)

I am a citizen and resident of the State of Georgia. My address is 7780 Elberton Road, Tignall, Georgia 30668.

(3)

I own property along the path of the proposed route for the Elba III natural gas pipeline. Approximately 1.5 miles of the proposed pipeline will bisect my property.

(4)

P5-24 To the best of my understanding, the route of the proposed pipeline will cross over and destroy several wetland and riparian areas on my property, as well as other environmentally sensitive areas.

3090-002\ZMW\Blank\18345 wpd

EXHIBIT B2

Responses to Letter P-5

P5-24 Landowner Intervenors Wetlands, Riparian Areas, Environmentally Sensitive Resources

See response to comment P5-21.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

(5)

P5-25 In particular, the proposed pipeline would cross the confluence of three important streams on the property, including Chickasaw Creek. The placement of the pipeline in this area would alter the natural flow of the streams and create an adverse impact on the surrounding environment and wildlife.

(6)

P5-26 I personally observed the archeological and cultural resources survey team from Elba while they were on my property. No member of the survey team analyzed any soil outside of the survey center line, and only extremely shallow soil samples were taken along the proposed route on my property.

(7)

P5-27 The proposed pipeline would pass within close proximity of my residence, causing me to fear for the health and safety of myself, family, friends, and guests on the property. The Environmental Impact Statement submitted by Elba III does not adequately address these fears or the adverse effects the proposed pipeline will have on my residence.

(8)

This Affidavit is given so that it may be used for any purpose allowed by law.

3090-002\ZMW\Blank\18345 wpd - 2 -

Responses to Letter P-5

P5-25 Landowner Intervenors Surface water impacts

See response to comment P5-22.

P5-26 Landowner Intervenors Archaeological and cultural resources

The archaeological survey was conducted using methods and standards reviewed and approved by the GA SHPO and FERC.

P5-27 Landowner Intervenors Pipeline safety

We note that the pipeline route would be located about 1,000 feet from this residence. See response to comment P5-23.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

FURTHER AFFIANT SAITH NOT.

MARION E. McHUGH

Sworn to and subscribed before me
this 23 day of May, 2007

Carol L Jackson

Notary Public [Affix Seal and
Expiration Date]

My commission expires 9-10-2007

3090-002\ZMW\Blank\18345 wpd

Responses to Letter P-5

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

Letter P-5 Continued

AFFIDAVIT OF CAROL PHILLIPS

Personally appeared before me the undersigned officer duly authorized by law to administer oaths, Carol Phillips, who, after being duly sworn, deposes and states as follows:

(1)

I am over the age of eighteen (18), suffer no disability, and have personal knowledge of the facts set forth herein.

(2)

I am a citizen and resident of the State of Georgia. My address is 4062 Keswick Drive, Atlanta, Georgia 30339.

(3)

I own several acres of property in the vicinity of the proposed route for the Elba III natural gas pipeline. The proposed route of the pipeline will completely bisect my property.

(4)

I have owned the property for approximately 15 years. Much of the current property has been in my family for over 200 years, since it was granted to my ancestors after the Revolutionary War.

(5)

P5-28 To the best of my understanding, the route of the proposed pipeline will cross over and destroy various wetlands, streams, riparian habitats, and several other environmentally sensitive areas on my property.

3090-002\ZMW\Blank\18387 wpd

EXHIBIT B 3

Responses to Letter P-5

P5-28 Landowner Intervenors Wetlands, Riparian Areas, Environmentally Sensitive Resources

See response to comment P5-21. Based on a site visit conducted by EEC representatives and this landowner on June 11, 2007, the pipeline would make no stream or wetland crossings on this property.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

(6)

P5-29 I have discovered several Native American artifacts directly along the proposed route of the pipeline, the significance of which have not been analyzed by the Environmental Impact Statement ("EIS").

(7)

P5-30 The proposed pipeline would pass within close proximity to my residence on the property, two barn structures, and a water well, causing me to fear for the health and safety of myself, family, friends, and guests on the property. The EIS submitted by Elba III does not adequately address these fears or the adverse effects the proposed pipeline will have on my residence.

(8)

This Affidavit is given so that it may be used for any purpose allowed by law.

FURTHER AFFIANT SAITH NOT.

CAROL PHILLIPS

Sworn to and subscribed before me
this 24 day of May, 2007

Notary Public [Affix Seal and
Expiration Date]

DAVID A. SMITH
Notary Public
Fulton County
State of Georgia
My Commission Expires Feb 6, 2009

3090-002\ZMW\Blank\18387 wpd - 2 -

Responses to Letter P-5

P5-29 Landowner Intervenors Cultural resources

All archaelolgical resources identified by the cultural resources survey within the survey corridor were assessed for National Register of Historic Places eligibility, and the recommendations presented in section 4.10.1 of the EIS.

P5-30 Landowner Intervenors Pipeline safety

See response to comment P5-23. We note that commenter's residence is about 220 feet from the edge of the proposed construction work area and about 245 feet from the proposed pipeline centerline.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

AFFIDAVIT OF KAY E. JOHNSTON

Personally appeared before me the undersigned officer duly authorized by law to administer oaths, Kay E. Johnston, who, after being duly sworn, deposes and states as follows:

(1)

I am over the age of eighteen (18), suffer no disability, and have personal knowledge of the facts set forth herein.

(2)

I am a citizen and resident of the State of Georgia. My address is1710 William Smith Road, Elberton, Georgia 30635.

(3)

I own approximately two hundred and ten (210) acres of land in the vicinity of the proposed route for the Elba III natural gas pipeline. Approximately 4,500 feet of the proposed pipeline will bisect my property.

