

DEPARTMENT OF NATURAL
RESOURCES AND CONSERVATION
NORTHEASTERN LAND OFFICE

DNRC - Trust Land Management Division



STATE OF MONTANA

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LEGISLATIVE ENVIRONMENTAL
POLICY OFFICE

September 30, 2004

MEMORANDUM

TO: Clive Rooney, Area Manager, Northeastern Land Office
Lisa Axline, Rights-of-Way Coordinator, Real Estate Management Bureau

FR: Dan Dobler, Havre Unit Manager, Northeastern Land Office *Dan Dobler*

RE: Application for a Utilities R/W Easement Across State Lands
NorthWestern Energy Corporation
Underground Cathodic Protection Line- Class III Easement
NW $\frac{1}{4}$ NE $\frac{1}{4}$, Sec. 16, T32N, R17E
Hill County, Montana

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D.N.R.C.

Enclosed you will find an entire utility right-of-way easement application package for a proposed Class III utilities right-of-way easement located in Hill County. I deposited the application fee and I have included a copy of the check with the receipt number written at the top, a copy of the deposit record, a copy of the deposit receipt, and a copy of the transaction set that this check was entered under. I have also enclosed an Environmental Assessment Checklist for your review. Please review the EA Checklist, sign and date it, and return an executed copy to the Havre Unit Office. Please forward a copy of the executed EA Checklist to Connie Daruk in Helena, so that she may forward it onto the Environmental Quality Council.

NorthWestern Energy Corporation is proposing to install an underground cathodic protection line to provide corrosion protection for an existing six inch steel natural gas pipeline. The cathodic protection groundbed will consist of ten graphite anodes in an eight inch 200' deep hole. Each anode will be surrounded with 2" of calcined petroleum coke backfill material. A wire trench 24" deep and approximately 300' long will be used to tie in the pipeline to the system. A 24" deep trench 10' long will be needed to bring underground AC power from an existing power line. The native soil will then be returned and all disturbed areas will be restored to their prior status and monitored for settling. A 4' wide unistrut stand will be installed near the existing power line on which a rectifier and power meter will reside. All disturbed areas will be returned to their native status and reseeded.

Application for a Utilities R/W Easement Across State Lands
NorthWestern Energy Corporation
Underground Cathodic Protection Line – Class III Easement
NW¼NE¼, Sec. 16, T32N, R17E
Hill County, Montana

The proposed utilities right-of-way easement will disturb approximately 0.12 acres of classified grazing land on this tract of state land. The underground cathodic protection line will be buried at the location shown on the attached aerial and topographic maps. The width of the easement request is twenty (20) feet wide, ten (10) feet on each side of the described centerline. Construction activities will only occur on dry or frozen ground. The proposed project will not have any overall long-term negative impacts on the native grazing land associated with this project.

I used the fee schedule in order to determine the land values for this easement application package. I am recommending that the value for this easement be set at \$100.00. I used the minimum value for a right-of-way easement of \$100 to come up with the above referenced value for this right-of-way easement. I recommend that the Department issue NorthWestern Energy Corporation a utilities right-of-way easement across state land for **\$100.00**.

If you have any further questions regarding this easement application package, please contact me at the Havre Unit Office and I will be glad to discuss this matter in detail with you.

Please add the following stipulations to the easement.

- 1. Construction activities and the operation of all equipment will only occur when the ground is frozen or dry.*
- 2. The Grantee of this easement will be responsible for the control of all weeds that are categorized as noxious by the State of Montana, on the said easement.*

The Havre Unit Office is recommending that NorthWestern Energy Corporation be issued a utilities right-of-way easement for the construction and maintenance of an underground cathodic protection line across this tract of state land.

Enclosures

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: NorthWestern Energy Corporation Underground Cathodic Protection Line Utility R/W Easement - Class III Easement	Proposed Implementation Date: October 25, 2004
Proponent: NorthWestern Energy, 40 East Broadway St., Butte, MT 59701	
Type and Purpose of Action: NorthWestern Energy is proposing to construct a cathodic protection system across state land. The cathodic protection groundbed will consist of ten graphite anodes in an eight inch 200' deep hole. Each anode will be surrounded with 2" of calcined petroleum coke backfill material. A wire trench 24" deep and approximately 300' long will be used to tie in the pipeline to the system. A 24" deep trench 10' long will be needed to bring underground AC power from the existing power line. The native soil will then be returned and all trenches will be restored and monitored for settling. A 4' wide unistrut stand will be installed near the existing power line on which a rectifier and power meter will reside. Said easement area contains 0.12 acres. Cathodic protection is mandated by the Montana D.O.T. and is essential for public safety.	
Location: NW¼NE¼, Sec. 16, T32N, R17E	County: Hill County, Montana

I. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED: Provide a brief chronology of the scoping and ongoing involvement for this project.	The Montana Department of Natural Resources and Conservation has been petitioned by NorthWestern Energy for a utilities right-of-way easement across state land. NorthWestern Energy has contacted the state's surface lessees, Mark & Vicki Smerker to notify them of the propose project and to settle the damages that are expected with the construction of an underground cathodic protection line. NorthWestern Energy's statement of necessity states that this site was selected because of AC power availability and that the current section of natural gas pipeline needs more corrosion protection. Cathodic Protection is mandated by the Montana D.O.T. and is essential for public safety.
2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:	The Montana DNRC is the only governmental agency that has jurisdiction for this type of project occurring on state land. This project will take place on State School Trust Land, which is administered by the Trust Land Management Division of the Montana DNRC. NorthWestern Energy is installing the Bowes-Havre 6" underground cathodic protection line to provide corrosion protection against an existing natural gas pipeline that runs along the north half of this section. Cathodic Protection is mandated by the Montana Department of Transportation and is essential for public safety.

3. ALTERNATIVES CONSIDERED:	<p>Action Alternative: Grant NorthWestern Energy a utilities right-of-way easement across state land for the construction and maintenance of an underground cathodic protection line. Mitigation measures will be used to limit the impact to the native rangeland resource on this tract of state land.</p> <p>No Action Alternative: Deny NorthWestern Energy a utilities right-of-way easement across state land for the construction and maintenance of an underground cathodic protection line.</p>
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II. IMPACTS ON THE PHYSICAL ENVIRONMENT

RESOURCE	POTENTIAL IMPACTS
<p>4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are fragile, compactible or unstable soils present? Are there unusual geologic features? Are there special reclamation considerations?</p>	<p>Action Alternative: The soils on this tract of state land will be disturbed with the construction of an underground cathodic protection line. The area of disturbance will be small in scope and reclaimed under the terms and conditions for issuing the right-of-way easement. The proponent shall stockpile the topsoil upslope from the pipeline trench. The subsoil and excessive dirt will be stock-piled down slope from the project and used first to fill in the trench. The proponent shall leave the pipeline route with excessive topsoil to account for settling over time. There are no special geological features in the area of the proposed disturbance. There are no special reclamation considerations for this project other than salvaging the topsoil.</p> <p>No Action Alternative: The soils on this tract of state grazing land will not be disturbed. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

<p>5. WATER QUALITY, QUANTITY AND DISTRIBUTION: Are important surface or groundwater resources present? Is there potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality?</p>	<p>Action Alternative: The construction of an underground cathodic protection line will have no impacts on the water quality, quantity, and distribution in this area. The cathodic line will be buried in a trench over an existing natural gas steel pipeline to provide corrosion protection. The cathodic protection line will not have the potential to violate any ambient water quality standards or contaminate drinking water in this area. Cathodic protection is mandated by the D.O.T. and is essential for public safety.</p> <p>No Action Alternative: The water quality, quantity, and distribution will not be impacted on this tract of state land. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>
<p>6. AIR QUALITY: Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I airshed)?</p>	<p>Action Alternative: No pollutants or particulates will be produced with the burial of a cathodic protection line on this tract of state land. The project is not influenced by air quality regulations or zones.</p> <p>No Action Alternative: The air quality will not be impacted on this tract of state land. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>
<p>7. VEGETATION COVER, QUANTITY AND QUALITY: Will vegetative communities be permanently altered? Are any rare plants or cover types present?</p>	<p>Action Alternative: The area of disturbance is located on native rangeland. The lessee will be able to continue to graze livestock on this tract of state land as he has in the past with the installation of a cathodic protection line. Installing an underground cathodic protection line will have no long-term impacts on this tract of state grazing land.</p> <p>No Action Alternative: The native grazing land will not be impacted on this tract of state land. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:
Is there substantial use of the area by important
wildlife, birds or fish?

Action Alternative: Wildlife habitat will not be significantly impacted with this type of project. Construction and maintenance activities will increase traffic into the area, but no wildlife species will be permanently displaced. Once the project is completed, wildlife in this area will return to normal everyday activities.

No Action Alternative: The terrestrial and avian life and their associated habitats will not be impacted on this tract of state land. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.

9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES: Are any federally listed threatened or endangered species or identified habitat present? Any wetlands? Sensitive Species or Species of special concern?

