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United States Department of the Interior

FISH AND WILDLIFE SERVICE
Bishop Henry Whipple Federal Building
1 Federal Drive
Fort Snelling, MN 55111-4056

APR 24 2008

PUCCO

2008 JUL -8 PM 5:00

RECEIVED-ECHEMUN

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

Re: Request for concurrence on the findings presented in the Rockies Express (REX) East Project Biological Assessment

Dear Ms. Bose:

We have reviewed the subject document dated March 25, 2008, pursuant to section 7 of the Endangered Species Act of 1973 as amended. Our review was for the purpose of determining whether we concur with your determination of "not likely to adversely" for seven federally listed species.

We concur with a "not likely to adversely affect" finding for all species. However, we would like to make a few points of clarification. As you know, the consultation effort on this project has involved multiple conference calls and meetings with REX, their consultant (Natural Resource Group), and us, as well as, several coordination calls among your staff and us. Through these informal consultation discussions, REX made step-wise progress in incorporating conservation measures to minimize the likelihood of adverse effects occurring to listed species. Because of this step-wise process, important background information is not explicitly discussed in the Biological Assessment. The following comments are to provide this background and make our understanding of the conservation measures lucid.

First and foremost, as we have repeatedly stated in writing and verbally, the best approach to ensure adverse effects are avoided is to restrict tree removal to the inactive season. The conservation measures proposed by REX are, we believe, adequate and likely to minimize the chances of adverse effects occurring, but obviously not to the extent that seasonal tree-cutting restrictions would.

Second, the conservation measures for the Indiana bat target direct effects to individuals. We conclude that adverse indirect effects due to habitat manipulation are unlikely to occur. Based on the consultant's analysis of habitat availability pre and post-construction, we concur with their findings that the essential character of the suitable Indiana bat habitat will not be degraded following construction activities. That is, sufficient foraging, roosting, and travel habitat will remain available to Indiana bats within all known occupied areas. Hence, we do not believe there will be detectable indirect effects due to habitat loss or manipulation.

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Minneapolis, MN 55402



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January 23, 2007

Mr. Rick Pietruszka
Program Manager – Impact Assessment Division
Springfield Office of Water Resources
Illinois Department of Natural Resources
One Natural Resources Way
Springfield, IL 62702

Re: Rockies Express Pipeline – East Project
Pike, Scott, Morgan, Sangamon, Christian, Macon, Moultrie, Douglas, and Edgar
Counties, Illinois

Dear Mr. Pietruszka:

As you are aware, Rockies Express Pipeline LLP (Rockies Express) is proposing to construct a 42-inch-diameter natural gas pipeline from northeastern Colorado to Clarington, Ohio. The eastern segment of the proposed pipeline (REX-East) crosses Missouri, Illinois, Indiana, and Ohio. The Illinois portion of the project is approximately 195 miles in length and crosses Pike, Scott, Morgan, Sangamon, Christian, Macon, Moultrie, Douglas, and Edgar Counties. Construction of the proposed project is anticipated to begin spring 2008 and it is expected to be in service by winter 2008.

In a letter to the Illinois Department of Natural Resources (ILDNR) dated December 14, 2006, Rockies Express explained that it had obtained the Illinois Natural Heritage Inventory (NHI) data and had evaluated the information to determine potential species and areas of concern. During the project meeting held on January 9, 2007, Rockies Express and the ILDNR collectively reviewed the route maps for the Illinois portion of the proposed project, including NHI data. During the meeting, you indicated that the ILDNR's primary concern was at the Embarras River crossing. As discussed during the meeting, Rockies Express proposes to cross the Embarras River using the horizontal directional drill (HDD) method. This method will avoid impacts on the bed and banks of the river. Rockies Express indicated that the entry and exit locations of the HDD will be located outside of the forested areas adjacent to the river.

Rockies Express also indicated during the meeting that the proposed crossing method for the Mississippi and Illinois Rivers will be the HDD method. Unless otherwise authorized, in waterbodies where instream disturbance is required, per the ILDNR's recommendation, Rockies Express will avoid the fish spawning period, generally considered mid-March through June 1.

It is Rockies Express' understanding that the ILDNR field staff have reviewed the proposed project and, with the implementation of the measures discussed above, has no additional concerns regarding the project.