(4)

I purchased this property through a series of transactions between 2001 and 2004 for the sole purpose of establishing a permanent residence that would provide beauty and tranquility and to enjoy the land in its natural state.

3090-002\ZMW\Blank\18348 wpd

EXHIBIT B 4

Responses to Letter P-5

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

(5)

To the best of my understanding, the route of the proposed pipeline will cross over and destroy various wetlands, streams, riparian habitats, and several other environmentally sensitive areas on my property.

(6)

P5-31

I have personally observed several species of wildlife on my property, including deer, turkeys, coyotes, bobcats, skunks, possums, racoons, Luna moths, several species of lizards and snakes, tree frogs, box turtles, bats, and several species of birds, including owls, hawks, and nesting hummingbirds. In addition, I was informed by the environmental consultants hired by Elba that the habitat on my property is optimal for two endangered species: the Atlantic Pigsfoot Mussell and the Sandbar Shiner. Though the consultants assured me they would investigate further to determine if these endangered species were actually found on the property, to my knowledge they have not done so. The Environmental Impact Statement ("EIS") for the proposed route does not consider the impact of the proposed pipeline to these species as they exist on my property.

(7)

P5-32

The proposed pipeline would pass within only several yards of my residence, a 103 year old farm house, my water well (which is my sole source of water), and my barn. Having a natural gas pipeline passing so close to my home causes me to fear for the health and safety of myself, family, friends, guests, and pets on the property. The EIS submitted

3090-002\ZMW\Blank\18348.wpd - 2 -

Responses to Letter P-5

P5-31 Landowner Intervenors Wildlife

In section 4.6.1, we discuss wildlife and wildlife habitat within the proposed Elba Express Pipeline project area. We assess potential temporary and permanent impacts to wildlife and their habitat from construction and operation of the proposed pipeline. We believe that the Elba Express Pipeline Project would not substantially alter local wildlife populations, and that the impact of habitat fragmentation on wildlife would be minimal.

In section 4.7.2, we discuss the state-listed Atlantic pigtoe mussel and sandbar shiner. We reported that in the state of Georgia, Atlantic pigtoe mussel occurs in Jenkins and Jefferson counties, and that sandbar shiner occurs in McDuffie, Wilkes, Elbert, and Hart counties. In section 4.7.2, we assess impacts to these species and their habitat from the proposed Elba Express Pipeline.

P5-32 Landowner Intervenors Pipeline safety

See response to comment P5-23. We note that commenter's residence is about 100 feet from the edge of the proposed construction work area and about 125 feet from the proposed pipeline centerline.

Based on an on-site meeting between EEC representatives and this landowner on June 11, 2007, EEC identified that adjustments to the proposed route on this property could be implemented to move the pipeline further away from the residence.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

by Elba III does not adequately address these fears or the adverse effects the proposed pipeline will have on my residence.

(8)

This Affidavit is given so that it may be used for any purpose allowed by law.

FURTHER AFFIANT SAITH NOT.

Kay E. Johnston
KAY E. JOHNSTON

Sworn to and subscribed before me
this 24 day of May 2007.

Notary Public [Affix Seal and
Expiration Date].

NOTARY PUBLIC
ROBERT A. JOHNSON
BERT COUNTY, GA

Responses to Letter P-5

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

AFFIDAVIT OF WILLIAM W. ROBINSON

Personally appeared before me the undersigned officer duly authorized by law to administer oaths, Dr. William W. Robinson, who, after being duly sworn, deposes and states as follows:

(1)

I am over the age of eighteen (18), suffer no disability, and have personal knowledge of the facts set forth herein.

(2)

I am a citizen and resident of the State of Georgia. My address is 23 East Square, Washington, Georgia 30673.

(3)

I own approximately eighty (80) acres of land in the vicinity of the proposed route for the Elba III natural gas pipeline. Approximately two to three thousand feet of the proposed pipeline will bisect my property.

(4)

I purchased this property and have owned it for approximately 16 years.

(5)

P5-33 Representatives from Elba III have never surveyed my property, and therefore, have not performed the prerequisite review necessary for a complete Environmental Impact Statement ("EIS") under the National Environmental Protection Act ("NEPA"). I have not

3090-002\ZMW\Blank\18324 wpd

EXHIBIT B 5

Responses to Letter P-5

P5-33 Landowner Intervenors Property surveys

If the Elba III Project is approved by the Commission, surveys would be conducted on any remaining properties where access permission has been denied or unavailable thus far. Environmental surveys would include, but not necessarily limited to, wetlands, waterbodies, wildlife, threatened and endangered species habitat, and cultural resources. The results of those surveys would be reviewed by the Commission and any appropriate Federal or state agencies prior to issuance of a Notice to Proceed with construction.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

prevented the survey from occurring. Rather, I was told that the survey team would come on several occasions, and they never came at the designated times.

(6)

P5-34 To the best of my understanding, the route of the proposed pipeline will cross over and destroy various wetlands, a recreational pond, and several other environmentally sensitive areas on my property.

(7)

P5-35 I have discovered several Native American artifacts directly along the proposed route of the pipeline, the significance of which have not been analyzed by the EIS

(8)

P5-36 I have personally observed several species of wildlife on my property, including deer, geese, ducks, hawks, bald eagles, coyotes, foxes, bobcats, turtles, snakes, and fish. The EIS for the proposed route does not consider the impact of the pipeline to these species as they exist on my property.

(9)

P5-37 In the future, I plan to use a portion of the property for commercial, residential, and recreational uses, none of which would be possible should the proposed pipeline be located as indicated in the EIS.

