

DEPARTMENT OF ENERGY

Federal Energy Regulatory
Commission

[Docket Nos. CP04-47-000, CP04-38-000,
CP04-39-000, and CP04-40-000]

**Sabine Pass LNG, L.P., Cheniere
Sabine Pass Pipeline Company; Notice
of Intent To Prepare an Environmental
Impact Statement for the Proposed
Sabine Pass, LNG, and Pipeline Project
and Request for Comments on
Environmental Issues and Notice of
Public Scoping Meetings and Site Visit**

February 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 the Sabine Pass LNG and Pipeline Project involving construction and operation of facilities proposed by Sabine Pass LNG, L.P. and Cheniere Sabine Pass Pipeline Company (collectively referred to as Cheniere Sabine) in Cameron Parish, Louisiana.¹ These facilities would consist of a liquefied natural gas (LNG) import terminal and storage facilities and approximately 16 miles of 42-inch-diameter pipeline in Cameron Parish.² This EIS will be used by the Commission in its decision-making process to determine whether the project is in the public convenience and necessity.

This notice is being sent to residents within 0.5 mile of the proposed LNG terminal facilities; potentially affected landowners along the proposed pipeline route; Federal, State, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; and local libraries and newspapers. We³ have asked state and local government representatives to notify their constituents of this planned action and

encourage them to comment on their areas of concern.

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 proposed 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 Cheniere Sabine 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 Web site at www.ferc.gov.

Summary of the Proposed Project

Cheniere Sabine proposes to build a new LNG import, storage, and vaporization terminal in a rural part of Cameron Parish, Louisiana, across the Sabine Pass Channel from Sabine Pass, Texas. The LNG import terminal would import, store, and vaporize an average of approximately 2,600 million standard cubic feet per day (MMscfd) of LNG, with an installed capacity of 2,880 MMscfd, for supply to U.S. natural gas markets. Cheniere Sabine seeks authority to construct and operate the following new facilities:

- A new marine basin connected to the Sabine Pass Channel that would include a ship maneuvering area and two protected berths to unload up to 300 LNG ships per year with a ship capacity ranging up to 250,000 cubic meters (m³) of LNG;
- Two 30-inch-diameter stainless steel insulated LNG transfer lines to transfer the LNG from the berth facilities to the LNG storage tanks;
- Three all-metal, double-walled, single containment, top-entry LNG storage tanks, each with a nominal working volume of approximately 160,000 m³ and each with secondary containment dikes to contain 110 percent of the gross tank volume;
- Sixteen high-pressure submerged combustion LNG vaporizers with a capacity of approximately 180 MMscfd each, as well as other associated vaporization equipment, including

pumps, boil-off gas compressors, instrumentation, and safety systems;

- Ancillary utilities, buildings, and service facilities, including hazard detection and fire response systems;
- Approximately 16 miles of 42-inch-diameter natural gas pipeline extending from the LNG import terminal to an interconnection with four existing pipelines at Johnson's Bayou;
- Three metering stations, one at the LNG terminal site, one at an interconnection with Natural Gas Pipeline Company of America, and one at the interconnection with the existing pipelines at Johnson's Bayou; and
- Associated pipeline facilities including a pig launcher receiver facility, and three mainline valves, and one side valve.

Construction of the LNG terminal facilities would take approximately 3 years, and the pipeline would take approximately 4 to 6 months. Cheniere Sabine proposes to place the project in service before the 2007 winter heating season. The general location of the proposed project facilities is shown in appendix 1.^{4,5}

In addition, certain nonjurisdictional electric and water line facilities would be required for operation of the LNG terminal and would be subject to review and approval by the appropriate state and Federal agencies. The Jefferson Davis Electric Cooperative would construct a 23.6-mile, 230 kilovolt (kV) electric transmission line that would extend from its existing substation near the Intracoastal Waterway south across the eastern edge of Sabine Lake to the LNG terminal site. Cameron Parish Waterworks, District 10, would construct an approximate 8.6-mile, 8-inch-diameter potable water line that will extend from its facilities near Johnson's Bayou west along the northern edge of State Highway 82 to the LNG terminal site.

Land Requirements for Construction

Cheniere Sabine has acquired 568 acres of land, formerly used for dredge spoil placement by the U.S. Army Corps of Engineers, for the proposed LNG terminal facility. Of this total, about 291.7 acres would be affected during construction, comprising 264.9 acres of land and 26.8 acres of water. Operation

¹ On January 2, 2004, the Commission gave notice that the applications for Sabine Pass LNG L.P. and Cheniere Sabine Pass Pipeline Company were filed on December 22, 2003, under section 3(a) and section 7(c) of the Natural Gas Act and part 153, part 157, and part 284 of the Commission's regulations.

