

October 18, 2004

Mr. J. Mark Robinson, Director
Office of Energy Projects
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Re: Request for NEPA Pre-Filing Review
Midwestern Gas Transmission Company
MGT Eastern Extension Project

Dear Mr. Robinson:

Midwestern Gas Transmission Company (MGT) requests that the Federal Energy Regulatory Commission (FERC) Staff commence a National Environmental Policy Act (NEPA) Pre-Filing review of MGT's proposed MGT Eastern Extension Project (Project). It is MGT's intention to include with its certificate application, or shortly thereafter, an Applicant-Prepared Draft Environmental Assessment (EA) pursuant to FERC's Interim Guideline for Applicant-Prepared Draft Environmental Assessments dated September 12, 1991 and Section 380.2 of FERC's Regulations. MGT has already procured the services of TRC Environmental Corporation to provide environmental services and develop the applicant-prepared draft EA.

The Project, as currently proposed, consists of the construction and operation of approximately 30 miles of 16-inch diameter pipeline. This addition will transport an incremental 120,000 Dth/day from Portland, Tennessee (TN) to new interconnects with Columbia Gulf Transmission Company (Columbia Gulf) and East Tennessee Natural Gas Company (East Tennessee). The proposed extension will include a pig launcher and piping modifications to existing reciprocating engines at the MGT Portland Station 2101 to allow pressure and flow control of the compressed volumes into the Project. The pipeline will incorporate two mainline valve assemblies and a pig receiver located at the terminus of the line in Trousdale County, TN. The interconnect with Columbia Gulf will be located off Walnut Grove Road in Trousdale County, TN and will include an ultrasonic meter with electronic flow measurement, flow control valve and DAC building.

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The interconnect with East Tennessee will be in Trousdale County, TN at a location adjacent to an existing interconnect with East Tennessee and Texas Eastern Pipeline Company and will include an ultrasonic meter with electronic flow measurement, flow control valve and DAC building. The Open Season conducted by MGT resulted in an executed Precedent Agreement with Piedmont Natural Gas Company, Inc. (Piedmont), a local distribution company for long-term transportation of 120,000 Dth/day with an anticipated in-service date of November 1, 2006. The Project will cross agricultural, low density residential, forested and pasture land uses.

In compliance with the FERC Staff Guidance of NEPA Pre-Filing Involvement in Natural Gas Projects, MGT submits the following:

1. Explain why the project sponsor needs/wants to use the NEPA Pre-Filing, including timing considerations.

MGT is seeking to use the Pre-Filing Process to provide necessary environmental records and assistance to FERC staff in order to obtain the most expedient processing of its application. The FERC staff's early review of the environmental documentation and its participation in MGT's public outreach program will facilitate the development of a complete record to support the conclusion that the Project is in the public convenience and necessity, and permit the project to receive expeditious approval. MGT is proposing to file its application upon the successful completion of the Pre-Filing Process. Because of the relative small size of the project and its intention to provide an applicant-prepared draft EA, MGT will request that a Commission order be issued approximately 6 months after filing its application.

As evident by MGT's Open Season and the resultant Precedent Agreement, Piedmont is seeking a quick solution to access additional supply sources to meet its growing requirements. An extension of MGT's existing mainline to interconnect with Columbia Gulf and East Tennessee opens a new pipeline corridor between competitive Chicago market area supply and the Mid-Atlantic and Eastern markets. In addition, Piedmont will have an opportunity to further diversify their supply portfolio and optimize downstream transportation capacity.

In particular, MGT believes that the Pre-Filing Process will be beneficial in the following ways:

- Assisting MGT in developing initial information about the proposal and identifying affected parties.
 - Facilitating issues identification, study needs, and issue resolution.
 - Conducting site visits, examining alternatives, meeting with agencies and stakeholders and participating in public information meetings (open houses).
 - Issuing a scoping notice and conducting official scoping for the proposal.
 - Reviewing and commenting on draft environmental resource reports.
2. Identify other federal and state agencies in the project area with relevant permitting requirements, and verify that they are aware of and agree to participate in the Pre-Filing Process.

See attached table. The agencies are aware of the Pre-Filing Process and have been asked to participate in the process.

