UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

Nathaniel J. Davis, Sr., Deputy Secretary
Federal Energy Regulatory Commission
888 First Street NE, Room 1A
Washington, DC 20426

JUN 2 7 2016

Re: Atlantic Sunrise Project Draft Environmental Impact Statement; Pennsylvania, Maryland, Virginia, North Carolina and South Carolina; May 2016 (FERC Docket No. CP15-138; CEQ# 2016-11223)

Dear Deputy Secretary Davis:

In accordance with the National Environmental Policy Act (NEPA) of 1969, Section 309 of the Clean Air Act and the Council on Environmental Quality (CEQ) regulations implementing NEPA (40 CFR 1500-1508), the U.S. Environmental Protection Agency (EPA) has reviewed the Draft Environmental Impact Statement (DEIS) for Transcontinental Gas Pipe Line Company, LLC's (Transco or the applicant) Atlantic Sunrise Project. The DEIS has been prepared by the Federal Energy Regulatory Commission (FERC) tasked with approving certificates for interstate natural gas pipeline facilities. Additionally, EPA is concurrently reviewing the Clean Water Act Section 404 Public Notice (PN) issued by the U.S. Army Corps of Engineers (Corps or USACE) Baltimore District, a cooperating agency on the DEIS, and will also be providing comments on the proposed project in response to the PN.

Transco proposes to construct and operate an expansion of its existing natural gas transmission system in Pennsylvania, Virginia, Maryland, North Carolina, and South Carolina. Transco's project purpose is to provide an incremental 1.7 million dekatherms per day (MMDth/d) of year-round firm transportation capacity from the Marcellus Shale production area in northern PA to Transco's existing market areas, extending to the Station 85 Pooling Point in Choctaw County, Alabama. The EIS will not determine whether the need for the Project exists, as this will be determined by the Commission later; however the purpose of NEPA is informed decision making, using relevant information and public engagement in the process, which could be compromised by deferring this analysis.

The Atlantic Sunrise project, in the alignment of Transco's preferred alternative, includes the construction and operation of 197.7 miles of pipeline to provide ability to transport 1.7 MMDth/d natural gas. Atlantic Sunrise is proposed to be collocated for 54.6 miles (28 percent) with or adjacent to existing pipelines and/or electric transmission utility rights-of-way. The

majority of the line is new 30 inch and 42 inch natural gas pipeline. Atlantic Sunrise also proposes the construction and operation of two new compressor stations in Wyoming and Columbia Counties, PA, and modification to three existing compressor stations in Columbia and Lycoming Counties, PA and Howard County, MD. Minor modifications at existing aboveground facilities at various locations in Pennsylvania, North Carolina, South Carolina, and Virginia to allow for bi-directional flow and the installation of supplemental odorization, odor detection, and/or odor masking/deodorization equipment are also proposed.

The DEIS presented alternatives beyond the applicant's preferred alternative, including the no-action alternative, two system alternatives, three major route alternatives, other minor route modifications and variations, and aboveground facility site alternatives. FERC has recommended that several minor modifications be incorporated beyond those that were incorporated by Transco. Beyond these minor modifications, all other system and major route alternatives were dismissed. Only the applicant's preferred alternative was carried forward for detailed analysis in the DEIS. It is not clear if there are additional route modifications that could be made to the applicant's alternative which may reduce adverse environmental impacts.

The alternatives analysis presented in the DEIS seems to include reasonable alternatives which were not carried forward for detailed consideration. Based on the information provided in the study, EPA recommends two system alternatives be retained for further detailed study, including the Transco system alternative, which is collocated for 91% of its route, and the expanded PennEast alternative, which would expand the 111 mile PennEast pipeline by 80 miles and eliminate the need for the Atlantic Sunrise pipeline. EPA recommends FERC fully consider these two alternatives and include the analysis in the EIS. These two alternatives appear to have the potential to meet the project purpose and need while minimizing adverse environmental impacts. Without additional analysis of alternatives, it is not clear that the preferred alternative is the only one to meet the stated purpose and need.

EPA is concerned by the statement in the EIS that project need will not be vetted in the EIS, but outside of the NEPA process by FERC. The purpose and need is the basis for the alternatives analysis and is the foundation for the analysis under NEPA. Assessing the need and a full suite of alternatives is a critical component of the NEPA process, and a component in which the public has shown great interest as well as concern. We recommend FERC provide transparency in the decision-making process and include as much of this information within the NEPA document for full disclosure to the public and afford the public the opportunity to provide comment.

EPA is concerned about the amount of detailed information that has yet to be filed and is not evaluated in the DEIS. This includes surveys for land, rare species, historic resources, water supplies, air modeling, mitigation measures to manage and dispose of contaminated groundwater, proposed mitigation measures for source water protection areas, geotechnical feasibility studies for HDD crossing locations and mitigation measures to minimize drilling risks, and a detailed aquatic resource compensatory mitigation plan. This information is relevant and critical to evaluation of potential impacts. EPA is concerned that a fully informed decision may not be made without this information. EPA is interested in discussing with FERC when and how this information will be assessed and disclosed to the public.

