



# Public Notice

<b>U.S. Army Corps Of Engineers Galveston District</b>	Permit Application No: _____	SWG-2008-00497
	Date Issued: _____	8 December 2008
	Comments Due: _____	9 January 2009

## U.S. ARMY CORPS OF ENGINEERS, GALVESTON DISTRICT

**PURPOSE OF PUBLIC NOTICE:** To inform you of a proposal for work in which you might be interested. It is also to solicit your comments and information to better enable us to make a reasonable decision on factors affecting the public interest.

**AUTHORITY:** This application will be reviewed pursuant to Section 10 of the Rivers and Harbors Act of 1899 and Section 404 of the Clean Water Act.

**APPLICANT:** Port Arthur LNG Holdings, LLC  
363 North Sam Houston Parkway East, Suite 1100  
Houston, Texas 77060-2413  
Telephone: 713-298-5479  
POC: J. D. Morris

**AGENT:** T. Baker Smith, Inc.  
107 Global Circle, Suite 100  
Lafayette, Louisiana 70503-5319  
Telephone: 337-735-2800  
POC: Brady Trahan

**LOCATION:** The project is located at the Sabine-Neches waterway in Jefferson County, Texas. The project can be located on the U.S.G.S. quadrangle map entitled: Port Arthur South, Texas. Approximate UTM Coordinates in NAD 27 (meters): Zone 15; Easting: 407354; Northing: 3298171.

**PROJECT DESCRIPTION:** The applicant proposes to construct a combined crude oil, liquefied petroleum gas and refined products import/export terminal along the western bank of the Sabine-Neches Waterway. The proposed berthing slips will be dredged to -48ft (MLLW) or to a depth consistent with the U.S. Army Corps of Engineer's (Corps') planned deepening of the waterway. Each slip will consist of breasting dolphins, mooring dolphins, an approach trestle, pipeway trestle, and a loading/unloading platform. Proposed onshore facilities will include storage tanks and associated piping, pipe racks, pumps, control buildings, and support facilities. Dredged material generated during construction of the proposed slip will be beneficially used to fill areas of degraded marsh in an area known as the Pintail Flats in the J. D. Murphree Wildlife Management Area (WMA).

Also included is the relocation of Texas State Hwy 87 (SH 87) and the utility corridors that parallel the highway. The highway relocation measures approximately 3.3 miles in length. The highway relocation was previously permitted on 14 February 2008 through Corps permit number 23734. At the request of the Texas Parks and Wildlife Department (TPWD) an access road will be built to allow continued access in to the WMA.

A total of 139.9 acres will be permanently impacted as a result of the proposed project. Approximately 123.1 acres of wetlands will be impacted by the construction of the terminal; approximately 97.9 acres of wetlands will be impacted by the SH 87 reroute (81.4 temporary, 16.5 permanent), and approximately 0.3 acres of wetlands may be impacted by the TPWD access road.

**MITIGATION PLAN:** The applicant proposes to mitigate for the proposed impacts to wetlands by undertaking a 225-acre beneficial use project. The 225-acre beneficial use project will utilize up to 1.6 million cubic yards of dredged material generated from construction of the proposed marine terminal ship berths and place the material on the J. D. Murphree WMA managed by the TPWD. Restoration of the 225 acres will be accomplished by filling two existing canals and degraded marsh areas in Pintail Flats with dredged material to an elevation conducive to the establishment of marsh as indicated by geotechnical analysis with the goal of creating 225 acres of emergent wetlands with elevational variability that results in approximately 80 percent vegetated marsh and 20 percent shallow open water.

**ALTERNATIVE ANALYSIS:** Proposed Port Arthur Marine Terminal (PAMT) alternatives were considered based on the following siting criteria.

- (1) No Action Alternative. If the permit is denied and the proposed action is not undertaken, the nearest marine terminal to offload Crude Oil is further inland and north of the Gulf Intracoastal Waterway (GIWW). The Sabine-Neches Waterway is an excellent location for the proposed PAMT because it is located along one of the few deepwater ports on the Gulf Coast suitable for importing petroleum products. However, the waterway system consists of many narrow channel segments and frequent bends, making navigation difficult. As a result, pilot rules limit sailing in the Sabine-Neches Canal to daylight hours and prevent the meeting of large ships throughout the less navigable segments. This results in delays to vessels and a decrease in the efficiency of the overall transportation system. The proposed PAMT location is south of the GIWW in the Port Arthur Ship Canal, where 24-hour operation of large vessels is permitted, thereby reducing delays associated with daylight only sailing and reducing traffic farther north in the narrower segments of the Sabine-Neches Canal.

Due to the close proximity of the existing SH 87 to the waterway and consistent shoreline erosion due to ship traffic, there is significant highway maintenance by the Texas Department of Transportation. The proposed relocated highway associated with the construction of PAMT will provide safer vehicular traffic flow at a higher elevation, farther from the waterway.

