



Public Notice

**U.S. Army Corps
Of Engineers
Galveston District**

Permit Application No: _____ SWG-2018-00751
Date Issued: _____ 11 February 2020
Comments Due: _____ 13 March 2020

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. The U.S. Army Corps of Engineers (Corps) is not the entity proposing or performing the proposed work, nor has the Corps taken a position, in favor or against the proposed work.

In accordance with Section 5(f) of the Deepwater Port Act (33 United States Code [U.S.C.] § 1504(f)), the U.S. Coast Guard (USCG) and Maritime Administration (MARAD) are the lead Federal agencies responsible for preparing an Environmental Impact Statement (EIS) for the proposed project, in cooperation with the Corps and additional Federal agencies and departments, to comply with the requirements of the National Environmental Policy Act (NEPA) of 1969. The Galveston District has accepted the USCG and MARAD's request to become a cooperating agency in the preparation of the EIS and intends to incorporate the EIS into our permit decision process. The USCG and MARAD announced in the Federal Register, on February 7 2020, the notice of availability of the Draft EIS, notice of a public meeting in connection with the Draft EIS, and request for public comments or other relevant information related to the Draft EIS for the proposed project. Please refer to the Federal Register announcement for additional information regarding these notices. The Draft EIS is available for viewing at <http://www.regulations.gov> under docket number MARAD-2019-0011.

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: SPOT Terminal, LLC
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LOCATION: The proposed Sea Port Oil Terminal (SPOT) Deepwater Port (DWP) Project consists of onshore and offshore components. Onshore components of the project would begin at the existing Enterprise Crude Houston (ECHO) Terminal facility located on the southeast side of Houston, Texas just east of Pearland, Texas. The proposed Oyster Creek Terminal site would be located approximately 2.5 miles northeast of Lake Jackson, Texas and 4 miles southeast of Angleton, Texas in Brazoria County, on Farm to Market (FM) Road 523. Proposed crude oil supply pipelines would connect the ECHO Terminal to the SPOT DWP, through the Oyster Creek Terminal. The proposed pipelines would cross numerous waterways and wetlands throughout Harris and Brazoria Counties within the pipeline route between ECHO Terminal to the shore crossing north of Surfside, Brazoria County, Texas where the onshore pipelines would tie in to the subsea pipelines to deliver crude oil to the SPOT DWP. The offshore DWP facility would be located in Federal waters of the Gulf of Mexico, in Galveston Area Outer Continental Shelf (OCS) lease blocks 463 and A-59, approximately 27.2 to 30.8 nautical miles off the coast of Freeport, Brazoria County, Texas, in water depths of up to 115 feet. The project can be located on the U.S.G.S. quadrangle maps titled: Friendswood, Texas to Oyster Creek, Texas, and Bay City, Texas.

LATITUDE & LONGITUDE (NAD 83):

Echo Terminal (existing facility):

Latitude: 29.609737° N; **Longitude:** 95.181643° W

Oyster Creek Terminal (proposed onshore facility):

Latitude 29.090487°N; **Longitude:** 95.374917° W

Deepwater Port (proposed offshore facility):

Latitude: 28.467045° N; **Longitude:** 95.123827° W

PROJECT DESCRIPTION: The applicant proposes to construct, own, and operate the SPOT DWP in order to be able to fully load Very Large Crude Carriers (VLCCs) without the need for ship-to-ship transfers and to enable the export of domestically produced ultralight, to light, to heavy grade crude oil to foreign global markets. In addition to the SPOT DWP offshore facility, the proposed project would include both existing and

proposed onshore oil storage infrastructure and proposed onshore and offshore pipelines. Onshore components of the project would consist of the following:

- Modifications to the existing ECHO Terminal, including pipeline, meter station, and mainline and booster crude oil pumps to support delivery of crude oil to the proposed Oyster Creek Terminal;
- Construction of an approximately 50.1-mile, 36-inch-diameter pipeline from ECHO Terminal to the proposed Oyster Creek Terminal;
- Construction of one pipeline interconnection from the existing Rancho II 36-inch-diameter pipeline to the ECHO to Oyster Creek Pipeline, at the existing Rancho II Junction Facility;
- Construction of the new Oyster Creek Terminal on an approximately 140.1-acre site, including seven aboveground storage tanks, six electric mainline crude oil pumps and four booster pumps, four measurement skids, two permanent and one back-up vapor combustion unit, a fire water system and pond, and ancillary facilities;
- Construction of two collocated, approximately 12.2-mile, 36-inch-diameter crude oil pipelines from Oyster Creek Terminal to the shore crossing north of Surfside, Texas; and,
- Construction of ten main line valves, of which six would be along the ECHO to Oyster Creek Pipeline and four along the Oyster Creek to Shore Pipelines, pig launchers for the ECHO to Oyster Creek Pipeline, and pig launchers and receivers for the Oyster Creek to Shore Pipelines.

