

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Orbit Gas Storage, Inc.

Docket No. PF08-1-000

NOTICE OF INTENT TO PREPARE AN
ENVIRONMENTAL ASSESSMENT FOR THE PROPOSED
KENTUCKY ENERGY HUB PROJECT,
REQUEST FOR COMMENTS ON ENVIRONMENTAL ISSUES, AND NOTICE OF
PUBLIC SCOPING MEETING

(January 7, 2008)

The staff of the Federal Energy Regulatory Commission (FERC or Commission) will prepare an environmental assessment (EA) that will discuss the environmental impacts of the proposed Kentucky Energy Hub Project, which involves construction and operation of natural gas storage facilities in Hopkins County, Kentucky. This notice announces the opening of the scoping period that will be used to gather environmental input from the public and interested agencies on the project. Your input will help the Commission staff determine which issues need to be evaluated in the EA. Please note that the scoping period will close on **February 6, 2008**.

Comments may be submitted in written form or verbally. Further details on how to submit written comments are provided in the Public Participation portion of this notice. In addition to or in lieu of sending written comments, we invite you to attend the public scoping meeting at the location listed below.

Date and Time	Location
Wednesday, January 30, 2008 7 – 10 p.m.	Madisonville Technology Economic Center 755 Industrial Road Madisonville, KY 42431

Public scoping meetings are designed to provide state and local agencies, interested groups, affected landowners, and the general public with another opportunity to offer comments on the project. Interested groups and individuals are encouraged to attend the meeting and to present comments on the environmental issues they believe should be addressed in the EA.

If you are a landowner receiving this notice, you may be contacted by a pipeline company representative about the acquisition of an easement to construct, operate, and maintain the proposed facilities. Orbit Gas Storage, Inc. (Orbit) would seek to negotiate a mutually acceptable agreement. However, if the project is approved by the Commission, that approval conveys with it the right of eminent domain. Therefore, if easement negotiations fail to produce an agreement, Orbit could initiate condemnation proceedings in accordance with state law.

This notice is being sent to affected landowners; federal, state, and local government representatives and agencies; elected officials; Native American tribes; other interested parties; and local libraries and newspapers. State and local government representatives are asked to notify their constituents of this proposed project and to encourage them to comment on their areas of concern.

A fact sheet prepared by the FERC entitled "An Interstate Natural Gas Facility On My Land? What Do I Need To Know?" addresses a number of typically asked questions, including the use of eminent domain and how to participate in the Commission's proceedings. It is available for viewing on the FERC Internet website (www.ferc.gov).

Summary of the Proposed Project

Orbit seeks authorization to construct a new natural gas storage facility in Hopkins County, Kentucky. The Kentucky Energy Hub Project would consist of developing a 5 billion-cubic-foot storage cavern from a depleted production reservoir; 10 new gas storage wells on 3 new well pads; a new 5,400-horsepower compressor station; an 8.6-mile-long, 16-inch-diameter gathering pipeline; a 13.3-mile-long, 24-inch diameter pipeline; and a new meter station. The proposed project would connect with an existing ANR Pipeline Company pipeline system near Rabbit Ridge, Kentucky.

The general location of the proposed storage field expansion is shown in Appendix 1¹.

Land Requirements for Construction

¹The appendices referenced in this notice are not being printed in the Federal Register. Copies are available on the Commission's Internet website (www.ferc.gov) at the "eLibrary" link or from the Commission's Public Reference Room at (202) 502-8371. For instructions on connecting to eLibrary, refer to the "Additional Information" section at the end of this notice. Copies of the appendices were sent to all those receiving this notice in the mail. Requests for detailed maps of the well locations and other proposed facilities should be made directly to Orbit.

Construction of the proposed project would affect a total of about 246 acres during construction. Following construction, about 134 acres would be allowed to revert to its previous conditions. Disturbance associated with aboveground facilities would permanently impact approximately 45 acres of land. The compressor station would require about 25 acres and the three well pads would require about 5, 7, and 8 acres of disturbance. Orbit would seek a 75-foot-wide construction right-of-way for the pipelines, and it would maintain a 30-foot-wide permanent right-of-way for operation of the pipelines.

