

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Florida Gas Transmission Company, LLC

Docket No. PF08-14-000

NOTICE OF INTENT TO PREPARE AN
ENVIRONMENTAL IMPACT STATEMENT FOR THE PROPOSED
PHASE VIII EXPANSION PROJECT,
REQUEST FOR COMMENTS ON ENVIRONMENTAL ISSUES,
AND NOTICE OF PUBLIC SCOPING MEETINGS

(May 19, 2008)

The staff of the Federal Energy Regulatory Commission (FERC or Commission) will prepare an environmental impact statement (EIS) that will discuss the environmental impacts of Florida Gas Transmission Company, LLC's (FGT) proposed Phase VIII Expansion Project. The project involves the construction and operation of natural gas pipeline and compressor facilities in various counties in Alabama and Florida as discussed below.

This notice announces the opening of the scoping process the Commission will use to gather input from the public and interested agencies on the proposed project. Your input will help determine which issues need to be evaluated in the EIS. Please note that the scoping period will close on June 20, 2008.

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

Comments regarding this project may be submitted in written form or verbally. Further details on how to submit written or electronic comments are provided in the public participation section of this notice. In lieu of or in addition to sending written comments, we invite you to attend the public scoping meetings we have scheduled as follows:

Date

Tuesday, June 3, 2008, 7:00 p.m.

Location

Crestview Community Center
1446 Commerce Drive
Crestview, Florida
850-682-0647

Wednesday, June 4, 2008, 7:00 p.m.

Catholic Church Parish Hall
2750 S. Byron Butler Pkwy
Perry, Florida
850-584-8853

Tuesday, June 10, 2008, 7:00 p.m.

Residence Inn by Marriott
2101 Northpointe Parkway
Lutz, Florida
813-792-8400

Thursday, June 12, 2008, 7:00 p.m.
(Auditorium)

Lake Placid Middle School

201 Tangerine Avenue
Lake Placid, Florida
863-699-5030

The FERC will be the lead federal agency for the preparation of the EIS. The document will satisfy the requirements of the National Environmental Policy Act of 1969 (NEPA). In addition, with this notice, we¹ are asking other federal, state, and local agencies with jurisdiction and/or special expertise with respect to environmental issues to cooperate with us in the preparation of the EIS. These agencies may choose to participate once they have evaluated FGT's proposal relative to their responsibilities. Agencies that would like to request cooperating status should follow the instructions for filing comments described later in this notice. Consultations have been initiated with the U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, and other state and/or federal wildlife management and environmental agencies. Consultations with these and other agencies will continue throughout the project review and permitting period.

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

A fact sheet prepared by the FERC entitled "An Interstate Natural Gas Facility on My Land? What Do I Need To Know?" is available for viewing on the FERC Internet website (<http://www.ferc.gov>). This fact sheet addresses a number of typically asked

¹ "We," "us," and "our" refer to the environmental staff of the Office of Energy Projects.

questions, including the use of eminent domain and how to participate in the FERC's proceedings.

Summary of the Proposed Project

FGT proposes to construct and operate an expansion of the existing FGT pipeline system that would increase FGT's certificated capacity by about one billion cubic feet per day of natural gas. The Phase VIII Expansion Project would consist of looping² portions of their existing pipelines; installing horsepower at new or existing compressor stations; acquiring an existing lateral; and constructing new laterals. The Phase VIII Expansion Project would consist of about 567.6 miles of pipeline with ancillary facilities, and an additional 207,900 horsepower of compression. Specifically, FGT seeks authority to construct and operate:

Eleven Pipeline Loop Segments

- Loop 1 would be about 25.5 miles of 42-inch-diameter pipeline located in Mobile County, Alabama (milepost [MP] 165.3 to Compressor Station [CS] 11).
- Loop 2 would be about 47.6 miles of 36-inch-diameter pipeline located in Baldwin and Escambia Counties, Alabama and Escambia and Santa Rosa Counties, Florida (MP 205.0 to MP 252.6).
- Loop 3 would be about 50.7 miles of 36-inch-diameter pipeline located in Santa Rosa, Okaloosa, and Walton Counties, Florida (CS 12 to MP 310.9). FGT would also remove a previously abandoned 24-inch-diameter pipeline from about MP 260.2 to MP 273.5.
- Loop 4 would be about 59 miles of 36-inch-diameter pipeline located in Washington, Bay, and Calhoun Counties, Florida (CS 13 to MP 383.5). FGT would also remove a previously abandoned 24-inch-diameter pipeline from about MP 327.6 to MP 340.2.
- Loop 5 would be about 66.8 miles of 36-inch-diameter pipeline located in Gadsden, Leon, and Jefferson Counties, Florida (CS 14 to MP 461.5).
- Loop 6 would be about 35.2 miles of 36-inch-diameter pipeline located in Taylor, Lafayette, and Suwannee Counties, Florida (CS 15 to MP 503.9).
- Loop 7 would be about 12.8 miles of 36-inch-diameter pipeline located in Suwannee and Gilchrist Counties, Florida (West Leg (WL) MP 0.0 to MP 12.8).
- Loop 8 would be about 46.1 miles of 36-inch-diameter pipeline located in Levy and Citrus Counties, Florida (WL MP 44.5 to CS 26).

² A pipeline "loop" is a pipeline connected to another pipeline at each end, generally parallel to or located near each other, to provide additional capacity and reliability.

- Loop 9 would be about 49.3 miles of 36-inch-diameter pipeline located in Hernando, Pasco, and Hillsborough Counties, Florida (WL MP 110.9 to CS 27).
- Loop 10 would be about 38.8 miles of 36-inch-diameter pipeline located in Hillsborough and Polk Counties, Florida (CS 27 to WL MP 199.0).
- Loop 11 (Turkey Point Lateral), would be about 6.7 miles of 24-inch-diameter pipeline located in Dade County, Florida (MP 11.3 to 18.0).

Three Greenfield Pipeline Segments

- The Suwannee Lateral would be about 22.0 miles of 20-inch-diameter pipeline including about 8 miles of pipeline loop located in Lafayette County, Florida and about 14 miles of greenfield route located in Madison and Suwannee Counties, Florida (MP 0.0 to 22.0).
- The Arcadia to Florida Power and Light (FPL) Martin Plant Lateral would be about 90.6 miles of 30-inch-diameter pipeline located in Desoto, Highlands, Okeechobee, and Martin Counties, Florida.
- The Manatee Lateral would be about 16.5 miles of 24-inch-diameter pipeline located in Manatee County, Florida.

One Pipeline Acquisition Segment

- FGT would acquire from FPL its Martin Plant to FGT Mainline 20-inch-diameter pipeline located in Martin County, Florida. This pipeline is about 23.1 miles in length. There would be no new construction or ground disturbing activities associated with the acquisition of this segment.

Eight Upgrades to Existing Compressor Stations

- Station 11 in Mobile County, Alabama, would have two new compressor units installed that would add 40,000 hp.
- Station 12 in Santa Rosa County, Florida, would have one new compressor unit installed that would add 20,500 hp.
- Station 13 in Washington County, Florida, would have one new compressor unit installed and two existing compressor units upgraded that would add 26,000 hp.
- Station 14 in Gadsden County, Florida, would have one new compressor unit installed that would add 24,800 hp.
- Station 15 in Washington County, Florida, would have one new compressor unit installed that would add 20,000 hp.

- Station 24 in Gilchrist County, Florida, would have one new compressor unit installed that would add 20,500 hp.
- Station 26 in Citrus County, Florida, would have one new compressor unit installed that would add 20,500 hp.
- Station 27 in Hillsborough County, Florida, would have one new compressor unit installed that would add 20,000 hp.

One New Compressor Station

- Station 29 would be located in Okeechobee County, Florida, and would have two compressor units for a total of 15,600 hp.