The offshore components of the project would consist of constructing the following:

- Two collocated, bi-directional, approximately 46.9-mile, 36-inch-diameter crude oil offshore pipelines for crude oil delivery from the Oyster Creek Terminal to the SPOT DWP platform.
- One fixed offshore platform with eight piles, four decks, and three vapor combustion units;
- Two single point mooring (SPM) buoys to concurrently moor two VLCCs or other crude oil carriers with capacities between 120,000 and 320,000 deadweight tonnage for loading up to 365 days per year, including floating crude oil and vapor recovery hoses;
- Four pipeline end manifolds (PLEMs)—two per SPM buoy—to provide the interconnection between the SPOT DWP and the 12 SPM buoys;
- Four approximately 0.7-nautical mile, 30-inch-diameter pipelines (two per PLEM) to deliver crude oil from the platform to the PLEMs;
- Four approximately 0.7-nautical mile, 16-inch-diameter vapor recovery pipelines (two per PLEM) to connect the VLCC or other crude oil carrier to the three vapor combustion units on the platform;
- Three service vessel moorings, located in the southwest corner of Galveston Area lease block 463; and,
- An anchorage area in Galveston Area lease block A-59, which would not contain any infrastructure.

The proposed project would cross 129 waterbodies (128 crossings associated with pipeline facilities and workspace and 1 crossing associated with construction of an access road), including 48 perennial waterbodies, 21 intermittent waterbodies, 50 ephemeral waterbodies, and 10 ponds. The applicant proposes to utilize open cut, bore, and horizontal directional drilling (HDD) methods to cross these waterbodies. All impacts to waterbodies would be temporary. No permanent impacts to onshore waterbodies would occur as a result of this project.

Approximately 101 acres of wetlands would be affected by construction of the project, including 39.9 acres of palustrine emergent (PEM) wetlands, 2.8 acres of palustrine scrub-shrub (PSS) wetlands, 6.7 acres of palustrine forested (PFO) wetlands, 45.1 acres of estuarine emergent (EEM) wetlands, and 6.6 acres of estuarine scrub-shrub (ESS) wetlands. The construction right-of-way would be 100 feet wide for the ECHO to Oyster Creek Pipeline and 150 feet wide for the Oyster Creek to Shore Pipelines. Impacts on emergent wetlands would be short-term because ground contours would be restored following construction and emergent wetlands would revegetate within 1 to 3 years. Construction of the Oyster Creek Terminal site would result in permanent impacts to approximately 6.1 acres of PEM wetland and 0.2 acre of PFO wetland. The proposed project would also result in the conversion of approximately 6.6 acres of PFO wetlands to PEM wetlands, 0.4 acre of PSS wetland to PEM wetland, and 1.5 acres of ESS wetlands to EEM wetlands within workspace and access road areas, including the permanent pipeline easement. In scrub-shrub and forested wetlands, woody vegetation would be removed from the construction right-of-way. Following construction, ground contours would be restored and right-of-way would be reseeded. The 50 foot-wide permanent easement would be maintained in an herbaceous state during project operations, and areas outside the permanent easement would be allowed to return to preconstruction conditions. In total, approximately 14.8 acres of wetlands would be permanently filled or converted as a result of the proposed project.

AVOIDANCE AND MINIMIZATION: The applicant proposes to utilize open cut construction and trenchless crossing methods (i.e. bore or HDD) to cross waterbodies and wetlands within the project area. The open cut construction method would consist of excavating a trench across the stream bed and banks using backhoes, dozers, mechanical ditchers, and/or draglines. For most open-cut crossings, equipment would be staged and operated outside the water's edge when water is present, unless approved to operate in the stream bed. Trench spoil would be placed in upland areas where possible. Where storage in wetlands or waterbodies would be required, alternating piles would be used to allow sheet flow. Following excavation, prefabricated pipe strings would be lowered into the trench, fitted with buoyancy control, and covered with backfill. Backfilling would start at the center of the stream and work back towards the bank. Following backfilling, the stream bed would be stabilized using standard restoration methods and temporary vehicle crossings would be removed.