Action Alternative: Threatened and endangered species will be able to migrate through this area. The area of impact contains no known unique, endangered, fragile or limited environmental resources. The proposed project area contains no wetlands. Sensitive species and species of special concern that may be located in this area will not be impacted with the construction of an underground cathodic protection line in this area.

No Action Alternative: The unique, endangered, fragile, and or limited environmental resources will not be negatively impacted on this tract of state land. Listed, threatened, and endangered wildlife species and their habitat will remain the same in this area. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

10. HISTORICAL AND ARCHAEOLOGICAL SITES: Are any historical, archaeological or paleontological resources present?

Action Alternative: Patrick Rennie, Montana DNRC Archaeologist and Dan Dobler, Havre Unit Manager discussed this project and found that no cultural resources were identified in the area of the proposed disturbance. The area of disturbance is small in scope and was previously disturbed for the installation of the natural gas pipeline and water line. No cultural resources or surface features were observed during past scheduled field appraisals that have been conducted on this tract. DNRC archaeologist, Patrick Rennie does not have any cultural resource concerns with this project.

No Action Alternative: There are no known historical or cultural resources present in the area of the proposed disturbance on this tract of state land. The Montana DNRC will continue to comply with the State of Montana's, Antiquity Act, to make sure all archaeological and cultural resources are documented and recorded with the National Register of Historic Places. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.

11. AESTHETICS: Is the project on a prominent topographic feature? Will it be visible from populated or scenic areas? Will there be excessive noise or light?

Action Alternative: The aesthetics found on this tract of state land will not be impacted with the installation of an underground cathodic protection line. The cathodic protection line will not be visible to the public. The installation of this line will create some excessive noise during the initial phases of construction. However, once the cathodic line is installed, noise levels will return to normal in this area.

No Action Alternative: The aesthetics found on this tract of the state land will remain the same. The proponent may wish to install the line somewhere else and the State of Montana's School Trust Fund would lose out on additional revenue from the right-of-way easement. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY: Will the project use resources that are limited in the area? Are there other activities nearby that will affect the project?

Action Alternative: This project will demand the environmental resource of land for the installation of the cathodic protection line. Livestock will not loose available forage on this tract, since the lessee has already grazed this tract of state land this year. Livestock will not graze this tract of state land until next year. This project will not use resources that are limited in this area.

No Action Alternative: The Montana DNRC will continue to monitor each tract of state grazing land every ten years to determine management practices. The Montana DNRC does not expect any other demands on the environmental resources that are known to exist in this area. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA: Are there other studies, plans or projects on this tract?

Action Alternative: The Havre Unit Office will perform a field evaluation on this tract of state land every ten years to determine grazing management practices. The Montana DNRC does not have any other studies, plans, or projects on this tract of state land at this time.

No Action Alternative: The project will not impact other studies, plans, or projects that the DNRC has on this tract of state land. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.

III. IMPACTS ON THE HUMAN POPULATION	
RESOURCE	POTENTIAL IMPACTS AND MITIGATION MEASURES
<p>14. HUMAN HEALTH AND SAFETY: Will this project add to health and safety risks in the area?</p>	<p>Action Alternative: NorthWestern Energy, its subcontractors, and/or their employees understand the risks associated with the construction of an underground cathodic protection line. These people assume these risks as occupational hazards. Constructing a cathodic protection line across the natural gas pipeline will decrease the overall human health and safety risks found in this area.</p> <p>No Action Alternative: This project will not impact the health and human safety risks of the people who live and work in this area. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>
<p>15. INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION: Will the project add to or alter these activities?</p>	<p>Action Alternative: This project will not decrease the overall long-term productivity of the state grazing land. The industrial and agricultural activities will not be altered with this type of project. The industrial activity on this tract of state land may be in jeopardy, if the Montana DNRC denies the installation of an underground cathodic protection line on this tract of state land.</p> <p>No Action Alternative: The project will not have an impact on the industrial or agricultural activities that occur on this tract of state land. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>