EPA is concerned about direct, secondary and cumulative impacts to aquatic resources, groundwater, and water quality. Aquatic resources have the potential to be impacted by many activities, including waterbody crossings, clearing, blasting, and water withdraws for hydrostatic testing. Some of the resources within the project are high quality and sensitive resources, including Exceptional Value (EV) and trout streams. The full assessment of these simultaneously occurring impacts to resources needs to be conducted. With the potential for complex impacts to occur, such as changes in recharge patterns and flow status, additional avoidance and minimization measures may be necessary to protect the aquatic ecosystem. Additional comments on aquatic resources can be found within the enclosures to this document.

The EIS reports that a total of 50.4 acres of wetlands would be either crossed by the Project, affected by temporary extra workspaces, or located within the construction right-of-way. The Project would involve 331 waterbody crossings. EPA believes additional information on aquatic resources should be included in the EIS, including impact breakdowns and compensatory mitigation concepts, which are provided in the Corps' PN, detailed stream and wetland assessment data on the quality or functions of the systems, and detailed, or at a minimum conceptual, compensatory mitigation plans. Additionally, as part of the Section 404, CWA permit process, a detailed compensatory mitigation needs to be prepared and submitted. Without more detailed information it is uncertain if the proposed mitigation will compensate for the functions lost.

Large impacts to terrestrial resources, including forest and forest interior dwelling species (FIDS) habitat, are also of concern to EPA. Construction of the Project would disturb about 3,905.8 acres of land, including pipeline facilities, aboveground facilities, pipe yards, contractor yards, and staging areas, temporary and permanent construction access roads, and right of way. Permanent operations would require about 1,208.3 acres of the 3,905.8 acres of construction lands. The Project would cross 45 interior forests along CPL North and South and would affect 270.4 acres of interior forest habitat during construction. About 118.9 acres of the affected interior forest would be permanently eliminated due to Transco's maintenance of the right-of-way during operation of the pipeline facilities. Using the distance of 30 feet from the edges of newly created edge habitat into interior forest, the DEIS estimates that 1,993.8 acres of interior forest would be indirectly impacted. This may be an underestimation of indirect interior forest impacts, as the use of only a 30 foot buffer is not supported or documented in the EIS. Mitigation should address the loss of mature forest and FIDS, which may take decades to replace.

EPA acknowledges that the DEIS cumulative impact analysis included natural gas infrastructure, including gathering lines, FERC-jurisdictional natural gas transmission projects, and natural gas wells. Consideration of natural gas production, transmission and use could be expanded in the analysis to provide a more comprehensive understanding of impacts. It is recommended that FERC actively seek to unravel and describe the highly complicated, inter-related network of pipelines. This is important for public understanding and also a step toward identifying cumulative impacts from combinations of past, present and reasonably foreseeable infrastructure and non-infrastructure activities. Please consider our detailed comments regarding cumulative impacts presented in enclosure to this document.

EPA is concerned that the selection of the current preferred alternative may result in significant adverse environmental impacts. EPA recommends that available systems alternatives be retained for detailed study. EPA also recommends that the information not currently included in the DEIS be disseminated and appropriately evaluated with the resource agencies and public stakeholder participation prior to the issuance of any certificates by FERC. EPA is interested in discussing with FERC the most appropriate way for system alternatives and other information to be considered and included for public information and agency consideration, which may possibly be accomplished through the use of a revised DEIS.

Based on our review of the DEIS and the amount of detailed information which has not been included or completed, EPA has rated the environmental impacts associated with all of the action alternative corridors as Environmental Concerns ("EC") and the adequacy of the impact statement as "2" (Insufficient Information). This rating is due to the direct, indirect and cumulative impacts of the proposed corridors on terrestrial resources, including interior forests, aquatic resources, rare, threatened and endangered species. EPA recommends additional alternatives be explored to help further reduce impacts to resources resulting from the proposed action. Details on the basis for this rating are contained in the remainder of this letter. A description of our rating system can be found at: www.epa.gov/compliance/nepa/comments/ratings.html.

Please consider the issues, questions and comments included in this letter and enclosure. We recognize the complexity of the analysis needed and difficulty in balancing impacts to natural resources, farmland and communities for any build alternative. We would appreciate the opportunity to discuss the comments provided here, at your convenience. Thank you for allowing EPA with the opportunity to review and comment on the Atlantic Sunrise DEIS. If you have questions regarding these comments, the contact for this project is Ms. Alaina McCurdy; she can be reached at (215) 814-2741 or mccurdy.alaina@epa.gov.

Sincerely,

Jeffery D. Lapp
Associate Director
Office of Environmental Programs

Enclosure (1) Narrative Technical Comments
(2) Detailed Technical Comments