The EA Process

We² are preparing this EA to comply with the National Environmental Policy Act (NEPA) which requires the Commission to take into account the environmental impact that could result if it authorizes Orbit's proposal. By this notice, we are also asking federal, state, and local agencies with jurisdiction and/or special expertise with respect to environmental issues to formally cooperate with us in the preparation of the EA. Agencies that would like to request cooperating status should follow the instructions for filing comments provided below.

NEPA also requires the FERC to discover and address concerns the public may have about proposals. This process is referred to as "scoping." The main goal of the scoping process is to focus the analysis in the EA on the important environmental issues. By this Notice of Intent, we are requesting public comments on the scope of the issues to address in the EA. All comments received will be considered during the preparation of the EA.

The EA will discuss impacts that could occur as a result of the construction and operation of the proposed project under these general headings:

- geology and soils
- wetlands and waterbodies
- land use
- cultural resources
- vegetation and wildlife (including sensitive species)
- air and noise quality

Our independent analysis of the issues will be in the EA. Depending on the comments received during the scoping process, the EA may be published and mailed to federal, state, and local agencies, public interest groups, interested individuals, affected

²“We,” “us,” and “our” refer to the environmental staff of the FERC’s Office of Energy Projects.

landowners, newspapers, libraries, and the Commission's official service list for this proceeding. A comment period will be allotted for review if the EA is published. We will consider all comments on the EA before we make our recommendations to the Commission.

Although no formal application has been filed, the FERC staff has already initiated its NEPA review under its Pre-filing Process. The purpose of the Pre-filing Process is to encourage the early involvement of interested stakeholders and to identify and resolve issues before an application is filed with the FERC.

With this notice, we are asking federal, state, and local governmental agencies with jurisdiction and/or special expertise with respect to environmental issues, to express their interest in becoming cooperating agencies for the preparation of the EA. These agencies may choose to participate once they have evaluated the proposal relative to their responsibilities. Agencies that would like to request cooperating status should follow the instructions for filing comments provided below.

Public Participation

You can make a difference by providing us with your specific comments or concerns about the project. By becoming a commentor, your concerns will be addressed in the EA and considered by the Commission. You should focus on the potential environmental effects of the proposal, reasonable alternatives to the proposal including alternative locations and routes, and measures to avoid or lessen environmental impact. The more specific your comments, the more useful they will be. Please carefully follow these instructions to ensure that your comments are received in time and properly recorded:

- Send an original and two copies of your letter to:

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First St. NE; Room 1A
Washington, DC 20426

- Label one copy of the comments for the attention of Gas Branch 1.
- Reference Docket No. PF08-1-000.
- **Mail your comments so that they will be received in Washington, DC on or before February 6, 2008.**

The Commission encourages electronic filing of comments. See 18 Code of Federal Regulations 385.2001(a)(1)(iii) and the instructions on the Commission's Internet website at <http://www.ferc.gov> under the "eFiling" link and the link to the User's Guide. Prepare your submission in the same manner as you would if filing on paper and save it to a file on your hard drive. Before you can file comments you will need to create an account by clicking on "Login to File" and then "New User Account." You will be asked to select the type of filing you are making. This filing is considered a "Comment on Filing."

We may mail the EA for comment. If you are interested in receiving it, please return the Information Request (Appendix 3). If you do not return the Information Request, you will be taken off the mailing list.

Additional Information

Additional information about the project is available from the Commission's Office of External Affairs, at **1-866-208-FERC** or on the FERC Internet website (www.ferc.gov) using the "eLibrary" link. Click on the eLibrary link, click on "General Search" and enter the docket number excluding the last three digits in the Docket Number field. Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FercOnlineSupport@ferc.gov or toll free at 1-866-208-3676, or for TTY, contact (202)502-8659. The eLibrary link also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission now offers a free service called eSubscription which 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. Go to www.ferc.gov/esubscribenow.htm.

Kimberly D. Bose,
Secretary.

INFORMATION REQUEST

Docket No. PF08-1-000

Please keep my name on the mailing list for the Kentucky Energy Hub Project

Name _____

Agency _____

Address _____

City _____ **State** _____ **Zip Code** _____

FROM _____

**ATTN: OEP - Gas 1, PJ - 11.1
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426**

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