3090-002\ZMW\Blank\18324 wpd - 2 -

Responses to Letter P-5

P5-34 Landowner Intervenors Wetlands, Riparian Areas, Environmentally Sensitive Resources

See response to comment P5-21. Based on an on-site meeting between EEC representatives and this landowner on June 12, 2007, EEC identified that adjustments to the proposed route on this property could be implemented to avoid the pond (near milepost 157.2) and planned recreation areas.

P5-35 Landowner Intervenors Cultural resources

See response to comment P5-29.

P5-36 Landowner Intervenors Wildlife

See response to comment P5-31.

P5-37 Landowner Intervenors Land Use

See response to comment P5-34. As discussed in section 4.8.2, easement agreement discussions between the landowner and EEC would include allowable uses for the land within the ROW and fair compensation would be offered for loss of value to each affected parcel of land as discussed in section 4.9.2.1 in the EIS.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

(10)

P5-38 A historic graveyard is located on my property in close proximity to the proposed pipeline, the significance of which has not been properly analyzed in the EIS.

(11)

P5-39 The proposed pipeline would pass within close proximity to my residence on the property, causing me to fear for the health and safety of myself, family, friends, and guests on the property. The EIS submitted by Elba III does not adequately address these fears or the adverse effects the proposed pipeline will have on my residence.

(12)

This Affidavit is given so that it may be used for any purpose allowed by law.

FURTHER AFFIANT SAITH NOT.

William W Robinson
WILLIAM W. ROBINSON

Sworn to and subscribed before me
this 23 day of May, 2007

Melissa M Parton
Notary Public [Affix Seal and
Expiration Date]

Exp: Jan 17. 2010

3090-002\ZMW\Blank\18324 wpd - 3 -

Responses to Letter P-5

P5-38 Landowner Intervenors Cultural resources

Cultural resources surveys were not completed on this property. Once surveys are conducted, any identified cultural resources, including any cemeteries, would be avoided or evaluated for National Register of Historic Places eligibility.

P5-39 Landowner Intervenors Pipeline safety

See response to comment P5-23. We note that commenter's residence is greater than 1,000 feet from the proposed pipeline centerline.

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

Letter P-5 Continued

AFFIDAVIT OF RICHARD ALMOND STANDARD

Personally appeared before me the undersigned officer duly authorized by law to administer oaths, Richard Almond Standard, who, after being duly sworn, deposes and states as follows:

(1)

I am over the age of eighteen (18), suffer no disability, and have personal knowledge of the facts set forth herein.

(2)

I am a citizen and resident of the State of Georgia. My address is 186 Broad Road, Tignall, Georgia 30668.

(3)

I own property along the path of the proposed route for the Elba III natural gas pipeline. Approximately 1,000 feet of the proposed pipeline will bisect my property.

(4)

I purchased this property and have owned it for approximately 41 years.

(5)

P5-40 To the best of my understanding, the route of the proposed pipeline will cross over and destroy several wetland and riparian areas on my property, as well as other environmentally sensitive areas.

3090-002\ZMW\Blank\18327 wpd

EXHIBIT B 6

Responses to Letter P-5

P5-40 Landowner Intervenors Wetlands, Riparian Areas, Environmentally Sensitive Resources

See response to comment P5-21.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

(6)

P5-41 The proposed pipeline would come within close proximity to an historic Native American village once occupied by the ~~Chickasaw~~ creek (NHS) (NHP) tribe located upon my property. Several significant Native American artifacts have been found on my property along the proposed pipeline route.

(7)

I personally observed the archaeological and cultural resources survey team from Elba while they were on my property. No member of the survey team analyzed any soil outside of the survey center line, and no efforts were made to investigate known areas of Native American artifacts.

(8)

P5-42 I have personally observed several species of wildlife on my property, including deer, rabbits, squirrels, quail, doves, turkey and wood ducks. The Environmental Impact Statement ("EIS") for the proposed route does not consider the impact of the pipeline to these species as they exist on my property, including an important nesting and breeding area used by wood ducks, that would be adversely impacted by the proposed pipeline.

(9)

P5-43 The proposed pipeline would pass within approximately 150 yards of my residence, causing me to fear for the health and safety of myself, family, friends, and guests on my property. The EIS submitted by Elba III does not adequately address these fears or the adverse effects the proposed pipeline will have on my residence.

3090-002\ZMW\Blank\18327 wpd - 2 -

Responses to Letter P-5

P5-41 Landowner Intervenors Cultural resources

None of the archaeological sites identified within the survey corridor in Wilkes County, where this property is located, were recommended as eligible for the National Register of Historic Places (i.e, significant). The archaeological survey was conducted using methods and standards reviewed and approved by the GA SHPO and FERC.

P5-42 Landowner Intervenors Wildlife

See response to comment P5-31.

P5-43 Landowner Intervenors Pipeline safety

We note that the pipeline route would be located about 450 feet from this residence. See response to comment P5-23.

Letter P-5 Continued

20070525-5066 FERC PDF (Unofficial) 05/25/2007 05:56:45 PM

(10)

This Affidavit is given so that it may be used for any purpose allowed by law.

FURTHER AFFIANT SAITH NOT.

R. ALMOND STANDARD

Sworn to and subscribed before me
this 23 day of May, 2007

Notary Public [Affix Seal and
Expiration Date]

Exp Jan 17. 2010

3090-002\ZMW\Blank\18327 wpd

- 3 -

Responses to Letter P-5

Letter P-6

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Southern LNG, Inc.	Docket No. CP06-470-000
Elba Express Company, L.L.C.	Docket Nos. CP06-471-000 CP06-472-000 CP06-473-000
Southern Natural Gas Company	Docket No. CP06-474-000

SUPPLEMENTAL COMMENTS TO
DRAFT ENVIRONMENTAL IMPACT STATEMENT

COME NOW, Latha Anderson; Lincoln H. Bounds; Mark and Dena Daniel; Adelle G. Dehil; Dennis G. Dehil; Bob and Belle Guin; Kay Johnston; Charles McCann; Marion and Dorothy McHugh; Douglas M. Nelson; Carol Phillips; William W. Robinson; R. Almond Standard; Richard and Virginia Thomas; and Marcus O. Tucker ("Intervenors" or collectively as "Landowners for Economic and Environmental Protection" or "LEEP"), and file the Affidavit of Latha Anderson attached hereto as Exhibit A in Supplement to Intervenors' Comments to the Draft Environmental Impact Statement.