During open cut stream construction, the applicant would avoid and minimize environmental impacts to waterbodies by implementing the following construction and mitigation measures:

- Aligning crossing as close to perpendicular to the waterbody as site conditions allow;
- Requiring non-essential construction equipment to cross waterbodies using an equipment bridge;
- Maintaining adequate flow rates throughout construction to protect aquatic life and prevent an interruption of existing downstream uses;
- Locating equipment refueling areas, concrete coating activities, and hazardous material storage to areas at least 100 feet from surface waters;
- Parking equipment at least 100 feet from the waterbody edge;
- Placing excavated material from the trenchline at least 10 feet from the top of the waterbody bank;
- Installing sediment barriers across the entire construction right-of-way at all waterbody crossings;
- Installing temporary erosion and sediment control measures throughout construction until streambanks and adjacent upland areas are stabilized;
- Restoring the streambed to preconstruction conditions and removing any temporary vehicle crossing once construction is completed;
- Requiring bank stabilization and reestablishing bed and bank contours and riparian vegetation after construction;
- Streambanks would be stabilized within 24 hours of completing in-stream construction activities; and
- Limiting post-construction maintenance of vegetated buffer strips adjacent to waterbodies to the permanent right-of-way.

Specific measures the applicant would implement to minimize effects of open cut construction on wetlands include:

- Locating extra workspaces at least 50 feet from wetland boundaries, except where site-specific conditions warrant otherwise;
- Requiring the use of drip pans for heavy equipment parked overnight within the Project workspace;
- Cutting vegetation just above ground level, leaving existing root systems in place, and limiting the pulling of stumps and grading activities to directly over the trenchline except where required for safety;
- Using low-ground-weight construction equipment or operating equipment on timber mats in saturated soils to prevent rutting;
- Installing sediment barriers immediately after initial ground disturbance at the edge of boundary between wetlands and uplands, immediately upslope of the wetland boundary, and along the edge of the right-of-way as necessary to contain spoil and to protect adjacent wetland areas;
- Segregating the top 12 inches of topsoil from the trenchline except in areas where standing water is present or soils are saturated;

- Installing silt fence on the downslope side of spoil piles or around the perimeter of the spoil pile to prevent erosion into adjacent sensitive resources;
- Installing trench plugs as necessary to maintain the original wetland hydrology;
- Restoring preconstruction contours to maintain the original wetland hydrology;
- Prohibiting the use of lime or fertilizer in wetlands;
- Seeding restored wetlands with annual ryegrass and/or an agency approved wetland seed mix, unless standing water is present; and,
- Prohibiting the use of herbicides or pesticides within 100 feet of wetlands or waterbodies except as specified by the appropriate land management or state agency.

The HDD construction method would involve establishing land-based staging areas along both sides of the proposed crossing in order to avoid trenching in sensitive areas. In the event of an inadvertent return of drilling fluid, the applicant would implement the corrective actions outlined in SPOT's HDD Contingency Plan (attached in 3 sheets; refer to Appendix L of the Draft EIS for additional information). The applicant proposes to use the HDD construction method at 28 locations onshore, including 13 roads or unspecified landowner parcels and 14 wetland/waterbody features. In addition, the applicant proposes to install approximately 5,500 feet of the subsea pipelines from the shoreline running offshore via the HDD method. The bore method is another trenchless pipeline installation procedure the applicant would utilize to avoid and minimize impacts to aquatic features and other surface features (e.g. roads, driveways, levees, railroads, canals, and pipelines). This method also utilizes a fluid mixture throughout the boring process, and SPOT's HDD Contingency Plan would be followed if any inadvertent release that occurs during use of this construction method.

The applicant also provided their alternatives analysis which evaluates the need for the project and their process and criteria for identifying and evaluating alternatives for the proposed DWP action and associated onshore components. This information is attached in 16 sheets. Refer to the Draft EIS for a detailed description of the analysis of reasonable alternatives to the proposed project.

MITIGATION: The applicant proposes to use an approved mitigation bank to compensate for the approximately 14.8 acres of wetlands that would be permanently filled or converted as a result of the proposed project. To mitigate for the permanent loss of 6.0 acres of PEM wetlands and 0.2 acre of PFO wetlands at the Oyster Creek Terminal, the permanent loss of 0.1 acre along the Oyster Creek to Shore Pipelines, and the conversion of 6.6 acres of PFO wetlands and 0.4 acre of PSS wetlands, the applicant proposes to purchase mitigation credits from two mitigation banks, based on iHGM wetland functional assessments and the service area that would cover the respective mitigation needs. The applicant's functional assessments indicated that mitigation for the conversion of 1.5 acres of ESS to EEM wetlands would not be needed; therefore, no compensatory mitigation is proposed for these impacts.