Three New Metering and Regulation (M&R) Stations

- One new M&R station (Progress Energy (PE) Suwannee M&R Station) would be located in Suwannee County, Florida, at the new PE Power Plant site.
- One new M&R station (FPL Manatee M&R Station) would be located in Manatee County, Florida, at the FPL Manatee Plant site.
- One new M&R station (FPL Martin M&R Station) would be located in Martin County, Florida at the FPL Martin Plant site.

FGT is requesting approval to begin construction of the proposed facilities in January of 2010. A general overview map of the major project facilities is provided in Appendix 1.³

Land Requirements for Construction

Construction of the project would require about 7,995 acres of land. For pipeline facilities, FGT would obtain a permanent right-of-way easement that would be typically 50 feet in width, about 3,320 acres. The remaining 4,675 acres of temporary workspace would be restored and allowed to revert to its former use. A majority of the pipeline route would parallel existing utility rights-of-way.

³ The appendices referenced in this notice are not being printed in the Federal Register. Copies are available on the Commission's Internet website (<http://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 end of this notice. Copies of the appendices were sent to all those receiving this notice by mail. Requests for detailed maps of the proposed facilities should be made directly to FGT (see www.panhandleenergy.com/FGT/PhaseVIII/ for contact information).

The temporary land requirements for construction of the proposed facilities would differ according to the type of terrain encountered and the corresponding construction methods that would be used, as described below.

FGT would utilize a typical 75-foot-wide construction right-of-way in upland areas to install the 20- and 24-inch-diameter pipelines, a 100-foot-wide construction right-of-way in upland areas to install the 30- and 36-inch-diameter looping and greenfield segments, and a 120-foot-wide construction right-of-way to install the upland 42-inch-diameter loop. Through unsaturated wetlands, FGT proposes to use a 75-foot-wide construction right-of-way to install the 20- through 36-inch-diameter pipelines and 100 feet for the proposed 42-inch-diameter loop.

Following construction of the proposed facilities, FGT would obtain a permanent right-of-way easement that would typically be 50 feet in width, centered over the new pipeline. This easement would overlap existing pipeline rights-of-way in most looping locations.

FGT may require temporary extra work spaces where obstacles prevent the normal placement of spoil and/or pipe sections immediately adjacent to the pipe ditch, additional volumes of spoil would be generated, and additional construction operations would be performed (e.g., road and railroad crossings, wetland and water body crossings, areas with steep side slopes, areas where topsoil segregation would be required, areas where rock is encountered, truck turnarounds, crossovers, tie-ins, and horizontal directional drill entry and exit points).

Aboveground facilities along the project include pig⁴ launcher and receiver facility sites and mainline valve locations, which would typically be located within the permanent right-of-way or adjacent to existing aboveground facility locations (e.g., compressor stations or mainline valve sites). FGT would add between 10 to 20 acres to existing Compressor Stations 11, 12, 13, and 14. Additional land required for construction at these existing compressor stations would be retained for project operations. FGT would also acquire about 30 acres of land for the new Compressor Station 29. Each M&R station site would be located on power plant property.

The EIS Process

NEPA requires the Commission to take into account the environmental impacts that could result from an action whenever it considers the issuance of a Certificate of Public Convenience and Necessity under Section 7 of the Natural Gas Act. NEPA also

⁴ A pipeline “pig” is a device designed to internally clean or inspect the pipeline. A pig launcher/receiver is an aboveground facility where pigs are inserted or retrieved from the pipeline.

requires the Commission 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 EIS on the important environmental issues and reasonable alternatives.

Although no formal application has been filed, we have already initiated our NEPA review under the FERC’s 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.

As part of our Pre-Filing Process review, representatives from the FERC have begun to contact some federal and state agencies to discuss their involvement in the scoping process and the preparation of the EIS. In addition, representatives from the FERC participated in FGT sponsored public open houses in the project area from April 14-30, 2008, to explain the environmental review process to interested stakeholders and take comments about the project. During early June, 2008, the FERC staff will conduct interagency scoping meetings in the project area to solicit comments and concerns about the project from jurisdictional agencies. By this notice, we are formally announcing our preparation of the EIS and requesting additional agency and public comments to help us focus the analysis in the EIS on the potentially significant environmental issues related to the proposed action.