² On February 10, 2004, the Commission gave notice that Sabine Pass Pipeline Company filed an amendment to its application on February 6, 2004, that reflected a shortening of the length of the originally proposed pipeline from approximately 120 miles to approximately 16 miles, a reduction of the diameter of the pipeline from 48 inches to 42 inches, and a decrease in the maximum capacity of the pipeline from 2.7 to 2.6 billion cubic feet per day.

³ "We," "us," and "our" refer to the environmental staff of the Office of Energy Projects.

⁴ Requests for detailed maps of the facilities may be made to the company directly by calling 1-800-690-1361. Be as specific as you can about the location(s) of your area(s) of interest.

⁵ The appendices referenced in this notice are not being printed in the **Federal Register**. Copies are available on the Commission's Web site (<http://www.ferc.gov>) at the "eLibrary" link or from the Commission's Public Reference Room 2A or call (202) 502-8371. Copies of the appendices were sent to all those receiving this notice in the mail.

of the LNG facility would affect about 236.6 acres, comprising 210.1 acres of land and 26.5 acres of water.

Cheniere Sabine proposes to use a 120-foot-wide construction right-of-way and a 50-foot-wide operational right-of-way for the pipeline. Construction of the pipeline would disturb about 245.8 acres of land and would include land required for the pipeline construction right-of-way, additional temporary workspaces, access roads, meter stations, and other associated aboveground facilities. Total operational land requirements would be approximately 105 acres for the new permanent right-of-way, access roads, and above ground facilities.

The EIS Process

The National Environmental Policy Act (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.

With this notice, we are soliciting input from the public and interested agencies to help us focus the analysis in the EIS on the potentially significant environmental issues related to the proposed action. We are also asking Federal, State, local, and tribal agencies with jurisdiction and/or special expertise with respect to the environmental issues to formally cooperate with us in the preparation of the EIS. These agencies, especially the U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, National Marine Fisheries Service, and the U.S. Coast Guard, may choose to participate once they have evaluated the proposal relative to their responsibilities. Agencies that would like to request cooperating status should follow the instructions for filing comments described later in this notice.

Our independent analysis of the proposed project will be included in a draft EIS. The draft EIS will be published and mailed to Federal, State, and local agencies, public interest groups, interested individuals, affected landowners, Native American tribes, newspapers, libraries, 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 timely comments on the draft EIS and revise the document, as necessary, before issuing the final EIS. In addition, we will consider all comments on the final EIS when we make our recommendations to the Commission.

Currently Identified Environmental Issues

The EIS will discuss impacts that could occur as a result of the construction and operation of the proposed project under the resource headings listed below. 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 Cheniere Sabine. This preliminary list of issues may be changed based on your comments and our analysis.

Geology and Soils

- Assessment of dredged material management plan, including the potential for beneficial uses of dredged material.

Water Resources and Wetlands

- Assessment of construction effects on quality of surface and groundwater.
- Assessment of effects of construction and operation on the Chicot sole-source aquifer.
- Potential effects of freshwater discharges on the salinity of receiving waterbodies.
- Effects of dredging approximately 4.5 million cubic yards of clays for the marine basin and berthing area.
- Assessment of construction and operation effects on wetlands at the terminal site and along the pipeline route.
- Potential impacts of a thermal (coldwater) discharge.

Fish, Wildlife, and Vegetation

- Effect on commercial and recreational fisheries of Sabine Lake and other affected waterbodies.
- Potential effect of electric transmission lines on shore birds and other birds.
- Effects of lighting and towers on migratory birds.
- Effects of construction on waterfowl habitat.

Endangered and Threatened Species

- Potential effects on federally listed species including piping plover, brown pelican, and bald eagle; Kemp's Ridley, loggerhead, green, hawksbill, and leatherback sea turtles; gulf sturgeon and smalltooth sawfish; and sperm whale.

- Effects on essential fish habitat.

Land Use, Recreation and Special Use Areas, and Visual Resources

- Potential impact on public access to the Sabine Pass Lighthouse, which is listed on the National Register of Historic Places.
- Effects of pipeline construction on residences within 50 feet of the proposed right-of-way.
- Consistency with coastal zone management plan.
- Visual impacts of new LNG storage tanks.

Socioeconomics

- Impact of construction equipment and construction worker vehicles on local traffic.
- Effects of LNG ship traffic.
- Effects of construction workforce demands on public services and housing.

Cultural

- Effects on archaeological sites and historic properties.

Air Quality and Noise

- Effects of construction and operation on local air quality and the noise environment.
- Effects of LNG ship emissions on air quality.