3090-002\KPS\Pleading\18512.wpd

Letter P-6 Continued

Respectfully submitted May 29, 2007.

/s/ F. Edwin Hallman, Jr.
F. EDWIN HALLMAN, JR.
State Bar of Georgia #319800

/s/ Richard A. Wingate
RICHARD A. WINGATE
State Bar of Georgia #770617

For DECKER, HALLMAN, BARBER & BRIGGS
Attorneys for Intervenors

260 Peachtree Street, N.W.
Suite 1700
Atlanta, Georgia 30303
(404) 522-1500

3090-002\KPS\Pleading\18512.wpd - 2 -

Letter P-6 Continued

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document on each person designated on the official service list compiled by the Secretary in this proceeding.

/s/ Richard A. Wingate
RICHARD A. WINGATE
State Bar of Georgia #770617

For DECKER, HALLMAN, BARBER & BRIGGS
Attorneys for Intervenors

260 Peachtree Street, N.W.
Suite 1700
Atlanta, Georgia 30303
(404) 522-1500

3090-002\KPS\Pleading\18512 wpd

- 3 -

Responses to Letter P-6

Letter P-6 Continued

AFFIDAVIT OF LATHA ANDERSON

Personally appeared before me the undersigned officer duly authorized by law to administer oaths, Latha Anderson, who, after being duly sworn, deposes and states as follows:

(1)

I am over the age of eighteen (18), suffer no disability, and have personal knowledge of the facts set forth herein.

(2)

I am a citizen and resident of the state of New York. My address is 120 N. Long Beach Avenue, Freeport, New York 11520.

(3)

I own approximately seventeen (17) acres of land in the vicinity of the proposed route for the Elba III natural gas pipeline.

(4)

I purchased this property and have owned it for approximately 17 years.

(5)

P6-1 To the best of my understanding, the route of the proposed pipeline will cross over and destroy various wetlands, a recreational pond, and several other environmentally sensitive areas on my property.

(6)

P6-2 I have personally observed several species of wildlife on my property, including deer, squirrels, rabbits, snakes, beaver, and several varieties of birds and fish. The Environmental Impact

3090-002\ZMW\Blank\18357 wpd

EXHIBIT A

Responses to Letter P-6

P6-1 Landowner Intervenors Wetlands, Ponds, Environmentally Sensitive Resources

See response to comment P5-21.

P6-2 Landowner Intervenors Wildlife

See response to comment P5-31.

Letter P-6 Continued

Statement ("EIS") for the proposed route does not consider the impact of the pipeline to these species as they exist my property.

(7)

In the very near future, I plan to retire and use the property for my permanent residence, provide beauty and tranquility and allowing me to enjoy the land in its natural state.

(8)

P6-3 The proposed pipeline would pass within close proximity to my residence on the property, causing me to fear for the health and safety of myself, family, friends, and guests on the property. The EIS submitted by Elba III does not adequately address these fears or the adverse effects the proposed pipeline will have on my residence.

(9)

This Affidavit is given so that it may be used for any purpose allowed by law.

FURTHER AFFIANT SAITH NOT.

LATHA ANDERSON

Sworn to and subscribed before me
this 28th day of May, 2007

Susan A. Farrell

Notary Public [Affix Seal and
Expiration Date]

SUSAN A. FARRELL
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01FA5046894
QUALIFIED IN NASSAU COUNTY
COMMISSION EXPIRED JULY 17, 2007

3090-002\ZMW\Blank\18357.wpd - 2 -

Responses to Letter P-6

P6-3 Landowner Intervenors Pipeline Safety

See response to comment P5-23. We note that commenter's residence is about 110 feet from the edge of the proposed construction work area and about 135 feet from the proposed pipeline centerline.

Based on an on-site meeting between EEC and this landowner's representative on June 12, 2007, EEC identified that adjustments to the proposed route on this property could be implemented to move the pipeline further away from the residence and possibly reduce the amount of wetland area disturbed.

Letter P-7

The following Letter P-7 presents a summary of comments extracted from the *Second Supplemental Comments to Draft Environmental Impact Statement* (Exhibit A) filed by Decker, Hallman, Barber & Briggs, Attorneys for Intervenors, on May 30, 2007. The full text of the exhibit is available in the public file on the FERC Internet website (http://www.ferc.gov) using the eLibrary link.

20070530-5035 FERC PDF (Unofficial) 05/30/2007 03:19:13 PM

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Southern LNG, Inc.	Docket No. CP06-470-000
Elba Express Company, L.L.C.	Docket Nos. CP06-471-000 CP06-472-000 CP06-473-000
Southern Natural Gas Company	Docket No. CP06-474-000

SECOND SUPPLEMENTAL COMMENTS TO
DRAFT ENVIRONMENTAL IMPACT STATEMENT

COME NOW, Latha Anderson; Lincoln H. Bounds; Adelle G. Dehil; Dennis G. Dehil; Bob and Belle Guin; Kay Johnston; Charles McCann; Marion and Dorothy McHugh; Douglas M. Nelson; Carol Phillips; William W. Robinson; R. Almond Standard; Richard and Virginia Thomas; and Marcus O. Tucker ("Intervenors" or collectively as "Landowners for Economic and Environmental Protection" or "LEEP"), and file herewith an electronic copy of Exhibit A to Intervenors' Comments to Draft Environmental Impact Statement previously filed on May 25, 2007. Intervenors' previous filing did not include an electronic copy of Exhibit A because the size was too large to be electronically filed. The attached Exhibit A is a duplicate of the hard copy filed with FERC by Federal Express on May 25, 2007, but has been condensed such that it meets the requirements for electronic filing.

