



File Code: 2720

Date: February 16, 2011

Anne Bartosewicz
Project Director, Northern Pass Project
780 North Commercial Street
Manchester, NH 03101

Dear Ms. Bartosewicz:

I am writing in response to your proposal to construct a direct current transmission line across National Forest System (NFS) lands in the White Mountain National Forest. The Forest Service Special Use Application process requires initial screening of project proposals before acceptance of an application to ensure they meet the basic criteria for use and occupancy of National Forest land consistent with applicable laws and policies. This step is important to minimize unnecessary use of both proponent and public resources on a project that cannot be made compatible with these laws and policies.

In regards to the initial screening criteria, I find that:

- 1. The proposed use is consistent with the laws, regulations, orders, and policies establishing or governing National Forest System (NFS) lands, with other applicable Federal laws, and with applicable State and local health and sanitation laws.**

The Multiple Use Sustained Yield Act of 1960 directs the Secretary of Agriculture to “develop and administer the renewable surface resources of the national forests for multiple use and sustained yield of the several products and services obtained there from” (16 U.S.C. §529). Furthermore, Congress has also declared that public land management “be on the basis of multiple use and sustained yield” (43 U.S.C. §1701(a)(6)). See also 36 C.F.R. § 219.1 & 219.3. This multiple use directive was communicated by the President to Congress to mean that “the Nation's forested land . . . should be managed at levels that realize its capabilities to satisfy the Nation's need for food, fiber, energy, water, soil stability, wildlife and fish, recreation, and esthetic values”. This Statement of Policy was transmitted by the President to the Speaker of the House of Representatives and the President of the Senate on June 19, 1980 pursuant to Statement of policy (Act Dec. 12, 1980, P.L. 96-514).

Section 368 of the Energy Policy Act of 2005 directs the Secretary of Agriculture, to designate, under his respective authorities, corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on Federal lands. Section 368 also directs the agencies to take into account the need for upgraded and new infrastructure, and to take actions to improve reliability, relieve congestion, and enhance the capability of the national grid to deliver energy. The Energy Policy Act also calls for expedited processing of future projects in these energy corridors. Your proposed use is consistent with this direction.

A Memorandum of Understanding, signed by President Obama, on October 23, 2009 directed the Department of Energy and eight other Federal agencies to improve coordination among project



applicants, federal agencies, states, and tribes involved in the siting and permitting process for electric transmission facilities on Federal land.

This project proposal will undergo further review through the federal National Environmental Policy Act led by the Department of Energy. The Forest Service is a Cooperating Agency in this process. This analysis and my subsequent decision will ensure all applicable laws and policies governing the management of the White Mountain National Forest will be met. In addition, the project will be reviewed by the U.S. Army Corps of Engineers, U.S. Environmental Protection Agency, Federal Energy Regulatory Commission, and the New Hampshire Site Evaluation Committee.

2. The proposed use is consistent or can be made consistent with standards and guidelines in the applicable forest land and resource management plan prepared under the NFMA and 36 CFR part 219.

It appears at this point in the process that your proposal and alternatives to the proposal can be made consistent with the development, level of disturbance, and actions expected and allowable in Forest-wide management direction as in the White Mountain National Forest Land and Resource Management Plan (Forest Plan), and complies with all relevant statutes and regulations that apply, including 36 C.F.R. part 219. Your use, as proposed, crosses Management Area 2.1-General Forest Management, Management Area 6.1-Semi-Primitive Recreation, and Management Area 8.3-Appalachian National Scenic Trail lands in the same location and corridor of an existing Public Service of New Hampshire special use permit. Utility lines are allowed in these areas, and should be installed by "...burying if technically feasible" (Forest Plan p. 2-11, G-4). Structures ancillary to the permitted use are also allowed.

A Forest Plan standard (Forest Plan p. 2-10, S-3) indicates that new utility proposals should occur within existing corridors. Your proposal is consistent with this standard.

A legally sufficient review of the proposed use will need to be conducted according to the National Environmental Policy Act (NEPA) to further determine compatibility with resource and land uses, such as visual quality, heritage resources, wildlife habitat, wetlands, recreation use, and protection of the Appalachian Trail as well as other important values and uses of the National Forest. This analysis will need to include the consideration of all feasible alternative routes even if it is more costly or difficult to utilize these routes in order for me to make an informed decision that is in the overall best public interest.

3. The proposed use will not pose any serious or substantial risk to public health or safety.

The proponent will be required under applicable laws to ensure that the proposal will not pose serious or substantial risk to public health or safety on National Forest land.

4. The proposed use will not create an exclusive or perpetual right of use or occupancy.

This proposal to obtain a special use authorization, in and of itself, does not create an exclusive or perpetual right of use or occupancy to use National Forest lands.

5. The proposed use will not unreasonably conflict or interfere with administrative uses by the Forest Service, other scheduled or authorized existing uses of the National Forest System, or use of adjacent to non-National Forest System lands.

Initial Screening Response Letter

The proposed route would be adjacent to an existing transmission line that is under a special use authorization or legal easement. A detailed environmental analysis will be completed that will examine any land use issues in the area and determine how best to address them. This may lead to alternatives, conditions, limitations, or mitigations that may be incorporated into any authorization to ensure the proposed will not unreasonably conflict with existing uses.