Our independent analysis of the issues will be included in a draft EIS. The draft EIS will be mailed to federal, state, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; other interested parties; local libraries and newspapers; and the FERC’s official service list for this proceeding. A 45-day comment period will be allotted for review of the draft EIS. We will consider all timely comments on the draft EIS and revise the document, as necessary, before issuing a final EIS. To ensure that your comments are considered, please follow the instructions in the Public Participation section of this notice.

Currently Identified Environmental Issues

The EIS will discuss impacts that could occur as a result of the construction and operation of the proposed project under the general resource headings listed below. We have already identified several issues that we think deserve attention based on a preliminary review of the proposed facilities and the environmental information provided by FGT. This preliminary list of issues may be changed based on your comments and our additional analysis.

- Geology and Soils
 - Assessment of potential geologic hazards, including sinkholes.
 - Potential impact on mineral resources and mining operations.
 - Effect on hydric soils and soils with a high potential for compaction.

- Water Resources and Wetlands
 - Effect on groundwater resources.
 - Potential effect on perennial streams, intermittent streams, and ponds crossed by or close to the planned route.
 - Effect on waterbodies designated under federal or state programs, including the Escatawpa, Blackwater, Escambia, Yellow, Shoal, Chipola, Apalachicola, Ochlockonee, Aucilla, Suwannee, Sante Fe, Withlacoochee, Hillsborough, and Kissimmee Rivers.
 - Evaluation of temporary and permanent effects on wetlands, including forested wetlands.
- Fisheries, Wildlife, and Vegetation
 - Effect on fisheries, wildlife, and vegetation resources, including planted pine and forested habitats.
 - Effect on vegetative nuisance species.
- Endangered and Threatened Species and Habitats
 - Potential effect on federal- and state-listed species, including, but not limited to, the wood stork, red-cockaded woodpecker, everglade snail kite, Florida scrub-jay, eastern indigo snake, and gopher tortoise.
 - Potential effect on Lake Wales Ridge managed lands.
- Cultural Resources
 - Effect on historic and prehistoric sites.
 - Native American and tribal concerns.
- Land Use
 - Impact on residential areas, pine plantations, orange groves, mining, and irrigation and drainage systems.
 - Effect on recreation and public interest areas, including wildlife management areas, national forests, state forests, national wildlife refuges, canals, and scenic trail systems.
 - Visual effect of the aboveground facilities on surrounding areas.
- Air Quality and Noise
 - Effect on local air quality and noise environment from construction and operation of the proposed facilities.
- Reliability and Safety
 - Assessment of public safety factors associated with natural gas facilities.
- Alternatives
 - Assessment of alternative routes and systems to reduce or avoid environmental impacts.
 - Assessment of alternative compressor station sites.
- Cumulative Impacts
 - Assessment of the effect of the proposed project when combined with

other projects that have been proposed in the same region and similar time frame.

Public Participation

You can make a difference by providing us with your specific comments or concerns about FGT's Phase VIII Expansion Project. Your comments should focus on the potential environmental effects, reasonable alternatives, and measures to avoid or lessen environmental impacts. The more specific your comments, the more useful they will be. To ensure that your comments are timely and properly recorded, please mail your comments so that they will be received in Washington, DC on or before June 20, 2008, and carefully follow these instructions:

- 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, DG2E; and
- Reference Docket No. PF08-14-000 on the original and both copies.

The public scoping meetings between June 3 and June 11, 2008, are designed to provide another opportunity to offer comments on the proposed project. Interested groups and individuals are encouraged to attend these meetings and to present comments on the environmental issues they believe should be addressed in the EIS. Transcripts of the meetings will be made so that your comments will be accurately recorded. In addition, we have asked FGT to be available with project location maps to answer landowner comments from 5:30 PM to the start of the meeting at the respective locations.