Letter P-7 Continued

20070530-5035 FERC PDF (Unofficial) 05/30/2007 03:19:13 PM

Respectfully submitted May 30, 2007.

/s/ F. Edwin Hallman, Jr.
F. EDWIN HALLMAN, JR.
State Bar of Georgia #319800

/s/ Richard A. Wingate
RICHARD A. WINGATE
State Bar of Georgia #770617

For DECKER, HALLMAN, BARBER & BRIGGS
Attorneys for Intervenors

260 Peachtree Street, N.W.
Suite 1700
Atlanta, Georgia 30303
(404) 522-1500

Letter P-7 Continued

20070530-5035 FERC PDF (Unofficial) 05/30/2007 03:19:13 PM

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document on each person designated on the official service list compiled by the Secretary in this proceeding.

/s/ Richard A. Wingate
RICHARD A. WINGATE
State Bar of Georgia #770617

For DECKER, HALLMAN, BARBER & BRIGGS
Attorneys for Intervenors

260 Peachtree Street, N.W.
Suite 1700
Atlanta, Georgia 30303
(404) 522-1500

3090-002\KPS\Pleading\18537.wpd - 3 -

Responses to Letter P-7

Letter P-7 Continued

P7-1 The Elba Express Pipeline Project will result in the destruction of 440,000 mature trees. The Elba Express Pipeline Project will impact an area twice the size of Central Park.

Assuming 300 trees per acre (12 x 12 foot spacing) for forest land and 12 trees per acre for agricultural land, this will result in the destruction of 440,000 mature trees. However, the total number of trees lost including mature and new growth could be in excess of 1,000,000, with a total leaf area loss of approximately 557 million square feet. This loss of tree cover is not acceptable and will exacerbate environmental conditions locally and throughout the region. These conditions will cause degraded water supplies through increased erosion, expansion of summer heating and worsening of regional air pollution.

The Elba Express Pipeline Project bisects two increasingly rare contiguous forest ecosystems, causing irreparable habitat fragmentation and destroying the rural character of the area.

Responses to Letter P-7

P7-1 Landowner Intervenors Forested land

Comment noted. Survey results do not indicate the number of trees that would be impacted. Therefore, we can neither confirm nor deny this estimate. However, in section 4.5.1, we do discuss potential impacts on forested vegetation (including acreage) from construction and operation of the proposed Elba Express Pipeline. In section 4.2.2, we discuss EEC's Upland Erosion Control, Revegetation, and Maintenance Plan (Plan) that would be implemented during construction and operation, and potential air emissions from construction and operation of the pipeline facilities are presented in section 4.11.1.5.

We disagree with the assertion of "irreparable habitat fragmentation" and the destruction of the areas rural character. We address habitat fragmentation in section 4.6.1. Further, sections 4.8.1 and 4.8.6 discuss potential impacts on land use and visual resources from construction and operation of the pipeline.

Letter P-7 Continued

P7-2 The increased impermeability of the land caused by the construction of the Elba Express Pipeline Project will alter miles of natural streams and waterways. Construction of the Elba Express Pipeline will result in a wide swath of significant deforestation and permanent land impact, which will decrease the stormwater infiltration capacity on approximately 1,452 acres. The increased impermeability due to tree loss and soil compaction resulting from construction will harm miles of natural streams and waterways and produce the following continuing permanent significant economic and environmental impacts:

- Increased water treatment costs from pollutant loads.
- Increased water treatment costs from sedimentation.
- Decreased land availability from increases in downstream floodplain extents.
- Decreased water availability during critical summer months.
- Decreased biodiversity in streams with greater than 10% impacted area within watershed.

After construction of the pipeline, the highly compacted soils will prevent water from infiltrating to the groundwater table, prevent percolation, increase sheet flow, and diminish the storage of rainwater in the soils. This decline in storage causes a cascade of effects that will alter irreparably the natural ecosystems of the downstream water bodies. Temperature alterations from the lack of groundwater discharge will alter the biochemistry of the natural biotic environment and result in dramatic reductions in the number of different species (including fish) which such water bodies support. In addition, the biochemistry of a waterway is altered from increased run-off by reducing the ability to absorb excess nutrients (ammonia and phosphate), increased oil/grease and metals concentrations, and increased fecal coliform levels.

The Greenfield Pipeline Project for the Elba Express Pipeline will impact surface water runoff (sheet flow) and groundwater resources by the physical disturbance of runoff patterns and the installation of the pipeline, particularly along slopes. The DEIS is inadequate in that it does not address the following issues:

Responses to Letter P-7

P7-2 **Landowner Intervenors** **Water resources**

Comment noted. Section 4.3.3 presents our discussion of potential impacts on surface water (including streams and waterways) from construction and operation of the proposed Elba Express Pipeline. The discussion of these impacts includes the possibility of impervious soils and mitigation measures in EEC's Plan and Procedures to reduce those impacts.