- 6. The proponent does not have any delinquent debt owed to the Forest Service under terms and conditions of a prior or existing authorization, unless such debt results from a decision on an administrative appeal or from a fee review and the proponent is current with the payment schedule.**

The project proponent does not have an outstanding debt to the Forest Service.

- 7. The proposed use does not involve gambling or providing of sexually oriented commercial services, even if permitted under State law.**

Your proposed use does not involve gambling or providing of sexually oriented commercial services.

- 8. The proposed use does not involve military or paramilitary training or exercises.**

Your proposed use does not involve military or paramilitary training or exercises.

- 9. The proposed use does not involve the disposal of solid waste or disposal of radioactive or other hazardous substances.**

Your proposed use does not involve the disposal of solid waste or disposal of radioactive or other hazardous substances.

I have reviewed the initial screening criteria as required (36 CFR 251.54(e)(1)(i)-(ix)), and have determined that all nine initial screening criteria have been met to a level that would indicate the project should be considered for second level screening.

Your response to the second level criteria (36 CFR 251.54 (e)(5)(i)-(v)) was used to make my determination below. In regards to the second level criteria, I find that:

- 1. The proposed use would not be inconsistent or incompatible with the purposes for which the lands are managed, or with other uses.**

Forest Plan direction allows for consideration of proposed transmission lines on the White Mountain National Forest.

An Environmental Impact Statement will further analyze the consistency and compatibility of the proposed use with the purposes for which these lands are managed and with the Forest Plan.

- 2. The proposed use would be in the public interest.**

In your submittal's response to this criterion, Northern Pass states that this project would be in the public's interest because it would reduce carbon dioxide emissions, increase local and state property tax bases, provide employment and further diversify New England's energy mix. The

response also suggests that the proposed route would have the least effect on the Appalachian Trail because it occurs at an existing crossing.

Forest Service Manual Direction (FSM 2700) dated January 10, 2010, as amended, outlines criteria to be used in applying second level screening criterion regarding public interest. It outlines that when considering authorizing use of National Forest Lands other than noncommercial group uses, consider if, “The proposed use is consistent with the mission of the Forest Service to manage National Forest System Lands and resources in a manner that will best meet the present and future needs of the American people...” and “The proposed use cannot reasonably be accommodated on non-National Forest System lands...”.

At this time, I find it premature to determine if the proposed use is in the public’s interest. An Environmental Impact Statement will fully analyze the proposed use and evaluate whether or not this proposed use is in the overall best interest of the public.

3. The proponent is qualified.

Northeast Utilities and NSTAR are joint venture owners of Northern Pass LLC. Northern Pass, LLC, will be able to draw on their proven resources, experience, and history in electric transmission development. Northern Pass LLC, as organized with the parent corporations, is capable and qualified to submit this proposal.

4. The proponent demonstrates technical and economic feasibility of the proposed use and has the financial and technical capability to undertake this proposed use and to fully comply with the terms and conditions of the authorization.

Northern Pass, as organized, has the technical capability to undertake the Proposed Use. As established, it will draw on the proven resources of Northeast Utilities and NSTAR, each of which have highly developed expertise in the design, siting, and construction of high voltage transmission systems within their service areas in Connecticut, Massachusetts and New Hampshire. Numerous projects completed by Northeast Utilities and NSTAR over the past several years and recent approvals for proposed projects clearly indicate Northern Pass’ technical ability to complete this proposed project.

Northern Pass, as organized, has the economic capability to undertake the proposed use. In the last 10 years Northeast Utilities has invested over \$3 billion in new transmission projects. These major projects include the Edison Award winning \$1.6 billion investment in four major southwest Connecticut projects that were completed in 2008. In addition, Northeast Utilities recently received approvals to commence the construction of the \$700 million Greater Springfield Reliability Project. NSTAR Electric has also completed large high voltage transmission additions in the greater Boston area and southeast Massachusetts investing over \$700 million in new facilities over the last 10 years.

5. There is a person or entity authorized to sign a special use authorization and accept responsibility for adherence to the terms and conditions of the authorization.

Your submittal letter indicates that an officer, duly authorized by Northern Pass, LLC, will sign the special use authorization and will accept responsibility on behalf of Northern Pass, LLC, for adherence to the terms and conditions of the special use authorization.

Initial Screening Response Letter

Upon receipt of the attached SF-299 application, we will issue a bill for collection to recover all reasonable costs associated with the processing of your application and the analysis of your proposed use. Bonding and insurance will also be required prior to the final issuance of the special use permit.

Research conducted during the screening of your proposed use indicates there may be existing electric transmission and distribution easements in the proposed route within the Forest boundaries. The proponent will need to verify that these easements are current and valid.

Please contact me if you have any questions or need additional information pertaining to screening criteria. If you have questions about the overall project, feel free to contact my Project Manager Bill Dauer at (603) 536-6207 in our Campton office.

SINCERELY,

/s/ Thomas G. Wagner
THOMAS G. WAGNER
Forest Supervisor

Enclosure

cc: Glen Parker
Carolyn Williams
Brian Mills (DOE)
William Dauer
Molly Fuller