3. Identify other interested persons and organizations that have been contacted about the project.

MGT will contact each county commissioner and affected legislator prior to conducting open houses and/or other public outreach efforts. In addition, MGT will research state and local resources for other possible interested parties and/or organizations. Any contacts will be made prior to conducting open houses and/or other public outreach efforts.

4. Detail what work has been done already, i.e., landowner contacts, agency consultations, engineering, and route planning;

Landowner contacts: MGT has developed a preliminary landowner line list and is currently working to complete title searches for those potential landowners along the proposed route. MGT recently began to request permission to conduct civil, biological, and cultural surveys as well as wetland delineations. These contacts

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commenced the first week of October and continue at this time. MGT is now processing ownership data, and plans to contact owners over the next month to advise them of the Project status. MGT plans to invite owners to open houses that it intends to hold in November, 2004.

Agency consultations:

See attached table. The agencies have been asked to participate in the Pre-Filing Process.

Engineering/Route Planning:

The proposed route involves the installation of approximately 30 miles of 16-inch pipeline commencing at the MGT Portland Station located near Portland, Tennessee and traversing southeasterly to proposed interconnects with Columbia Gulf and East Tennessee located near Hartsville, Tennessee both located in Trousdale County, TN. Route alternatives have been proposed and reviewed to minimize impacts to landowners and the environment. MGT has not conducted any civil surveys of the proposed route at this time.

5. State that the project sponsor will provide third-party contractor options for staff selection;

As discussed above, MGT proposes to provide an applicant-prepared draft EA with its certificate application requesting FERC approval of its Project. The draft EA will be prepared by MGT's environmental contractor, TRC Environmental Corporation. MGT notes that TRC Environmental Corporation can provide the administrative assistance required by FERC staff during the Pre-Filing Process. If, at some point in the Pre-Filing Process, the FERC staff identifies a need for a third-party contractor to assist on a limited basis, MGT agrees to fund such an effort.

6. Acknowledges that a complete Environmental Report and complete application are still required at the time of filing.

MGT acknowledges, that a complete Environmental Report and a complete certificate application under 7(c) of the Natural Gas Act are required and will be submitted to the FERC at the time of the filing.

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7. Detail a plan, which identifies specific tools and actions to facilitate stakeholder communications and public information, including establishing a single point of contact.

Public Participation Plan: MGT is committed to stakeholder communications and effective public outreach on this Project. A single point of contact with a toll free number and accessible e-mail address has been established. The contact will be:

Mr. Jim Ehlers at 1-877-450-3206
E-mail: james.ehlers@nborder.com

In addition, MGT is planning to hold open houses at the following locations:

Portland, TN
Hartsville, TN

MGT has established a publicly available web site for the Project, with pertinent information on the status of the Project. The site will be available on or before November 1, 2004. Items presented in the web site will include:

1. A list of public repositories along the proposed route where Project related information will be available for inspection.
2. Frequently asked questions, with responses (FAQs).
3. A list of questions and issues raised at open houses and MGT's responses to each.
4. A newsletter, with the contents thereof periodically updated.
5. Applications filed with the FERC, and other involved federal, state, and local agencies.
6. All data requests, and MGT's responses to each.
7. Environmental documents issued by FERC.
8. Other appropriate Project related information.

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In order to involve stakeholders who do not have internet access, MGT will send a quarterly project newsletter to affected landowners and other local stakeholders. The initial newsletter will contain the single point of contact information, announcement of the open houses, and other pertinent information.

Finally, it is important that the FERC recognize that MGT is committed to:

1. Identifying stakeholder issues or concerns regarding the Project.
2. Resolving such issues before filing its application.
3. Providing the FERC with a complete application