Letter P-7 Continued

P7-2 Cont

- Disturbance of sheet flow runoff from rain events due to highly compacted surface soils as a result of pipeline construction;
- Groundwater or surface drainage flow interception by the pipeline trench;
- Flooding at low topographical points caused by groundwater mounding as a result of preferential flow along the pipeline; and,
- Disruption of surface water resources (streams and ponds).

The construction of the Elba Express Pipeline will require the excavation of a trench from 5 to 7 feet deep, shallower if rock is encountered and deeper if not. The pipeline trench may be backfilled with excavated soil, or backfill brought in including sand, gravel or other materials. The physical presence of the pipeline surrounded by granular backfill materials such as sand and gravel will create a preferential pathway for interception of surface water runoff or shallow groundwater. This will be exacerbated on side slopes and at low points along the pipeline. The concern is that sheet flow will be diverted from entering the surface stream and ponds, flowing instead along the buried pipeline trench. The water will then gather at the low points along the pipeline route creating flooding conditions.

The DEIS states on page 2-20 that sand bags or foam-type trench breakers would be placed across the trench to minimize subsurface water flow. However, the use of these measures will only protect the pipeline from washout and will not address the larger problem of permanent impacts to surface water flow and groundwater flow along the pipeline.

The increased erosion caused by the construction of the Elba Express Pipeline Greenfield Pipeline Project will result in tons of additional sediment in area lakes and streams.

Responses to Letter P-7

Comment noted. In Section 4.3.1, we discuss potential impacts to groundwater resources from construction and operation of the proposed Elba Express Pipeline. Sand bags or foam-type trench breakers act to force any water flowing along the pipeline trench to the surface where it can be directed away from the ROW and onto adjacent well-vegetated areas.

Comment noted. In section 4.2.2, we discuss EEC's Plan that would be implemented to protect surface water quality during construction and operation of the proposed pipeline. This Plan, properly implemented, would effectively limit sediment mobilization and avoid the prediction envisioned by the comment.

Letter P-7 Continued

P7-3 The Elba Express Greenfield Pipeline Project will encroach within 50 feet of 8 residences as noted in the DEIS. Mitigation measures proposed in the DEIS are inadequate to address the construction and operation of the Elba Express Pipeline within 50 feet of 8 residences as noted in Table ES-1 of the DEIS. The factors of particular concern include the following:

- Blasting is planned for construction in rock zones;
- Noise, dust, impacted runoff and other nuisance issues during construction;
- Impacts to property views due to loss of trees;
- Impacts to property views due to presence of ROW;
- Permanent loss of property value;
- Soil compaction during construction limits restoration of vegetation; and,
- Nuisance vegetation becomes established along restored areas.

Responses to Letter P-7

P7-3 Landowner Intervenors Land use

Comment noted. EEC has prepared a Blasting Specification Plan, which we have recommended be modified prior to any blasting to include a pre-blast survey assessment of structures, wells, and utilities within 150 feet of the proposed construction ROW. If blasting is conducted in the immediate vicinity of any residences and property owners identify any damage or change to the properties, or if excessive peak particle velocities have been recorded during the blasting operations, EEC would complete follow-up surveys of the potentially impacted property. Mitigation (damage payments or repairs) would depend on the nature of the damage identified.

Nuisance impacts (dust, noise, etc.) would be limited to the period of construction and would be considered short-term. Mitigation strategies such as watering the ROW are already proposed and others will likely be a topic of discussion during easement negotiations.

We discuss visual impact in section 4.8.6, and property value issues in section 4.8.2 (see also response to comment P2-2). EEC would monitor revegetation of all disturbed areas following construction and continue revegetation efforts until revegetation was successful. Revegetation is considered successful when the density and cover of non-nuisance vegetation on the ROW is similar to that found on adjacent undisturbed areas. Implementation of EEC's Plan makes the establishment of nuisance vegetation unlikely.

Soil compaction has been addressed in response to comment P7-2.

Letter P-7 Continued

P7-4 The Pipeline Project for the Elba Express Pipeline will eliminate or bisect approximately 236 acres of wetlands during construction and 119 acres permanently during operation. The DEIS recognizes that the wetlands will be impacted temporarily during construction, but states that the wetlands will not be permanently affected because they will self-restore. Elba does not plan to restore destroyed wetlands other than to restore the pre-construction topographical and hydrological patterns and allow the wetlands to re-vegetate from existing seeds and roots.

Contrary to Elba's assertions, there is no evidence that the wetlands destroyed by the Pipeline Project will actually self-restore as proposed in the DEIS. Given the importance of wetlands in improving water quality and providing unique wildlife habitat, this self restore plan is inadequate for the following reasons:

- Disturbance of unique hydric soils will not allow vegetation to grow;
- Rain events will erode top soils and seeds impeding restoration; and,
- Significant erosion and degradation of hydric soils will occur during the 3 year timeframe allotted for self restoration of wetlands.

Responses to Letter P-7

P7-4 Landowner Intervenors Wetlands

Comment noted. In Section 4.4.1 we discuss potential impacts to wetlands from construction and operation of the proposed Elba Express Pipeline.

In Section 4.4.2 we discuss measures to mitigate potential wetland impacts from construction of the proposed Elba Express Pipeline. In section 4.4.2, we discuss measures to mitigate potential wetland impacts from construction of the proposed Elba Express Pipeline. The COE has indicated that planting may not be necessary in emergent wetlands because topsoil restoration would protect the existing seed bank. However, where forested wetlands would be converted to emergent wetland vegetation, the necessary emergent seed bank may not be present in the existing topsoil. Additionally, the COE indicated that it may require planting in forested wetlands that would be allowed to return to preconstruction conditions. Further, EEC's Procedures require post-construction monitoring to ensure the success of wetland revegetation. We have stated that EEC would comply with federal and state permit requirements regarding wetland restoration and mitigation. EEC would be required to abide by any conditions in the COE and state permits regarding construction, restoration, revegetation, and maintenance of the proposed pipeline.

