



PETROLEUM ASSOCIATION OF WYOMING

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Ms. Julia Souder
U.S. Department of Energy
Office of Electricity Delivery and Energy Reliability
1000 Independence Avenue, S.W., Room 8H-033
Washington, DC 20585

RE: West-wide Energy Corridor Programmatic Environmental Impact Statement

Dear Ms. Souder:

The Petroleum Association of Wyoming (PAW) and Public Lands Advocacy (PLA) would like to thank the Departments of Energy, Interior and Agriculture for the opportunity to comment on the West-wide Energy Corridor Programmatic Environmental Impact Statement. PAW is Wyoming's largest and oldest oil and gas trade organization, whose members account for over ninety percent of the natural gas and over eighty percent of the crude oil produced in the State. PLA is a nonprofit trade association whose members include independent and major oil and gas producers as well as nonprofit trade and professional organizations that have joined together to foster environmentally sound exploration and production on public lands. This project will directly affect members of PAW and PLA.

PAW and PLA have the following comments regarding the above referenced Programmatic Environmental Impact Statement (PEIS):

General Comments

We commend Congress' success in enacting the Energy Policy Act of 2005 and appreciate their recognition of the critical need to transport our nation's resources to the consumer market in a more timely and economical fashion. In general, we support the plan to designate essential energy corridors; however, following are several concerns which must be carefully considered and rectified before we can support the project as a whole.

It appears the public is being asked to comment on the general *idea* of an analysis rather than an actual proposal or plan. While a map was provided for viewing at the public scoping meetings, it has been removed from the project website. The absence of information regarding the location of likely corridors makes it very difficult to submit concrete comments and suggestions for the project. Of equal concern is that the current proposal

and scoping meetings have focused on electrical transmission lines while ignoring natural gas and oil pipelines. It is crucial for pipeline activity needs to receive the same attention and focus as electrical transmission needs. Issues that relate to electrical transmission lines/corridors do not typically coincide with pipeline concerns. Therefore, failure of the team to integrate oil and gas pipeline requirements could lead to problems with the energy corridors in the future. It is important to recognize that an electrical transmission corridor may NOT be the best corridor for a pipeline.

In addition to concerns regarding the use of transmission studies to make corridor decisions, it is necessary to point out that the team must also take into account the timelines for both land use planning and energy development. As such, we propose a meeting in Denver in early January between the team and our members in natural gas and oil companies in order to provide the team with a better idea of our industry's pipeline needs, including time frames. We will contact you shortly to arrange a meeting time.

Width of Corridor

At the public meeting in Cheyenne, Wyoming on October 27, 2005, there was a suggestion by the panel that written comments should include specific suggestions on the width of the corridors. We are unable to suggest an appropriate width for the corridor without knowing the breadth and scope of the project. More information will be necessary to supply this information. PAW and PLA recommend that once corridors are chosen that the public be allowed to comment on site-specific criteria at that time.

The width of the corridor, once determined, must be wide enough to ensure the safety of those who operate within the corridor. There are great liability issues linked to rights-of-way and access to corridors, and the preparers of the PEIS must take these issues into careful consideration. Additionally, the corridors must be wide enough to allow for future construction projects.

Placement of Corridor

We strongly recommend that preparers of the PEIS consider designating existing pipeline corridors as energy corridors since it is probable any future expansion of our existing pipeline infrastructure will utilize existing routes. In addition there are several new projects that should also be included in the EIS when determining placement of the corridors. Some examples of such projects are:

A. Rockies Express Pipeline (Kinder Morgan/Sempra Project). Kinder Morgan and Sempra have contracted with Entrega to purchase the Entrega Pipeline which is being constructed from Meeker, Colorado to Wamsutter, Wyoming, with future plans to run the pipeline down the Interstate 80 corridor to the Cheyenne Hub in Weld County, Colorado. The Rockies Express project would then extend in three phases through the Midwest and end in Clarington, Ohio. This project will provide much needed natural gas to the Midwest and help drive down costs to consumers across the Midwest and east coast.