Under the No Action Alternative, there would be no impact to wetlands or other waters. Additionally, the proposed 225-acre beneficial use project in the Pintail Flats that would create emergent wetlands would not be initiated, as it is dependent on the dredge material associated with the onsite alternative.

- (2) Offsite Alternative. One additional site was evaluated prior to the selection of the onsite alternative. A location to the south, on the Port Arthur Ship Canal near the Keith Lake Cut, was evaluated and determined not to be practicable. The curvature of the Port Arthur Ship Canal at the offsite alternative location was deemed to be unsafe due to the narrow channel and the berthing location at the bend in the channel. Offsite alternatives for this project are limited by the fact that it is a water-dependant project and the need to accommodate large vessels.
- (3) Onsite Alternative (Applicant's Preferred Alternative). The proposed location was selected because it will allow for 24-hour sailing, thereby reducing traffic and delays associated with traveling past the GIWW and through the Sabine-Neches Canal. Additionally, the proposed location can incorporate the previously permitted relocation of SH 87 and the utility corridors that parallel the highway, thereby reducing the associated impacts to wetlands and other waters.

A total of 139.9 acres will be permanently impacted as a result of the proposed project. Approximately 123.1 acres of wetlands will be impacted by the construction of the terminal; approximately 97.9 acres of wetlands will be impacted by the SH 87 reroute (81.4 temporary, 16.5 permanent), and approximately 0.3 acres of wetlands may be impacted by the TPWD access road. The 1.6 million cubic yards of dredged material generated during construction would be used for a 225-acre beneficial use project in the Pintail Flats that would create emergent wetlands with elevational variability that results in approximately 80 percent vegetated marsh and 20 percent shallow open water. The 225-acre beneficial use project will result in a net gain of approximately 85.1 acres of wetlands.

**NOTES:** This public notice is being issued based on information furnished by the applicant. The wetland delineation for a portion of the project was verified under D-16300. The wetland delineation for the rest of the project site is currently being verified by the Corps under SWG-2008-00497. The applicant's plans are enclosed in 7 sheets, and the Mitigation Plan in 15 sheets.

A preliminary review of this application indicates that an Environmental Impact Statement (EIS) is not required. Since permit assessment is a continuing process, this preliminary determination of EIS requirement will be changed if data or information brought forth in the coordination process is of a significant nature.

Our evaluation will also follow the guidelines published by the U.S. Environmental Protection Agency pursuant to Section 404 (b)(1) of the Clean Water Act (CWA).

**OTHER AGENCY AUTHORIZATIONS:** Texas Railroad Commission certification is required.

Texas Coastal Zone consistency certification is required. The applicant has stated that the project is consistent with the Texas Coastal Management Program goals and policies and will be conducted in a manner consistent with said program.

**NATIONAL REGISTER OF HISTORIC PLACES:** The staff archaeologist has reviewed the latest published version of the National Register of Historic Places, lists of properties determined eligible, and other sources of information. The following is current knowledge of the presence or absence of historic properties and the effects of the undertaking upon these properties:

The permit area is likely to yield resources eligible for inclusion in the National Register of Historic Places. An investigation for the presence of potentially eligible historic properties is justified.

**THREATENED AND ENDANGERED SPECIES:** Preliminary indications are that no known threatened and/or endangered species or their critical habitat will be affected by the proposed work.

**ESSENTIAL FISH HABITAT:** This notice initiates the Essential Fish Habitat consultation requirements of the Magnuson-Stevens Fishery Conservation and Management Act. Our initial determination is that the proposed action would not have a substantial adverse impact on Essential Fish Habitat or federally managed fisheries in the Gulf of Mexico. Our final determination relative to project impacts and the need for mitigation measures is subject to review by and coordination with the National Marine Fisheries Service.

**PUBLIC INTEREST REVIEW FACTORS:** This application will be reviewed in accordance with 33 CFR 320-330, the Regulatory Programs of the Corps, and other pertinent laws, regulations and executive orders. The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts, of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. All factors, which may be relevant to the proposal, will be considered: among those are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs and, in general, the needs and welfare of the people.

**SOLICITATION OF COMMENTS:** The Corps is soliciting comments from the public, Federal, State, and local agencies and officials, Indian tribes, and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Impact Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

This public notice is being distributed to all known interested persons in order to assist in developing facts upon which a decision by the Corps may be based. For accuracy and completeness of the record, all data in support of or in opposition to the proposed work should be submitted in writing setting forth sufficient detail to furnish a clear understanding of the reasons for support or opposition.

**PUBLIC HEARING:** Prior to the close of the comment period any person may make a written request for a public hearing setting forth the particular reasons for the request. The District Engineer will determine whether the issues are substantial and should be considered in the permit decision. If a public hearing is warranted, all known interested persons will be notified of the time, date, and location.

**CLOSE OF COMMENT PERIOD:** All comments pertaining to this Public Notice must reach this office on or before **9 January 2009**. Extensions of the comment period may be granted for valid reasons provided a written request is received by the limiting date. **If no comments are received by that date, it will be considered that there are no objections.** Comments and requests for additional information should be submitted to:

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