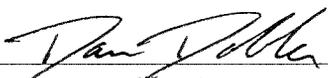
<p>16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT: Will the project create, move or eliminate jobs? If so, estimated number.</p>	<p>Action Alternative: The project will not create, move, or eliminate jobs within the surrounding area. The quantity and distribution of employment will not be disturbed. The installation of an underground cathodic protection line will provide corrosion protection for the existing steel natural gas pipeline.</p> <p>No Action Alternative: The project will not impact the quantity and distribution of employment in the surrounding area. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>
<p>17. LOCAL AND STATE TAX BASE AND TAX REVENUES: Will the project create or eliminate tax revenue?</p>	<p>Action Alternative: The project will not create additional tax revenues in Hill County. The local and state tax base will not change as a result of this project.</p> <p>No Action Alternative: The project will have no impact on the local and state tax base. The project will not create tax revenue in Hill County. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land.</p>
<p>18. DEMAND FOR GOVERNMENT SERVICES: Will substantial traffic be added to existing roads? Will other services (fire protection, police, schools, etc) be needed?</p>	<p>Action Alternative: The project will add substantial traffic to the existing roads during the construction of the cathodic protection line. There will be no demand for government services with the installation of an underground cathodic protection line on this tract of state land.</p> <p>No Action Alternative: This type of project will not create a demand for government services such as fire protection, police, or schools. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>

<p>19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS: Are there State, County, City, USFS, BLM, Tribal, etc. zoning or management plans in effect?</p>	<p>Action Alternative: There are no locally adopted environmental plans or goals that need to be addressed. The Montana DNRC will continue to monitor this tract of state land every ten years for management goals and to generate additional revenue for the School Trust Fund of Montana.</p> <p>No Action Alternative: There are no locally adopted environmental plans or goals that would restrict the installation of an underground cathodic protection line. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>
<p>20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES: Are wilderness or recreational areas nearby or accessed through this tract? Is there recreational potential within the tract?</p>	<p>Action Alternative: This tract of state land does have a perfected legal access provided by a county road. Recreational activities such as hunting and hiking are the main types of activities that occur on this tract of state land. These recreational activities will continue to occur on this tract of state land. The installation of an underground cathodic protection line will not impact these recreational activities at all.</p> <p>No Action Alternative: Recreational activities like hunting and hiking will continue to be the main recreational activities that occur on this tract of state land. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>
<p>21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING: Will the project add to the population and require additional housing?</p>	<p>Action Alternative: This project will not impact the density and distribution of population and housing in this area. This area consists primarily of ranching and farming communities.</p> <p>No Action Alternative: The project will not add to the population, nor will it require additional housing. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land.</p>

<p>22. SOCIAL STRUCTURES AND MORES: Is some disruption of native or traditional lifestyles or communities possible?</p>	<p>Action Alternative: The project will not disturb any of the native or traditional lifestyles that are found in this area. This community is dependent upon grazing lands to raise livestock and farming lands to grow cereal grains. There will be no impact to the agricultural community in this area with this type of project.</p> <p>No Action Alternative: The project will not impact the social structures and mores that currently exist in this rural area. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>
<p>23. CULTURAL UNIQUENESS AND DIVERSITY: Will the action cause a shift in some unique quality of the area?</p>	<p>Action Alternative: The installation of an underground cathodic protection line will not change the cultural uniqueness and/or diversity of the people or the landscape in this area.</p> <p>No Action Alternative: The cultural uniqueness and diversity of the land and its people will not shift in anyway with this type of project. The state land will continue to be used for livestock grazing purposes and the production of agricultural commodities. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>
<p>24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:</p>	<p>Action Alternative: The state's surface lessees, Mark & Vicki Smerker have signed the notice of settlement of damages form and are anticipating damages with this type of project. This project will eventually benefit everyone in this rural area by providing corrosion protection for the steel natural gas pipeline. There are no other appropriate social and/or economic circumstances to discuss within this Environmental Assessment Checklist.</p> <p>No Action Alternative: The Montana DNRC will continue to monitor this tract of native grazing land in the future. The Montana DNRC will not issue NorthWestern Energy a utilities right-of-way easement across this tract of state land. NorthWestern Energy will have to find an alternative location to install the underground cathodic protection line for their natural gas pipeline.</p>

EA Checklist Prepared By: Dan Dobler
Name

Havre Unit Manager
Title

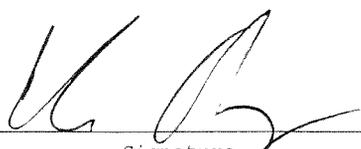

Signature

September 30th, 2004
Date

IV. FINDING	
25. ALTERNATIVE SELECTED:	
26. SIGNIFICANCE OF POTENTIAL IMPACTS:	
27. Need for Further Environmental Analysis: <input type="checkbox"/> EIS <input type="checkbox"/> More Detailed EA <input checked="" type="checkbox"/> No Further Analysis	

EA Checklist Approved By: Clive Rooney
Name

Area Manager, Northeastern Land Office
Title


Signature

10/4/04
Date