

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D. C. 20426

April 10, 2007

The Honorable Bob Jackman
Indiana State Senate
200 West Washington St.
Indianapolis, IN 46204-2785

Dear Senator Jackman:

I am writing in response to your March 16, 2007 letter regarding the Rockies Express Pipeline Project – East (Federal Energy Regulatory Commission Docket No. PF06-30-000).

I appreciate knowing of your interest in this project, your input is very important to us as we conduct a thorough review of the issues. We welcome your comments, and we will consider them in our analysis of this project.

As you know, we are in the process of working with the project sponsors and other stakeholders in our pre-filing process for this project (a precursor to an application). We designed this process so that the Commission staff, stakeholders, the project sponsors and other agencies can identify potential problems at an early stage prior to an application being filed. The applicant will continue to file project information with the Commission as it continues to be developed, including alternative pipeline routes, and impacts on residential and developed properties.

If an application is filed, the Rockies Express Pipeline Project – East will be extensively reviewed by the Commission staff and all cooperating agencies, including the U.S. Army Corps of Engineers. The Commission staff will work closely with these agencies and landowners to identify all relevant issues for analysis in an environmental impact statement. After our evaluation process has been completed and staff recommendations have been made, the Commission will issue its decision as to whether or not to approve the project.

In reply to your first question, the Commission does not have a standard requirement as to whom a pipeline company must negotiate construction standards within a given state. The U.S. Department of Transportation (DOT) determines the construction standards for interstate natural gas pipelines. Pipelines do not negotiate construction standards with individuals or groups. Individual landowners or groups may negotiate for specific construction techniques, additional mitigation, restoration, or compensation during easement negotiations.

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In reply to your second question concerning an application for construction, once a company such as Rockies Express Pipeline Project – East submits an application to the Commission accompanied by a negotiated construction standard agreement, there are opportunities for affected landowners to comment and to negotiate further mitigation pertaining to pipeline construction. A pipeline company may provide the Commission staff with mitigation or restoration measures which have been negotiated by groups with special interest in the area, including the Indiana Farm Bureau. If an individual landowner does not agree with the mitigation or restoration measures, they may opt out of these mitigation or restoration measures during the easement negotiations and negotiate for alternative measures. Commission staff's review of any such construction issue will be determined in its DEIS, which will be released for public comment.

In reply to your third question, a state law addressing interstate pipeline construction standards must not conflict with DOT's federal standards. DOT standards prevail even if a state passes legislation addressing pipeline construction standards. These issues also would be addressed in the staff's DEIS and subject to public comment.

I hope this information is helpful. If I can be of further assistance in this or any other Commission matter, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'AJ Black', written in a cursive style.

Andrew J. Black
Director
Office of External Affairs