

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Golden Pass LNG Terminal LP  
Golden Pass Pipeline LP

Docket No. CP04-386-000  
Docket Nos. CP04-400-000  
CP04-401-000  
CP04-402-000

NOTICE OF INTENT TO PREPARE AND  
ENVIRONMENTAL IMPACT STATEMENT  
FOR THE PROPOSED  
**GOLDEN PASS LNG TERMINAL AND PIPELINE PROJECT,**  
REQUEST FOR COMMENTS ON ENVIRONMENTAL ISSUES,  
AND NOTICE OF PUBLIC SCOPING MEETINGS AND SITE VISIT

(September 20, 2004)

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 Golden Pass LNG Terminal LP's and Golden Pass Pipeline LP's (collectively referred to as Golden Pass) proposed Golden Pass LNG Terminal and Pipeline Project. The proposed facilities would consist of a liquefied natural gas (LNG) import terminal and interconnecting pipelines in southeastern Texas and southwest Louisiana. The Commission will use this EIS in its decision-making process to determine whether or not the project is in the public convenience and necessity.

On January 26, 2004, when the project was in the preliminary design stage and before the formal applications were filed with the FERC, we<sup>1</sup> issued a Notice of Environmental Review and Scoping for the Golden Pass LNG Terminal and Pipeline Project and Request for Comments on Environmental Issues. This notice was sent to 567 interested parties including Federal, state, and local officials; agency representatives; conservation organizations; Native American tribes; local libraries and newspapers; residents within a 0.5 mile of the proposed LNG terminal; and property owners along the proposed pipeline routes. It also announced that the FERC staff was initiating its National Environmental Policy Act (NEPA) review to allow interested stakeholders to be involved early in project planning and to identify and resolve issues before the certificate application was filed with the FERC. A docket number (PF04-1-000) was established to place information filed by Golden Pass and related documents issued by the Commission, into the public record.

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

With this second notice, we are announcing a final opportunity to submit comments that may be submitted electronically, in written form, or verbally as described in the public participation section of this notice. We are also asking other Federal, state, and local agencies with jurisdiction and/or special expertise with respect to environmental issues to formally cooperate with us in the preparation of the EIS. These agencies may choose to participate once they have evaluated the proposal relative to their responsibilities. We encourage government representatives to notify their constituents of this planned project and encourage them to comment on their areas of concern. The U.S. Army Corps of Engineers - Galveston District will be a cooperating agency on this project.

This notice is being sent to residents within 0.5 mile of the proposed LNG terminal site; landowners along the pipeline routes; Federal, state, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; and local libraries and newspapers.

If you are a landowner receiving this notice, you may be contacted by a pipeline company representative about the acquisition of an easement to construct, operate, and maintain the pipeline facilities. The pipeline company would seek to negotiate a mutually acceptable agreement. However, if the project is approved by the Commission, 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?" was attached to the project notice Golden Pass provided to landowners. This fact sheet addresses a number of typically asked questions, including the use of eminent domain and how to participate in the Commission's proceedings. It is available for viewing on the FERC Internet website (<http://www.ferc.gov>).

### **Summary of the Proposed Project**

Golden Pass proposes to construct and operate an LNG import terminal and natural gas pipeline to import LNG and deliver up to an average of 2 billion cubic feet per day (Bcfd) of natural gas (with a peak capacity of 2.7 Bcfd) to the existing intrastate and interstate pipeline systems.

The LNG import terminal would be located approximately 10 miles south of Port Arthur, Jefferson County, Texas and 2 miles northwest of the town of Sabine Pass on the Sabine-Neches Waterway (Port Arthur Ship Channel). The LNG terminal would be constructed in two phases, each lasting approximately 48 months. Phase 2 construction would begin approximately 12 months after the start of Phase 1 construction and would increase the average capacity from 1.0 to 2.0 Bcfd. The import terminal would be

designed to accept LNG cargoes, temporarily store and vaporize LNG, and would contain the following facilities:

- A protected LNG unloading slip, LNG ship and support vessel maneuvering area (outside of the existing Port Arthur Ship Channel) that would be capable of receiving up to 200 LNG ships per year;
- Ship unloading facilities consisting of two berths, each capable of accommodating LNG ships ranging from 125,000 cubic meters (m<sup>3</sup>) to 250,000 m<sup>3</sup>, and consisting of four 16-inch unloading arms and one 16-inch vapor return arm, mooring and breasting dolphins, gangway tower, firewater monitors, anemometer, service utilities, and associated valves and piping (the first berth would be constructed during Phase 1 and the second during Phase 2);
- A total of five full-containment LNG storage tanks each with a working capacity of 155,000 m<sup>3</sup> (three tanks would be constructed during Phase 1 and two during Phase 2);
- A boil-off gas (BOG) recovery system consisting of three BOG compressors, one return gas blower, and a direct-contact recondenser;
- A total of twenty LNG booster pumps to transfer LNG from the storage tanks to the vaporizers (ten booster pumps would be installed during Phase 1 and ten during Phase 2);
- A total of ten shell-and-tube heat transfer fluid (HTF) LNG heat exchangers to vaporize the LNG (five exchangers would be installed during Phase 1 and five during Phase 2);
- A total of eight HTF gas-fired heaters (four heaters would be installed during Phase 1 and four during Phase 2); and
- Associated support facilities, including administrative buildings, storage and maintenance areas, electric power systems, access roads, and other facilities related to the LNG import terminal.

As part of its preliminary design, Golden Pass originally proposed to use seawater for the vaporization process. In response to comments and concerns about the use of seawater and potential environmental impact on aquatic resources, Golden Pass has removed the use of seawater for vaporization and instead proposes to use shell and tube vaporization technology.

Golden Pass also proposes to construct a pipeline system consisting of three pipelines and associated pipeline support facilities, including pig launchers and receivers,

and meter stations. The pipeline system would be installed in overlapping phases across three counties in Texas and one parish in Louisiana. It would consist of the:

- Mainline – A 77.8-mile-long, 36-inch-diameter pipeline extending from the LNG import terminal in Jefferson County through Orange, and Newton Counties, Texas (66.5 miles) and Calcasieu Parish, Louisiana (11.3 miles) to an interconnection with an existing Transcontinental Gas Pipeline Corporation (Transco) interstate pipeline near Starks, Louisiana (to be installed over an estimated 14-month period);
- Loop– A 42.8-mile-long, 36-inch-diameter pipeline that would be installed adjacent to (e.g., loop<sup>2</sup>) the Mainline and would extend from the LNG import terminal in Jefferson County to an interconnection with an existing Texoma Pipeline in Orange County, Texas (to be installed over an estimated 9-month period beginning with and concurrently with the Mainline);
- Beaumont Lateral – A 1.8-mile-long, 24-inch-diameter pipeline extending from the Mainline in Jefferson County, Texas to industrial customers in Beaumont-Port Arthur, including the ExxonMobil Beaumont refinery (to be installed over an estimated one-month period after installation of the Loop is complete);
- Meter stations to interconnect with up to 11 existing intrastate and interstate pipelines, including interconnections with Natural Gas Pipeline Company of America, Centana, Kinder Morgan – Texas, Kinder Morgan – Tejas, Beaumont-Port Arthur (including ExxonMobil’s Beaumont refinery), American Electric Power Texoma Pipeline, Florida Gas Transmission, Channel (HPL AS), Tennessee Gas Pipeline Company, Texas Eastern Transmission LP, and Transco; and
- Associated pipeline facilities, including pig launchers and receivers, and block valves.

A map depicting the proposed terminal site plot plan is provided in appendix 1. The locations of the meter stations and routes for the Mainline, Loop, and Beaumont Lateral are provided on the map in appendix 2.<sup>3 4</sup>

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<sup>2</sup> A loop is a segment of pipeline that is usually installed adjacent to an existing pipeline and connected to it at both ends).

<sup>3</sup> 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 at (202) 502-8371. For instructions on connecting to eLibrary refer to the end of this notice.

## **Land Requirements**

The Golden Pass LNG import terminal would be constructed and operated within a 477-acre property that would be owned by Golden Pass. Construction would affect a total of 245 acres of land within the 477-acre property. The LNG terminal and associated facilities would be operated within a 205-acre site.

The Golden Pass pipelines would be installed within a 100-foot-wide construction right-of-way. The Loop would be installed adjacent to the Mainline with a nominal 25-foot separation, thus increasing the construction right-of-way to 125 feet for approximately 42.8 miles. The Beaumont Lateral would be installed within a 90-foot-wide construction right-of-way. Additional work space would be used for topsoil segregation and for certain waterbody, wetland, road, and railroad crossings. The operational right-of-way would be 50 feet for one pipeline and 75 feet for two pipelines (e.g., for the Mainline and Loop).