As such, with this letter, Rockies Express respectfully requests concurrence from the ILDNR that construction of the proposed project, along with implementation of the above-reference measures, is not expected to have adverse impacts on sensitive resources in Illinois. Providing a response with 30 days will allow Rockies Express time to include the appropriate discussions in project planning and application materials.

Per your request during the January 9 meeting, attached to this letter are 3 sets of topographic map-based route maps showing both the April 2006 route (preliminary) and December 2006 route (currently proposed).

We appreciate your ongoing cooperation and assistance with the project. If you have any questions or require additional information, please contact me at 612-359-5678 or by e-mail at jrthommes@nrginc.com.

Sincerely,

Natural Resource Group, Inc.

A handwritten signature in black ink, appearing to read "JT" followed by a stylized flourish.

Jeff Thommes
Natural Resource Specialist

Enclosures

cc: Elizabeth Dolezal, NRG
Bart Jensen, NRG
Jim Thompson, Rockies Express Pipeline
Charlie Bertram, Rockies Express Pipeline



**Project Update Meeting – January 9, 2007
Illinois Department of Natural Resources**

Attendees

Rick Pietruszka – Program Manager, Div. of Review and Coordination (217) 785-5500
Karen Miller – Manager, Impact Assessment Section (217) 785-5500
Jim Thompson – Rockies Express Pipeline
Charlie Bertram – Rockies Express Pipeline
Bart Jensen – Natural Resource Group, Inc.
Jeff Thommes – Natural Resource Group, Inc.

Jim Thompson explained that the project generally follows the existing Panhandle Eastern Pipeline (PEPL) route through Illinois with the Rockies Express construction right-of-way generally abutting the existing PEPL right-of-way.

Jim Thompson described Rockies Express' proposal to complete the crossing of the Mississippi River using the horizontal directional drill (HDD) method. Specifically, Rockies Express proposes to stage the drill from a site on Blackburn Island in the Mississippi River. Rockies Express is proposing to drill from Blackburn Island in both and east and west direction to complete the installation under the Mississippi River. Jim Thompson indicated that Rockies Express has been coordinating this process with the applicable Missouri and federal agencies and those agencies are familiar with the proposal.

Jim Thompson explained that Rockies Express also expects to complete the crossing of the Illinois and Embarras Rivers using the HDD method. Rick Pietruszka stated that using this crossing method would account for the concerns of the ILDNR which are focused primarily on aquatic resources within the Embarras River system.

Rick Pietruszka also indicated that the ILDNR recommends that Rockies Express avoid the fish spawning period (roughly March up to June 1st) for crossings of all waterbodies within the state. That is consistent with the FERC guidelines included in the Wetland Waterbody Construction and Mitigation Procedures. Rockies Express stated that it will accommodate this request.

Rick Pietruszka stated that the project avoids sensitive areas throughout Illinois and that field staff have reviewed the project alignment and not identified additional areas of potential concern. Rick Pietruszka requested that Rockies Express provide three copies of route maps with the latest project alignment overlaid on topographic maps to the ILDNR.

Jeff Thommes then proposed to Rick Pietruszka that the process for completing consultation be conducted as follows: Rockies Express will provide a letter indicating that it plans to install the pipeline under the Mississippi, Illinois, and Embarras Rivers using the HDD method and that trenching/construction within waterbodies will be conducted outside of the spawning period (see above). Rick Pietruszka would then provide a written response to Rockies Express stating that such measures are

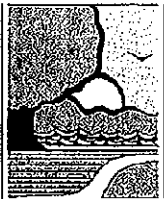


acceptable in avoiding impacts on sensitive resources within Illinois and that additional consultation is only required if the route changes or additional resources may be affected. Rick Pietruszka agreed with this approach.

Statewide General Permit Number 8

Rockies Express inquired into other potential permit requirements from the ILDNR including Statewide General Permit No. 8. Rick Pietruszka and Karen Miller stated that Rockies Express should coordinate with Paul Mauer regarding the applicability of the general permit. Karen Miller stepped away from the meeting and briefly discussed the permit requirements with Paul Mauer. According to Karen Miller, Paul Mauer indicated that as long as Rockies Express adheres to the requirements outlined in the general permit, the project would be covered under the permit. Rockies Express agreed to review the requirements but expected that the project would adhere to the necessary requirements to qualify for coverage under the general permit.