Letter P-7 Continued

P7-5 The risk of fire and explosion due to the construction of the Elba Express through the Pipeline Project is significant as a result of the following:

- Lack of maintenance;
- Unseen pipe damage during construction;
- Incorrect location mapping in the as-built drawings;
- The inability of local volunteer fire departments to respond to fire or explosion of the 36 inch high pressure LNG pipeline; and,
- Creation of additional areas which will be subject to explosion from terrorist attack.

Natural gas pipelines are far from foolproof, and represent a significant risk of fire and explosion. Accidents involving pipelines occur and result in huge fires and explosions, often with deadly results. Most of the areas crossed by Pipeline Project are protected only by volunteer fire departments, which are under staffed and under equipped to address a pipeline fire that would result from a 36 inch high pressure LNG pipeline fire.

Responses to Letter P-7

P7-5 **Landowner Intervenors** **Pipeline safety**

Comment noted. In sections 4.12.8, 4.12.9, and 4.12.10, we discuss in detail pipeline safety standards, pipeline accident data, and impact on public safety. Specifically, the available data show that natural gas pipelines continue to be a safe, reliable means of energy transportation. Based on approximately 301,000 miles in service, the rate of public fatalities for the nationwide mix of transmission and gathering line in service is 0.01 per year per 1,000 miles of pipeline. Using this rate, EEC's pipeline might result in a public fatality every 532 plus years. This would represent only a slight increase in risk to the nearby public. We have revised the text in section 4.12.10.

Letter P-7 Continued

P7-6 The Elba Express Pipeline Greenfield Condemnation Corridor will impact 295 cultural resource sites.

An example of one of these 295 sites that will be an impacted cultural resource area is property owned by Mr. Almond Standard. Mr. Standard's property has produced multiple artifacts, including Indian pottery, shards, arrowheads, tools and games. The Pipeline Project will cross directly through the hay field and surrounding wooded areas which contain these artifacts.

Responses to Letter P-7

P7-6 Landowner Intervenors Cultural resources

Though 295 cultural resources were identified, 281 were determined not eligible for the National Register of Historic Places. Impacts to non-eligible sites require no further consideration under the National Historic Preservation Act. The remaining resources would be avoided or further evaluated, and for any resource determined eligible for the National Register of Historic Places that could not be avoided, any impacts would be mitigated through data recovery.

None of the archaeological sites identified within the survey corridor in Wilkes County, where Mr. Standard's property is located, were recommended as National Register of Historic Places-eligible. Impacts to non-eligible sites require no further consideration under the NHPA.

Letter P-7 Continued

P7-7 There is no justification in the Project Purpose and Need for FERC's and Elba's assumption that the proposed pipeline must interconnect with the existing Transco Pipeline on both sides of the Savannah River to "provide an incremental source of, and the transportation infrastructure required to deliver, firm, long-term, and competitively priced natural gas to the Georgia and South Carolina interstate natural gas markets, and other markets in the southeastern and eastern United States." Therefore this assumption is unfounded and is an arbitrary and capricious basis for pipeline route selection that will admittedly destroy a large area of pristine historically significant Greenfield property.

P7-8 The alternative routes mentioned have been grossly manipulated and misrepresented to justify FERC's flawed presumptions that the Pipeline Project should be chosen. The DEIS identifies two alternate routes for the Northern Segment as discussed in Section 3.3.2.2. that use existing ROW for the Northern Segment in order to reach the Transco pipeline.

Responses to Letter P-7

P7-7 Landowner Intervenors Project purpose and need

We have revised the discussion presented in section 1.1 (Project Purpose and Need) to clarify that two new interconnections with Transco's system at (1) the end of its Zone 4 and (2) the beginning of its Zone 5 (the west and east sides of the Savannah River, respectively) are one of the projects specific objectives and therefore part of the proposed action, as was clearly indicated on page 1-1 of the draft EIS.

Connection to Transco's system on both sides of the Savannah River (i.e., the end of Transco Zone 4 and the beginning of Transco Zone 5) is, in fact, pivotal to providing "competitively priced natural gas to the Georgia and South Carolina interstate natural gas markets".

P7-8 Landowner Intervenors Alternatives

See response to comment P7-7. As discussed in section 3.3.2.2, Major Route Alternatives A and B were found to require substantially more environmental disturbance than that associated with the proposed route between the Wrens Compressor Station and the proposed interconnections with Transco's Zones 4 and 5. Because they provided no environmental benefit when compared to the proposed route, they were eliminated from further consideration. The respective acreages of disturbance for the proposed and alternative routes are presented in table 3.3-1.

Letter P-7 Continued

P7-9 The Pipeline Project will bisect two increasingly rare contiguous forest ecosystems, causing irreparable habitat fragmentation and destroying the rural character of the area. The impacted contiguous forest land in this contiguous tract will total approximately 8,700 acres.

From an environmental resource standpoint, bisection of these ecosystems will cause irreparable habitat fragmentation, having a disproportional (relative to the actual land directly altered) impact on bird, animal, and fish habitats that are currently rapidly diminishing across north Georgia

To assess the disruption to the ecosystem, the 2002 and 2003 aerial photographs were utilized to identify contiguous forest ecosystems located along the Elba Express Pipeline.

A contiguous forest ecosystem provides greater benefits to the human population within and around the system than would be provided by equivalent areas broken into small, disconnected segments. These benefits derive from the greatly improved buffering of noise, air pollution, stormwater flooding and water quality.