Golden Pass estimates that pipeline construction would affect a total of 1,603.5 acres of land and that operation would affect a total of 708 acres of land. Construction and operation of the meter stations would affect an additional 7.4 acres of land. In addition, pipeline construction would involve use of approximately 18.6 miles of access roads and 149.3 acres of contractor yards.

## **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, or an import authorization under Section 3 of the Natural Gas Act. NEPA also requires us to discover and address issues and 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. By this notice, we are requesting agency and public comments on the scope of the issues to be analyzed and presented in the EIS. All scoping comments received will be considered during the preparation of the EIS. To ensure your comments are considered, please carefully follow the instructions in the public participation section of this notice.

The EIS will discuss impacts that could occur as a result of the construction and operation of the proposed project under these general headings:

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<sup>4</sup> Requests for detailed maps of the facilities may be made to the company directly. Call or e-mail: Jason B. Dupres, 12450 Greenspoint Drive, Houston, Texas 77060 (281) 654-3456 or jason.b.dupres@exxonmobil.com. Be as specific as you can about the location(s) of your area(s) of interest.

- geology and soils
- water resources, fisheries, and wetlands
- vegetation and wildlife
- endangered and threatened species
- land use
- cultural resources
- air quality and noise
- public safety

Our independent analysis of the issues will be in the 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; affected landowners; other interested parties; local libraries and newspapers; and the Commission'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 comments on the draft EIS and revise the document, as necessary, before issuing a final EIS. In addition, we will consider all comments on the final EIS before we make our recommendations to the Commission.

### **Currently Identified Environmental Issues**

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 the Golden Pass. This preliminary list of issues may be changed based on your comments and our analysis.

- **Geology and Soils:**
  - Assessment of potential site subsidence.
  - Assessment of pipeline construction on hydric and prime farmland soils.
- **Water Resources:**
  - Impact of project water use on the local water supply system.
  - Assessment of dredge and fill of coastal wetlands associated with construction of the proposed LNG terminal, storage, and vaporization sites, and the disposal of dredged material.
  - Assessment of hydrostatic test water source and discharge to receiving water bodies.
  - Impact on water quality and aquatic species crossed by pipeline facilities.
  - Pipeline construction on freshwater wetlands.
- **Fish, Wildlife, and Vegetation:**
  - Effect on essential fish habitat, commercial and recreational fisheries, and benthic communities.
  - Effect on designated Wildlife Management Areas (WMA) and parks (J.D. Murphree WMA, Sea Rim State Park, Sabine Island WMA) and migratory bird species.

- Endangered and Threatened Species:
  - Potential effect on federally-listed species.
- Cultural Resources:
  - Assessment of cultural resources studies.
  - Native American and tribal concerns.
- Land Use, Recreation and Special Interest Areas, and Visual Resources:
  - Permanent land use alteration associated with site development.
  - Evaluation of project's consistency with coastal zone management area guidelines.
  - Visual impacts associated with new LNG storage tanks.
- Socioeconomics:
  - Impact of traffic from construction workers and material delivery on State Highway 87.
  - Effects of 200 LNG ships per year on existing ship traffic in the Sabine Neches Waterway.
  - Effects of construction workforce demands on public services and housing.
  - Effects on property values on Pleasure Island.
  - Effects of construction payroll, sales tax, and property taxes on local economy.
- Air Quality and Noise:
  - Effects on local air quality and noise environment from construction and operation of the proposed facilities.
  - Effects of emissions from 200 additional LNG ships on air quality.
- Reliability and Safety:
  - Assessment of hazards associated with the transport, unloading, storage, and vaporization of LNG.
  - Assessment of potential collisions of LNG ships with other ship traffic in the area.
  - Assessment of security associated with LNG ship traffic and an LNG import terminal.
  - Assessment of hazards associated with natural gas pipelines.
- Alternatives:
  - Assessment of the use of existing LNG import terminals and natural gas pipeline systems to reduce or avoid environmental impacts.
  - Evaluation of alternative sites for the LNG import and storage facilities, including offshore sites.
  - Evaluation of pipeline route alternatives.
  - Identification of measures to lessen or avoid impacts on the various resource and special interest areas.