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 link to "Documents and Filings" and "eFiling." eFiling is a file attachment process and requires that you prepare your submission in the same manner as you would if filing on paper, and save it to a file on your hard drive. New eFiling users must first create an account by clicking on "Sign up" or "eRegister." You will be asked to select the type of filing you are making. This filing is considered a "Comment on Filing." In addition, there is a "Quick Comment" option available, which is an easy method for interested persons to submit text-only comments on a project. The [Quick-Comment User Guide](http://www.ferc.gov/docs-filing/efiling/quick-comment-guide.pdf) can be viewed at <http://www.ferc.gov/docs-filing/efiling/quick-comment-guide.pdf>. Quick Comment does not require a FERC

eRegistration account; however, you will be asked to provide a valid email address. All comments submitted under either eFiling or the Quick Comment option are placed in the public record for the specified docket or project number(s). We will include all comments that we receive within a reasonable time frame in our environmental analysis of the project.

Once FGT formally files its application with the Commission, you may want to become an official party to the proceeding known as an “intervenor.” Intervenors play a more formal role in the process and are able to file briefs, appear at hearings, and be heard by the courts if they choose to appeal the Commission's final ruling. An intervenor formally participates in a Commission proceeding by filing a request to intervene. Instructions for becoming an intervenor are included in the User’s Guide under the “eFiling” link on the Commission’s website. Please note that you may not request intervenor status at this time. You must wait until a formal application is filed with the Commission. You do not need intervenor status to have your environmental comments considered.

Environmental Mailing List

If you want to remain on our mailing list and receive future mailings, please return the “Remain on Mailing List Form” included in Appendix 2. If you do not return this form, you will be removed from the Commission’s environmental mailing list.

Availability of Additional Information

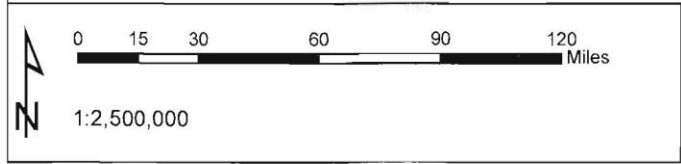
Additional information about the project is available from the Commission’s Office of External Affairs at 1-866-208 FERC (3372) or on the FERC Internet website (<http://www.ferc.gov>) using the “eLibrary” link. Click on the eLibrary link, click on “General Search,” and enter the docket number excluding the last three digits in the “Docket Number” field (i.e., PF08-14). Be sure you have selected an appropriate date range. For assistance with eLibrary, 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 on the FERC Internet website also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rule makings.

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>.

Public meetings or site visits will be posted on the Commission's calendar located at <http://www.ferc.gov/EventCalendar/EventsList.aspx> along with other related information.






Finally, FGT has established an Internet website for its project at www.panhandleenergy.com/FGT/PhaseVIII/. The website includes a description of the project and links to related documents.

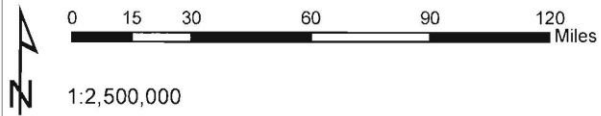
Kimberly D. Bose,
Secretary.



Florida Gas Transmission Phase VIII Project Location Map



-  Existing Compressor Station Upgrade
-  New Compressor Station
- Proposed FGT Phase VIII Routes**
-  New Greenfield Pipeline Segments
-  New Pipeline Loop Segments
-  Acquired Pipeline Segment



Florida Gas Transmission Phase VIII Project Location Map

REMAIN ON MAILING LIST FORM

(Docket No. PF08-14-000)

- Please keep my name on the Commission's environmental mailing list for the Florida Gas Transmission Phase VIII Expansion Project.

Name: _____

Affiliation (if applicable): _____

Address: _____

Address (cont'd): _____

City: _____ State: _____ Zip Code: _____

- Please send me a paper copy of the environmental document instead of an electronic (CD ROM) copy.
-

(fold on line)

FROM _____

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

Docket No. PF08-14-000

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