Reliability and Safety

- Safety and security of the terminal and pipeline.
- Safety related to LNG shipping.

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. At present, we are aware of one other LNG project, the ExxonMobil Golden Pass LNG and Pipeline Project, in the vicinity of the proposed Sabine Pass LNG and Pipeline Project. As currently proposed, the Golden Pass LNG Project site is approximately 2 miles west of the Cheniere Sabine LNG site on the west bank of the Port Arthur ship channel in Jefferson County, Texas. This project would also involve the construction of approximately 75 miles of pipelines, extending from the LNG site through Jefferson, Orange, and Newton Counties, Texas to the vicinity of Starks, Louisiana in Calcasieu Parish, Louisiana.

Alternatives

- Evaluation of no action alternative, alternatives using other existing LNG terminals or pipeline systems, alternative sites for the proposed LNG

terminal, and alternative pipeline routes.

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. You should focus on the potential environmental effects of the proposal, alternatives to the proposal (including alternative locations/routes), and measures to avoid or lessen environmental impact. The more specific your comments, the more useful they will be. Please carefully follow these instructions to ensure that your comments are received in time and properly recorded:

- Send an original and two copies of your letter to: Magalie R. Salas, Secretary, Federal Energy Regulatory Commission, 888 First St., NE., Room 1A, Washington, DC 20426.
- Label one copy of the comments for the attention of Gas Branch 2.
- Reference Docket Nos. CP04-38-000 *et al.* and CP04-47-000 on the original and both copies.
- Mail your comments so that they will be received in Washington, DC on or before March 22, 2004.

Please note that we are continuing to experience delays in mail deliveries from the U.S. Postal Service. As a result, we will include all comments that we receive within a reasonable time frame in our environmental analysis of this project. However, the Commission strongly encourages you to file your comments electronically via the Internet in lieu of paper. 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."

Public Scoping Meetings and Site Visit

In addition to or in lieu of sending written comments, we invite you to attend a public scoping meeting that we will conduct in the area. The location and time for this meeting is listed below:

March 11, 2004, 7 p.m., Johnson Bayou Recreation Center, 135 Berwick Road, Cameron, LA 70631, telephone: 337-569-2204.

The public scoping meeting is designed to provide state and local

agencies, interested groups, affected landowners, and the general public with more detailed information and 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. Transcripts of the meetings will be made so that your comments are accurately recorded.

We will also be conducting a limited site visit to the LNG terminal site and pipeline route on the day of the meeting. Anyone interested in participating in the site visit should meet at the Johnson's Bayou Recreation Center at 8 a.m. on March 11, 2004. Participants must provide their own transportation. For additional information, please contact the Commission's Office of External Affairs at 1-866-208 FERC (3372).

Becoming an Intervenor

In addition to involvement in the EIS scoping process, you may want to become an official party to the proceeding known as an "intervenor". Intervenor play a more formal role in the process. Among other things, intervenors have the right to receive copies of case-related Commission documents and filings by other intervenors. Likewise, each intervenor must provide 14 copies of its filings to the Secretary of the Commission and must send a copy of its filings to all other parties on the Commission's service list for this proceeding. If you want to become an intervenor you must file a motion to intervene according to Rule 214 of the Commission's rules of practice and procedure (18 CFR 385.214) (see appendix 2).⁶ Only intervenors have the right to seek rehearing of the Commission's decision.

Affected landowners and parties with environmental concerns may be granted intervenor status upon showing good cause by stating that they have a clear and direct interest in this proceeding which would not be adequately represented by any other parties. You do not need intervenor status to have your environmental comments considered.

Environmental Mailing List

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 Form included in appendix 3. If you do not return this form or send

in written comments, you will be taken off the mailing list.

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 Web site (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 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 Web site 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 that 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. To register for this service, go to www.ferc.gov/esubscribenow.htm.

Magalie R. Salas,
Secretary.

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Notice of Settlement Agreement and Soliciting Comments

February 5, 2004.

Take notice that the following settlement agreement has been filed with the Commission and is available for public inspection.

- a. *Type of Application*: Settlement agreement on new license application.
- b. *Project No.*: P-2233-043.
- c. *Date Filed*: February 2, 2004.
- d. *Applicant*: Portland General Electric Company.

e. *Name of Project*: Willamette Falls Hydroelectric Project.

f. *Location*: On the Willamette River, in the Town of West Linn, Clackamas County, Oregon.

g. *Filed Pursuant to*: Rule 602 of the Commission's rules of practice and procedure, 18 CFR 385.602.

⁶ Interventions may also be filed electronically via the Internet in lieu of paper. See the previous discussion on filing comments electronically.