- Cumulative Impacts:
  - Assessment of the effect of the proposed project when combined with other past, present or reasonably foreseeable future actions in the Sabine Pass area, including proposals by Sempra Energy LNG (Port Arthur LNG Project) and Sabine Pass LNG, L.P. (Sabine Pass LNG and Pipeline Project).

### **Public Participation**

You can make a difference by providing us with your specific comments or concerns about the project. By becoming a commentor, your concerns will be addressed in the EIS and considered by the Commission. Your comments should focus on the potential environmental effects of the proposal, alternatives to the proposal (including alternative locations and routes), and measures to avoid or lessen environmental impact. The more specific your comments, the more useful they will be.

To expedite our receipt and consideration of your comments, the Commission strongly encourages electronic submission of any comments on this project. See Title 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 "eFiling" link and the link to the User's Guide. Before you can submit comments you will need to create a free account by clicking on "Sign-up" under "New User." You will be asked to select the type of submission you are making. This type of submission is considered a "Comment on Filing." Your comments must be submitted electronically by **October 20, 2004**.

If you wish to mail comments, please mail your comments so that they will be received in Washington, DC on or before **October 20, 2004**, and carefully follow these instructions to ensure that your comments are received and properly recorded:

- Send **an original and two** copies of your letter to:

Magalie R. Salas, Secretary  
Federal Energy Regulatory Commission  
888 First St., N.E., Room 1A  
Washington, DC 20426;

- Label one copy of your comments for the attention of Gas Branch 2, DG2E; and
- Reference Docket Nos. CP04-386-000, CP04-400-000 *et al.* on the original and both copies.

If you do not want to send comments at this time but still want to remain on our mailing list, please return the Mailing List Retention Form included in Appendix 3.

The public scoping meetings are designed to provide another opportunity to offer comments on the proposed project. Interested groups and individuals are encouraged to attend the meetings and to present comments on the environmental issues they believe should be addressed in the EIS. A transcript of the meetings will be generated so that your comments will be accurately recorded. All meetings will begin at 7:00 PM (CST), and are scheduled as follows:

<u>Date</u>	<u>Location</u>
Tuesday, October 5, 2004	Sabine Pass School Auditorium 5641 South Gulfway Drive Sabine Pass, Texas 409-971-2321
Wednesday, October 6, 2004	VFW Hall 4402 Highway 12 Starks, Louisiana 337-743-6409

The environmental staff of the FERC will perform a site visit of the proposed facility locations. Anyone interested in participating in the field trip may attend, but they **must provide their own transportation**. The meeting locations prior to the site visit are as follows:

Time/Date	Meeting Location	Facilities
Wednesday, October 6, 2004 at 8 a.m.	Walter Umphrey State Park State Highway 82 Pleasure Island, TX	LNG terminal, pipeline mainline and loop, and Beaumont Lateral
Thursday, October 7, 2004 at 8 a.m.	VFW Hall 4402 Highway 12, Starks, LA	Pipeline mainline

### **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 eLibrary link, click on "General Search" and enter the docket number excluding the last three digits in the Docket Number field. Be sure you have selected an appropriate data range. For assistance with eLibrary, the eLibrary helpline can be reached at 1-866-208-3676, TTY (202) 502-8659, or at FERCONLINESUPPORT@FERC.GOV. 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 Commission now offers a free service called eSubscription which 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. Go to the eSubscription link on the FERC Internet website.

Magalie R. Salas  
Secretary

LNG Site Map

Pipeline General Location Map

**INFORMATION REQUEST**

**Docket No. CP04-386-000, CP04-400-000, et al.**

**Please keep my name on the mailing list for the  
Golden Pass LNG Terminal and Pipeline Project**

**Name** \_\_\_\_\_

**Agency** \_\_\_\_\_

**Address** \_\_\_\_\_

**City** \_\_\_\_\_ **State** \_\_\_\_\_ **Zip Code** \_\_\_\_\_

**Please provide detailed maps for the facilities  
closest to the following area(s):**

**My mailing address.**

**My property.**

(Be as specific as you can about the location(s) of your area(s) of interest. Please include any information that would help us accurately locate these area(s). For example: county, town, cross-streets, or landmarks.)

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**FROM** \_\_\_\_\_

[Place stamp here]

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\_\_\_\_\_  
\_\_\_\_\_

**ATTN: OEP – Gas 2, PJ - 11.3  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426**

*(Golden Pass LNG Terminal and Pipeline Project - CP04-386-000, CP04-400-000 et al.)*

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