



Federal Energy Regulatory Commission Office of Energy Projects

PRE-FILING REVIEW for the KENTUCKY ENERGY HUB PROJECT Docket No. PF08-1-000

The Project: Kentucky Energy Hub Project

Orbit Gas Storage, Inc. (Orbit) is planning to construct, own, and operate a new natural gas storage facility in Hopkins County, Kentucky. The facility would supply approximately 5 billion cubic feet of working gas storage capacity and up to 100 million standard cubic feet per day of injection and withdrawal capacity. The project would interconnect with the existing ANR Pipeline Company (ANR) pipeline system and be capable of transporting natural gas to the nearby interstate pipeline grid, providing service to the Southern, Midwestern, and Northeastern regions of the U.S.

Storage Facilities

The project would convert an existing depleted natural gas production reservoir to a gas storage facility. Orbit would install new storage wells, well lines, flow meters, and well-head control devices. An 8.6-mile-long, 16-inch-diameter, gathering pipeline would connect the storage field facilities to a new compressor station.

Compression Facilities

Orbit would construct a new 5,400-horsepower compressor station approximately 4 miles west of the storage facility to accomplish the injection and withdrawal of natural gas to and from the new storage facility.

Transmission Facilities

Finally, Orbit would construct a 13.3-mile-long, 24-inch-diameter natural gas pipeline from the proposed compressor station northwest to the ANR mainline, west of Rabbit Ridge, Kentucky. The pipeline would also involve construction of a meter station and pig launcher and receiver.

The Federal Energy Regulatory Commission (FERC or Commission) is the federal agency charged by Congress with determining whether interstate natural gas projects, such as the Kentucky Energy Hub Project, are in the public convenience and necessity. The information below explains the FERC's "pre-filing" environmental review process for the project and how you can get involved early in the process.

The Process: A "Pre-Filing" Environmental Review Has Begun

The FERC is the lead federal agency responsible for conducting the environmental review of interstate natural gas projects in compliance with the National Environmental Policy Act (NEPA). The FERC (and others) will use the resulting documentation to consider the environmental impact that could result if it issues Orbit a Certificate of Public Convenience and Necessity under Section 7 of the Natural Gas Act. The FERC will be inviting other agencies with jurisdiction or other permitting authority, or special expertise with respect to environmental issues to participate as cooperating agencies in the preparation of the NEPA document.

The Kentucky Energy Hub Project is in the preliminary planning phase – the precise facility design and other details have not yet been finalized, and a formal application has not been filed with the FERC.

However, at the request of Orbit, the FERC staff has begun its environmental review of the project in accordance with the FERC's Pre-Filing Process, which enables the review of a project to begin before a formal application is filed with the FERC. The purpose of the Pre-Filing Process is to seek public and agency input early in the project planning phase and facilitate involvement by interested stakeholders in a manner

that allows for the early identification and resolution of environmental issues.

The FERC staff will be discussing the project with Orbit, other agencies, and interested stakeholders to identify issues and concerns. In early January, FERC representatives will participate in a public open house sponsored by Orbit in the project area to explain the environmental review process to interested stakeholders. The FERC staff will also issue a *Notice of Intent to Prepare and Environmental Assessment for the Proposed Kentucky Energy Hub Project* (NOI). This notice will be mailed to affected landowners within the project area, jurisdictional agencies, citizen groups, governmental entities, Native American tribes, local libraries and newspapers, and other interested parties. The FERC staff will work with these parties to identify

and attempt to resolve environmental issues before the time when Orbit files its formal application with the FERC.

In the NOI, the FERC will request comments on the planned project and identify the duration of the public scoping period, as well as the dates, times, and location of any public scoping meetings that would be held in the project area. Public meetings or site visits will also be posted on the FERC's calendar located at <http://www.ferc.gov/EventCalendar/EventsList.aspx> along with other related information.

You can make a difference by providing the FERC with your specific comments or concerns about the project during the public input opportunities.

Your Input is Valued

Early involvement by you and others will help the FERC staff evaluate the project's potential impact on the environment. Please help this process work by providing the FERC with written comments and concerns about the potential environmental impacts of the Kentucky Energy Hub Project. You can also contact Orbit directly with your specific comments or concerns about the project so that it can consider potential effects at specific locations and how its design may be adjusted to avoid or minimize impact.

Your comments will be most useful if they focus on the potential environmental affects of the planned project, alternatives to the project (including alternative configurations, locations, and routes), and measures to avoid or lessen environmental impact. The more specific your comments, the more useful they will be.

Comments that you submit to the FERC during the Pre-Filing Process will be part of the public record and will not need to be resubmitted after Orbit files its formal application with the FERC.

The Outcome: An Environmental Assessment

NEPA requires the FERC to consider environmental impacts that could result before deciding if a project is in the public convenience and necessity. After Orbit files its formal application with the FERC, the staff will take the comments received during our Pre-Filing Review Process and address them in an environmental assessment (EA). The EA will describe the proposed project and alternatives, existing environmental conditions, and the potential impacts from the project.

The EA will also describe what mitigation measures, construction procedures, and routing could be included in the project to avoid or reduce impacts. Once the EA is issued, it will be mailed to all interested stakeholders. Everyone will have 30 days to review and comment on the document. FERC staff will respond to all comments received on the EA, and present its findings and recommendations to the Commission.

How to See What Else Is Filed with the FERC

To see what information has been filed with the FERC regarding the project, go to the FERC website at <http://www.ferc.gov> and use the "eLibrary" link. Select "General Search" from the eLibrary menu and enter the Docket Number PF08-1 (note that the "000" at the end of the number is omitted). Be sure that you have selected an appropriate date range and follow the instructions.

telephone helpline at 1-866-208-3676 (TTY 202-502-8659).

In addition, the FERC now offers a free service called eSubscription that allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. To register for this service, go to <http://www.ferc.gov/esubscribenow.htm>.

For assistance with access to eLibrary, e-mail FERCOnlineSupport@ferc.gov, or call the FERC

How to Share Your Comments and Concerns with the FERC

By mail or a private mailing service

Please send an original and two copies of your letter to:

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

Reference **Docket No. PF08-1-000** on the original and both copies, and label one copy of your comments for the attention of **OEP/DG2E/Gas Branch 1, PJ-11.1**.

Electronically

Comments may be submitted to the FERC via the Internet through our website at <http://www.ferc.gov>. In the Documents and Filing Section of the FERC homepage, follow the instructions under the "eFiling" link. Before you can submit comments you will need to create an account by clicking on "Sign-up" under "New User?" The system will ask you to select the type of submission you are making; and comments on the project are considered a "Comment on Filing." **Electronic filing is strongly encouraged.**

How to Contact Orbit

To request additional information on the project or to provide comments directly to Orbit, please contact:

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In addition, Orbit will be setting-up a publicly available website for this project that will include pertinent information on the status of the project, a list of public repositories where project information will be available for inspection, responses to frequently asked questions, and other appropriate project related information. Orbit anticipates that this site will be available in 2008.