Action Item: Submit letter summarizing meeting discussion and provide 1:48,000-scale topographic maps that include the April 2006 pipeline route, the December 2006 pipeline route, and the GIS overlay of the Illinois Natural Heritage data.



Illinois Department of Natural Resources

One Natural Resources Way • Springfield, Illinois 62702-1271
<http://dnr.state.il.us>

Rod R. Blagojevich, Governor

Sam Flood, Acting Director

March 19, 2007

Mr. Jeff Thommes
Natural Resource Group, Inc.
1000 IDS Center
80 South Eighth Street
Minneapolis, MN 55402

**RE: FERC Pre-Filing Docket No. PF-06-30
Rockies Express Pipeline - East Project
Pike, Scott, Morgan, Sangamon, Christian, Macon, Moultrie,
Douglas and Edgar Counties
Endangered Species Consultation Program
Natural Heritage Database Review # 0712161**

Dear Mr. Thommes:

This correspondence confirms that the Illinois Department of Natural Resources has reviewed the proposed pipeline alignment through Illinois with respect to potential project impacts to or upon protected Illinois resources within or in the nearby vicinity of the proposed corridor. The Natural Heritage Database identified that the proposed alignment (Milepost 202-203) crosses the Embarrass River Illinois Natural Area in Douglas County. The Department acknowledges the commitment of the Rockies Express Project to directionally bore under this Illinois Natural Area. In addition, the Project's commitment to directionally drill under the Mississippi and Illinois Rivers is also acknowledged. Provided the project proceeds as discussed during our summary meeting of January 9, 2007 the Department offers no objection. However, should the project be substantially modified or revised, the Department reserves the right to further review and discussion. Thank you for the opportunity to comment.

Sincerely,

Rick Pietruszka, Project Manager
Endangered Species Consultation Program
Division of Natural Resource Review and Coordination
Ph. (217) 785-5500
Fax (217) 524-4177

Third, in concurring with a "not likely to adversely affect" finding we assume that one or more Indiana bat captures within large contiguous blocks of suitable habitat (i.e., blocks of habitat that contained more than one survey site) indicate Indiana bat presence for the entire block of contiguous habitat. Thus, the conservation measures identified on Table 3-1 will be applied throughout the contiguous block of habitat, not just in areas where bats were captured.

Fourth, the conservation measures identified for areas with no known nursery trees (Conservation Measure 2 on Table 3-1) are for the purpose of minimizing the chances of cutting down an occupied but unknown alternate roost tree. Bats occupying alternate roosts are likely to be volant bats (non-volant bats are confined to nursery roost trees), and are likely to depart the roost tree every night, in which environmental conditions are suitable, to forage. Hence, we believe that restricting disturbance and tree-removal activities to periods when bats are foraging is very unlikely to result in disturbance of a roosting bat.

Fifth, Conservation Measure 3.a.ii(3) should be corrected to state the following: "Identify potential nursery roost trees and conduct exit counts to determine whether it is an occupied nursery roost if 20 or more bats are observed"

Sixth, pertaining to the conservation measure, "*All encounters with listed species would be reported to the EI, who would record the following information:*

- *species;*
- *location (narrative and maps) and dates of observations;*
- *general condition and health, including injuries and state of healing;*
- *diagnostic markings, including identification numbers or markers; and*
- *locations moved from and to."*

On page 37 of the Biological Assessment, please clarify that no handling of such species will occur without authorization from the U.S. Fish and Wildlife Service.

Lastly, our concurrence is predicated on the assumption that the Federal Energy Regulatory Commission will ensure that REX strictly adheres to all conservation measures listed on Table 3-1 and the text within the Biological Assessment.

This concludes section 7 consultation on the REX project. If you have any questions or concerns about the conditions specified within this letter or any other aspect of the consultation, please contact Mr. T.J. Miller at 612-713-5334 or Ms. Jennifer Szymanski, of my staff, at 608-783-8455.

Sincerely,



Lynn Lewis
Assistant Regional Director
Ecological Services

Ms. Kimberly Bose

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bcc: Jeff Thommes, NRG-LLC
Forest Clark, BFO
Angels Boyer, ROFO
Joyce Collins, RIFO
Heidi Kuska, CMFO
TJ Miller, RO
Jennifer Szymanski, RO