UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue, Suite 900
Seattle, WA 98101-3140

OFFICE OF
ECOSYSTEMS, TRIBAL AND
PUBLIC AFFAIRS

June 8, 2009

The Honorable Kimberly D. Bose
Secretary, Federal Energy Regulatory Commission
888 First Street Northeast, Room 1A
Washington, D.C. 20426

EPA Ref: 06-047-FRC

Docket Nos. CP07-444-000
CP07-441-000

Dear Secretary Bose:

The U.S. Environmental Protection Agency (EPA) has reviewed the final Environmental Impact Statement (EIS) for the **Jordan Cove Energy and Pacific Connector Gas Pipeline Project** (CEQ No. 20090143), located on the north spit of Coos Bay in Oregon. Our review was conducted in accordance with our responsibilities under the National Environmental Policy Act (NEPA), 42 U.S.C. Section 4332(2)(C), and Section 309 of the Clean Air Act, 42 U.S.C. Section 7609.

The project described in the final EIS is generally consistent with the project detailed in the August 2008 draft EIS. Specifically, the project includes an access channel from the existing Coos Bay navigation channel to the terminal; a triple berth slip projected to receive 80 LNG carrier ships per year; interconnecting facilities including piping, electrical, and control systems; two LNG storage tanks with a capacity of 160,000 cubic meters; vapor handling, re-gasification and sendout systems; a natural gas liquids (NGL) extraction facility; a 37-megawatt, natural gas-fired power plant; utilities and other support systems, associated buildings and enclosures, and a 234 mile-long, 36-inch-diameter sendout pipeline, extending from the LNG terminal to near Malin, Oregon at the California border. The pipeline would require a compressor station at Butte Falls, in Jackson County; four meter stations, a gas control communication system; 16 mainline block valves, and four pig launchers and receivers.

In our December 3, 2008 comment letter, EPA identified concerns with the proposed project related to the routing of the pipeline through Coos Bay, and the proposed disposal of sediment generated through maintenance dredging. We also raised concerns related to the adequacy of proposed wetland mitigation; the adequacy of the alternatives analysis; the adequacy of the cumulative impacts analysis; and the proposed natural gas liquids facility. We appreciate the effort that the Federal Energy Regulatory Commission (FERC) has taken to address the concerns we raised in our review of the draft EIS. In particular, we appreciate the adoption of the revised upland route (Route WC-1A-2A). This route modification (in conjunction with the revised Estuarine Wetland Mitigation Plan) will greatly reduce potential impacts to aquatic resources. We continue to have concerns regarding the management of maintenance dredge materials. These are detailed below:

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Dredging and Sediment Disposal:

The FEIS states on page 4.3-23 that, "the COE has indicated to the Port that [site F] has the capacity to take in the operational maintenance dredging of the LNG terminal access channel and slip, which over 20 years would be a total of about 3.5 mcy of material…" We appreciate the inclusion of this information, but note that we have not been provided an analysis by the Corps or the applicant supporting the assertion that the capacity of Site F would be unaffected by the addition of 3.5 mcy of material over the next 20 years. In order for EPA to concur with the issuance of a Section 103 permit, this will need to be clearly demonstrated.

We also appreciate the inclusion of FERC Recommendation 19, which calls for the development of a Maintenance Dredging Plan in consultation with the U.S. Army Corps of Engineers (COE) and EPA. Development of a Maintenance Dredging Plan will help to ensure that the capacity of site F is not significantly inhibited. We recommend, however, that the recommendation stipulate that the maintenance dredging plan, including disposal, must be consistent with the site management and monitoring plan (SMMP). EPA expects that the maintenance dredging plan will be reviewed and approved as part of the Section 103 permit process.

Finally, we note that the material generated through maintenance dredging would be placed on either a flat-deck barge with watertight sideboards, or a bin-barge with one or multiple cells for transport to site F (page 4.3-23). We recommend that if feasible, the proponent consider using a hopper dredge with multiple bottom dump doors for portions of this application. Hopper dredges with multiple doors are capable of disposing a thinner layer of dredged material at the disposal site, consistent with the overall strategy of uniform disposal specified in the site management and monitoring plan. Barges generally dispose of material much more rapidly than multiple-door hopper dredges, concentrating disposal in a much smaller area.

We have appreciated the opportunity to work with FERC and the applicant as a cooperating agency on this EIS. In particular, we were pleased with the collaborative approach taken by FERC and the applicant to address issues such as the disposal of construction-generated sediment, pipeline routing, and water body crossings. Thank you for considering our input on the final EIS. If I can provide additional explanation of our comments please contact me at (206) 553-1601, or Teresa Kubo of my staff at (503) 326-2859.

Sincerely,

/s/
Richard B. Parkin, Acting Director
Office of Ecosystems, Tribal and Public Affairs

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