Respectfully submitted,

Bambi L. Heckerman
Director, Regulatory Affairs
(402) 492-7575

cc: Richard Hoffmann
David Gallo

**MGT Eastern Extension Project
Initial Environmental Consultation List
October 12, 2004**

Issue	Contact	Permit/Approval Required	Comments
Wildlife	Lee Barclay U.S. Fish and Wildlife Service TN Field Office 446 Neal Street Cookeville, TN 38501 931.528.6481 x212	Consultation/Clearance	Contacted office, introduced Project, and indicated additional information would be forthcoming.
Wetlands	Mr. Brad Bishop US Corps of Engineers 3701 Bell Road Nashville, TN 37214 615 369-7500	Section 404 Permit	Contacted office, introduced Project, and indicated additional information would be forthcoming.
Wetlands	Mr. Dan Eager, Manager TN Department of Environmental Conservation (TDEC) Division of Water Pollution Control 615 532-0708	Aquatic Resources Alteration Permits (ARAP)	TRC contacted Dan Eager, ARAP manager. Eager indicated that materials sent to his office and Joe Holland (TDEC) would cover all ARAPs and NPDES permits.
Threatened and Endangered Species and Wild/Scenic Rivers	Mr. Reggie Reves Division of Natural Heritage 14 th Floor L&C Tower 401 Church Street Nashville, TN 37243 615 532-0431	Rare, Threatened and Endangered species and Wild/Scenic River consultation	Send project info to this office and materials will be distributed to staff to identify concerns.
Wildlife	Mr. Robert Todd TN Wildlife Resources Agency P.O. Box 40747 Nashville, TN 37204 615 781-6577 (main #)	Consultation/Clearance	Contacted office, introduced Project, and indicated additional information would be forthcoming.
Wildlife Management	David McKinney, Chief, Environmental Services Division Tennessee Wildlife Resources Agency PO Box 40747 Nashville, TN 37204 615.781.6643	Consultation	Contacted office, introduced Project, and indicated additional information would be forthcoming.

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Water	Joe Holland, Manager Nashville Environmental Assistance Center 711 R.S. Gass Blvd Nashville, TN 37243 615 687-7000	ARAP (inc 401) NPDES Hydrostatic Water Discharge NPDES Construction Stormwater	TDEC field office. TRC contacted Mike Thornton. Mike indicated that all TDEC permits for Sumner and Trousdale Counties will go through the Nashville DEC Field Office.
Surface/Subsurface Drinking Water Sources	Mr. David Draughon, Director TDEC Division of Water Supply 6 th Floor 401 Church Street Nashville, TN 37243 615 532-0191		Contacted office, introduced Project, and indicated additional information would be forthcoming.
Public Recreation	Alice Burke Administrator Division of Recreation and Educational Services 401 Church Street Nashville, TN 37243 615 532-0748	Consultation	Contacted office, introduced Project, and indicated additional information would be forthcoming.
TN Historical Commission	Mr. Joe Garrison, Historical Reviews Clover Bottom Mansion 2941 Lebanon Road Nashville, TN 37243-0442 615 532-1559 x103		Contacted office, introduced Project, and indicated additional information would be forthcoming.
Archeological Review	Jennifer Barnett Federal Review/SHPO Archaeologist Tennessee Division of Archaeology 5103 Edmondson Pike Nashville, TN 37211 615-741-1588 x17	Section 106 Clearance	Contacted office, introduced Project, and indicated additional information would be forthcoming.

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Agriculture	Mr. Terry J. Oliver Deputy Commissioner TN Department of Agriculture P.O. Box 40627 Nashville, TN 37204 615 837-5103	Consultation	Contacted office, introduced Project, and indicated additional information would be forthcoming.
Economic/Community Dev.	Mr. Wilton Burnette Direct line 615 532-9054 TN Department of Economic and Community Development 312 8 th Ave North, 11 th Floor Nashville, TN 37243-0405 615 741-3282	Consultation	Contacted office, introduced Project, and indicated additional information would be forthcoming.
Regional Planning/ Economic Development	Richard Walker, Executive Director Four Lake Authority P.O. Box 464 Hartsville, TN 37074 615 374-4607	Consultation	Contacted office, introduced Project, and indicated additional information would be forthcoming.
Regional Planning	Lee Ann Cox, Director Greater Nashville Regional Council 501 Union Street • 6th Floor Nashville, TN • 37219-1705 Tel: 615-862-8828	Consultation	Contacted office, introduced Project, and indicated additional information would be forthcoming.
Soils	Mr. Robert Anderson State Conservation Engineer Natural Resources Conservation Service (NRCS) 675 U.S. Courthouse 801 Broadway Nashville, TN 37203	Consultation	Contacted office, introduced Project, and indicated additional information would be forthcoming.
Wildlife	Mr. David McKinney TN Wildlife Resources Agency 5107 Edmondson Pike Nashville, TN 37211		