B. Overland Pass Pipeline (Williams Project). Williams is proposing a pipeline that would transport natural gas liquids from Opal, Wyoming to Conway, Kansas. As

natural gas production in Wyoming has steadily increased, so has the need to transport the liquids removed from natural gas during processing. This pipeline will supply an important resource to the Midwest.

C. Other projects not specific to oil and gas pipelines are also necessary components of our developing infrastructure. These include the Frontier Line, which will transmit electrical energy from Utah, Nevada, and Wyoming to California, the Tot3 project which would transport electrical energy from Wyoming to the south into Colorado.

The placement and selection of corridors is crucial to this project. Additionally, however, Section 368 of the Energy Policy Act directs the project to establish the means to "*expedite applications to construct or modify oil, gas and hydrogen pipelines and electricity transmission and distribution facilities within such corridors.*" This can only be done through streamlining procedures to make corridors more accessible to companies. To that end, it is important to recognize that streamlining procedures can also be accomplished by eliminating duplicative NEPA analysis. For example, project NEPA analyses must be required to utilize the analysis contained in the PEIS rather than beginning a new analysis as if no other documentation is available. Furthermore, it is also efficient to utilize existing documentation from other projects when determining where and how to place an energy corridor. A case in point is the Overland Pass Pipeline which is proposed to go into existing corridors across southern Wyoming and northern Colorado. In some instances there are already ten (10) pipelines or fiber optic cables within the corridor for which archeological studies have already been conducted. Nevertheless, BLM is requiring another, separate archeological study for this pipeline -- which is redundant and a waste of time and money. We encourage the preparers of the PEIS to consider choosing corridor placements where studies have already been conducted in order to avoid duplicative studies, thereby reducing the number of pre-construction assessments that will need to be conducted in the future.

While the preparers must consider existing corridors and proposed projects in this PEIS, it is important that designation of these specific corridors not result in restricted development of other corridors and projects. For example, it is impossible to predict where all potential natural gas natural gas development will occur and the routes required to deliver natural gas to market. Consequently, the PEIS must acknowledge that while certain corridors may be identified during the analysis process, it is highly likely that other new corridors may result from projects not currently proposed. As such their non-inclusion in this PEIS must not preclude project implementation at a later date. There are several reasons why providing for this level of flexibility is important:

A. Pipelines are dependant upon market fluctuations and conditions. Companies need to have flexibility to build pipelines in an appropriate place that will get the resource to the consumer. If flexibility to build pipelines and designate corridors is not built into this PEIS, it will defeat the purpose of the project.

B. Pipelines are costly to build and maintain. Companies need flexibility within projects and corridors to expand and reduce pipelines as the market demand

fluctuates. It is impossible to project these demands with 100% accuracy; and therefore, flexibility must be incorporated into the process.

C. Designation of specific energy corridors without flexibility could pose a significant threat to national security. As our country becomes more reliant upon domestic oil and gas production, we could become a larger target for domestic and foreign terrorist threats. Therefore, it is important (while keeping this process open to the public) to also maintain the integrity of our nation's resources by allowing flexibility to designated corridors in order to respond to any threats to national security.

Safety Concerns

It is imperative to consider strongly the safety and integrity concerns of companies that operate pipelines. While electrical transmission lines and pipelines can sometimes co-exist in corridors, there are several safety matters to consider when placing them together, as pointed out below:

A. High voltage electricity transmission lines can induce currents in pipelines that can interfere with the cathodic protection system that protects pipelines from corrosion.

B. Surface loads on pipelines from service vehicles for transmission lines can damage pipelines.

C. Adequate width is necessary to offset pipeline relief valves to avoid accidental ignition.

In conclusion, PAW and PLA appreciate the opportunity to provide you with our comments and concerns. Please feel free to contact either PAW or PLA regarding our views.

Very truly yours,

/s/ *Ericka Cook*

Ericka S. Cook
Vice President
Petroleum Association of Wyoming

/s/ *Claire Moseley*

Claire M. Moseley
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Public Lands Advocacy