These ecosystems, in addition to the direct benefits of buffering environmental impacts, provide a significant aesthetic value. The residents of Wilkes County, for example, reside in the County due to its rural characteristics and forested lands. Large tracts of contiguous forest land provide immeasurable value to the residents, by preserving a rural character and various habitats of the area.

Responses to Letter P-7

P7-9 Landowner Intervenors Habitat fragmentation

Comment noted. See response to comment P7-1.

Letter P-7 Continued

P7-10 The Elba Express Pipeline Pipeline Project will disturb approximately 843 acres of soil with significant inherent limitations for restoration according to the DEIS. During construction, up to 1,067 acres of land will be irreparably disturbed and damaged. Applying Natural Resource Conservation Service (NRCS) formulas, approximately 587,000 tons of soil will be lost within one year due to erosion from soils with significant inherent limitations for restoration. Erosion controls may reduce the amount of sediment deposited into area streams by 65% to approximately 200,000 tons per year. For comparison purposes, 10,000 dump trucks would be required to move 200,000 tons of sediment. Given the close proximity of the Pipeline Project to the sensitive water resources of the Savannah River basin, this is an unacceptable volume of additional sediment deposition.

The DEIS states that 843 acres of soils with low revegetation potential or significant inherent limitations for restoration will be disturbed during construction.

Since the late 1940's, the NRCS has used the Musgrave Equation to compute the amount of erosion occurring in a watershed. Additional research on erosion has resulted in the development of the Universal Soil-Loss Equation (USLE) by the Agricultural Research Service (ARS) in cooperation with the NRCS and certain state experiment stations. Based on the information compiled from the referenced material, the approximate soil loss per year of construction was calculated to be 587,000 tons.

Responses to Letter P-7

P7-10 Landowner Intervenors Soils

We disagree with the characterization that any land disturbed by construction of the proposed project would be "irreparably" damaged. We discuss these soils in section 4.2.3, Revegetation. As a point of clarification, of the approximately 843 acres of soils with low revegetation potential affected by the Elba Express Pipeline, only about 165 acres are located between mileposts 114.8 and 187.9 (the "Northern Segment") per the distribution of these soils listed in table 4.2.1-1. We believe EEC's use of seed mix and fertilizer/lime applications described in EEC's Plan in conjunction with NRCS critical area planting for Georgia and South Carolina would result in successful revegetation to preconstruction conditions, and minimize potential erosion of soils with low revegetation potential affected by pipeline construction.

Letter P-7 Continued

P7-11 Elbert County, Georgia contains one of the richest natural deposits of granite in the world. Elberton's more than 45 quarries produce more granite monuments than any other area of Georgia. It is unquestioned that extensive blasting will be required to construct the pipeline in Elbert County. Blasting during construction will damage buildings close to the ROW and will impact the natural habitats of livestock and wildlife.

Responses to Letter P-7

P7-11 Landowner Intervenors **Geology**

It is unlikely that blasting will damage buildings in proximity to construction areas. To avoid or mitigate any impacts from blasting, EEC has developed a Blasting Specification Plan. This plan includes the measurement of peak particle velocity (ground vibration from the blasting), which would be used by the licensed blasting contractor to verify that vibrations are limited to levels that would not damage structures or initiate instability of slopes. Pre- and post-blast surveys of structures, wells, and utilities within 150 feet of the ROW provide property owners and ECC the necessary documentation to identify and repair damage to any impacted property. Wildlife habitat restoration is the same for both blasting and non-blasting areas.

Letter P-7 Continued

P7-12 Section 4.12.7 of the DEIS states that existing and proposed security measures discussed in this section make significant impacts to human life and property from a terrorist attack unlikely. There is no cited reference, report or data to support this unfounded conclusion.

Responses to Letter P-7

P7-12 Landowner Intervenors Security

The statement cited refers to the Elba Island Import Terminal.

The security measures to be implemented are generalized in section 4.12.4 of the EIS. Details regarding these measures are not made available to the public due to their sensitive nature.

The Coast Guard, with input from various port stakeholders including the Savannah Pilots Association, the Savannah Maritime Association, towing industry representatives, emergency service agencies, waterfront facilities, and select members of the Area Maritime Security Committee, completed a review of Southern LNG's Waterway Suitability Assessment, submitted in January 2006, in accordance with guidance promulgated in Coast Guard Navigation and Vessel Inspection Circular 05-05. Their review focused on the security risks posed by LNG marine traffic, and the capability of the port community to implement the risk management measures necessary to responsibly manage the risks of LNG marine traffic in the Port of Savannah. As a result of this review, the Coast Guard has made a preliminary determination that the Savannah River, based on existing measures and additional conditions, is suitable for the larger LNG carriers and the increase in LNG marine traffic associated with this proposed expansion. The Coast Guard letter also stated that, based on certain conditions for suitability, the Port of Savannah's experience with LNG import and the cooperative relationship between government agencies and port stakeholders, there would be sufficient capability within the port community to responsibly manage the safety and security risks introduced by this expansion project.

Section 4.12.4.5 includes information resulting from the Coast Guard's security assessment. In addition, the security measures outlined in the letter to FERC will be incorporated into the detailed Savannah Area LNG Vessel Management and Emergency Plan, which would be become the basis for appropriate security measures for each Maritime Security threat level. This plan would clearly spell out roles, responsibilities and specific procedures for an LNG carrier transiting the Savannah River to the Elba Island LNG terminal, as well as for all agencies involved in implementing security and safety during the operation.

In addition, Southern LNG provides security for the Terminal in cooperation with other federal, state, and local agencies, according to the Facility Security Plan that must be prepared under 33 CFR 105. This plan and any modifications to this plan resulting from the proposed expansion would need to be approved by the Coast Guard Captain of the Port.