

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

Calhoun LNG, L.P.
Point Comfort Pipeline Company, L.P

Docket No. CP05-91-000
Docket No. CP05-380-000

NOTICE OF AVAILABILITY OF THE
DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR THE
CALHOUN LNG TERMINAL AND PIPELINE PROJECT

(June 30, 2006)

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared this draft Environmental Impact Statement (EIS) for the construction and operation of the liquefied natural gas (LNG) import terminal and natural gas pipeline facilities (referred to as the Calhoun LNG Project or Project) as proposed by Calhoun LNG, L.P. and Point Comfort Pipeline Company, L.P. (collectively referred to as Calhoun Point Comfort) in the above-referenced dockets.

The draft EIS was prepared to satisfy the requirements of the National Environmental Policy Act (NEPA). The staff concludes that approval of the Calhoun LNG Project, with appropriate mitigating measures as recommended, would have limited adverse environmental impact. The draft EIS evaluates alternatives to the proposal, including system alternatives, alternative sites for the LNG import terminal, and pipeline alternatives.

The purpose of the Calhoun LNG Project is to provide facilities necessary to import, store, and vaporize on average about 1.0 billion cubic feet per day of LNG to provide a competitive supply of natural gas to local industrial customers, such as Formosa Hydrocarbons Company and Formosa Plastics Corporation, and other energy-consuming customers in Texas and deliver natural gas into existing interstate and intrastate natural gas pipelines near Edna, Texas. In order to accomplish this purpose, Calhoun Point Comfort proposes to construct and operate a new LNG import terminal including an LNG ship berth and unloading facilities on the southeastern shoreline of Lavaca Bay, south of Point Comfort, in Calhoun County, Texas. In addition, Calhoun Point Comfort would construct and operate a new natural gas pipeline and ancillary facilities extending northward from the LNG terminal to natural gas pipeline interconnects southwest of Edna, in Jackson County, Texas.

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The draft EIS addresses the potential environmental effects of the construction and operation of the following LNG terminal and natural gas pipeline facilities:

- a new marine terminal along Lavaca Bay that would include one berth to unload up to 120 LNG ships per year;
- four 16-inch-diameter stainless steel unloading arms;
- two single containment LNG storage tanks each with a nominal working volume of approximately 160,000 m³ (1,006,000 barrels);
- three in-tank pumps per LNG storage;
- four low pressure (LP) and four high pressure (HP) sendout pumps;
- six first-stage submerged combustion vaporizers (SCV) and six second-stage SCVs;
- a boil-off gas (BOG) and vapor removal system;
- a flare system that would include a 100-foot flare stack;
- various support buildings and piping structures at the LNG terminal site;
- 27.1 miles of 36-inch-diameter natural gas pipeline;
- a 0.25 mile of 8-inch-diameter lateral and 0.25 mile of 16-inch-diameter lateral;
- ten delivery points/interconnects; and
- a pig launcher facility and mainline valves.

The draft EIS has been placed in the public files of the FERC and is available for public inspection at:

Federal Energy Regulatory Commission
Public Reference and Files Maintenance Branch
888 First Street, N.E., Room 2A
Washington, DC 20426
(202) 502-8371

A limited number of copies of the draft EIS are available from the Public Reference and Files Maintenance Branch identified above. In addition, copies of the final EIS have been mailed to federal, state, and local agencies; elected officials; public interest groups; libraries, individuals and affected landowners who requested a copy of the draft EIS; and parties to these proceedings.

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Comment Procedures and Public Meeting

Any person wishing to comment on the draft EIS may do so. To ensure consideration prior to a Commission decision on the proposal, it is important that we receive your comments before the date specified below. **Please carefully follow these instructions to ensure that your comments are received and properly recorded:**

- Send an original and two copies of your comments to:
Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, D.C. 20426
- Reference Docket Nos. CP05-91-000 and CP05-380-000.
- Label one copy of the comments for the attention of the Gas Branch 2.
- Mail your comments so that they will be received in Washington, D.C. on or before **August 21, 2006**.

Please note that the Commission strongly encourages electronic filing of any comments or interventions or protests to this proceeding. See 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site at <http://www.ferc.gov> under the "e-Filing" link and the link to the User's Guide. Before you can file comments you will need to create a free account, which can be created by clicking on "Login to File" and then "New User Account." You will be asked to select the type of filing you are making. This filing is considered a "Comment on Filing."

In addition to or in lieu of sending written comments, we invite you to attend the public comment meeting scheduled as follows:

August 17, 2006, 7:00 p.m.(CST)
Bauer Community Center
2300 N. Highway 35, Port Lavaca, Texas 77979
Telephone: (361) 552-1234

Interested groups and individuals are encouraged to attend and present oral comments on the draft EIS. Transcripts of the meetings will be prepared.

After these comments are reviewed, any significant new issues are investigated, and modifications are made to the draft EIS, a final EIS will be published and distributed

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by the staff. The final EIS will contain the staff's responses to timely comments received on the draft EIS.

Comments will be considered by the Commission but will not serve to make the commentor a party to the proceeding. Any person seeking to become a party to the proceeding must file a motion to intervene pursuant to Rule 214 of the Commission's Rules of Practice and Procedures (18 CFR 385.214). Anyone may intervene in this proceeding based on this draft EIS. You must file your request to intervene as specified above.¹ **You do not need intervenor status to have your comments considered.**

The draft EIS has been placed in the public files of the FERC and is available for distribution and public inspection at:

Federal Energy Regulatory Commission
Public Reference Room
888 First Street, N.E., Room 2A
Washington, D.C. 20426
(202) 208-1371

Hard-copies of the draft EIS have been mailed to federal, state, and local agencies; public interest groups; individuals and affected landowners who requested a copy of the draft EIS or provided comments during scoping; libraries; newspapers; and parties to this proceeding. A limited number of documents and CD-ROMs are available from the Public Reference Room identified above.

Additional information about the project is available from the Commission's Office of External Affairs, at **1-866-208-FERC** or on the FERC Internet website (www.ferc.gov) using the eLibrary link. Click on the 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 date range. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-866-208-3676, or for TTY, contact (202) 502-8659. 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 rulemakings.

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

¹ Interventions may also be filed electronically via the Internet in lieu of paper. See the previous discussion on filing comments electronically.

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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