For impacts occurring to PEM, PSS, and PFO wetlands in the Austin-Oyster Watershed, the applicant proposes to purchase forested wetland credits from the Columbia Bottomlands Conservation Mitigation Bank (CBCMB) to offset impacts at a 1:1 ratio because impacts would occur in the primary service area for the CBCMB. The project

would require 4.4 credit suites for impacts in the primary service area. For impacts occurring within the bank's secondary service area that encompasses a portion of the West Galveston Bay Watershed, the applicant proposes to purchase credits at a 1.5:1 ratio totaling an additional 0.4 credit suites. For project impacts that occur in portions of the West Galveston Bay Watershed, which are not within the CBCMB secondary service area, the applicant proposes to purchase credits from the Lower Brazos River Mitigation Bank (LBRMB). Project impacts would fall within the secondary service area of the LBRMB; therefore, the applicant would purchase 0.1 non-forested wetland credits and 0.3 forested wetland credits from the LBRMB.

If a mitigation bank is not available, the applicant would be required to develop a permittee-responsible mitigation plan that must be approved by the Corps prior to issuance of a permit decision. The applicant has identified tracts in the Austin-Oyster and West Galveston Bay watersheds that are capable of being developed to restore previously degraded and/or enhance existing wetlands sufficiently to reestablish the functional losses caused by the project. The applicant's conceptual compensatory mitigation plan is attached in 48 sheets.

CURRENT SITE CONDITIONS: The onshore portions of the proposed project are within the Western Gulf Coast Plain Ecoregion and the Texas Parks and Wildlife Department designated Gulf Prairies and Marshes Region. The region is characterized by nearly level plains at or below 150 feet above mean sea level that are crossed by rivers and streams flowing to the Gulf of Mexico and includes barrier islands near the coast, tall woodlands and river bottomlands, bays and estuaries surrounded by salt grass marshes, tall grass prairie remnants, and oak mottes and oak parklands along the coast. The proposed project area is within the coastal plain of the West Galveston Bay and Austin-Oyster watersheds. The Brazos River and Oyster Creek are larger waterbodies that supply freshwater inputs into the Gulf of Mexico near the project area. Onshore aquatic habitats include freshwater and estuarine waterbodies and wetlands.

The onshore project components would cross 129 waterbodies, including 13 Section 10 waters. The Oyster Creek Terminal would be located within the 500-year flood zone, portions of the onshore pipelines would cross both 100-year flood zones and 500-year flood zones, and the shoreline mainline valve would be located in the 100-year flood zone. The remaining sections of onshore pipelines and the ECHO Terminal would not be located in a flood hazard zone.

The offshore components of the proposed project would be located on the continental shelf within coastal waters of the Gulf of Mexico. Bathymetry surveys conducted for the project identified slopes of approximately 12 feet per mile from the HDD exit point (approximately 5,000 feet from shore) to the first curve of the offshore pipeline route. Further from shore, the seafloor slopes at a rate of approximately 2 feet per mile, becoming more gradual until the pipeline reaches the SPOT DWP site. Water depths within the proposed SPOT DWP survey area range from 110 to 117 feet, with the proposed terminal site being located in water 115 feet deep. The seafloor at the proposed SPOT DWP site is largely featureless with some pockmarks and trawl scars.

NOTES: This public notice is being issued based on information furnished by the applicant. This project information has not been verified by the Corps. The applicant's plans are enclosed in 93 sheets.

Our evaluation will 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: Consistency with the State of Texas Coastal Management Plan (CMP) is required. The applicant has stated that the proposed activity complies with Texas' approved Coastal Management Program goals and policies and will be conducted in a manner consistent with said program. The Texas General Land Office will determine if the project is consistent with the goals and policies of the CMP.

The Texas Railroad Commission will review this application under Section 401 of the CWA to determine if the work would comply with State water quality standards.

Pursuant to 33 USC 408, the proposed project will require Section 408 coordination and review. This is a requirement for activities that seek permission, to temporarily or permanently, alter, occupy, or use a federally authorized United States Army Corps of Engineers civil works project. Changes to the proposed project, from the Section 408 process, may warrant additional coordination.

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 was investigated for historic properties as documented in the technical reports titled "Intensive Archaeological Survey of Portions of the Sea Port Oil terminal Project, Brazoria and Harris Counties, Texas" prepared by SWCA Environmental Consultants and "SPOT Offshore Geophysical Investigation: Cultural Resource Assessment, Block 355-S to 280-L, Galveston Area" prepared by Echo Offshore. Both reports were dated December 2018. The results of these investigations are being coordinated with the Texas State Historic Preservation Officer.

THREATENED AND ENDANGERED SPECIES: Threatened and/or endangered species or their critical habitat may be affected by the proposed work. Consultation with the U.S. Fish and Wildlife and/or the National Marine Fisheries Service will be initiated to assess the effect on endangered species.

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 320-332, the Regulatory Programs of the Corps of Engineers, 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 of Engineers 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 of Engineers 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 of Engineers 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: The purpose of a public hearing is to solicit additional information to assist in the evaluation of the proposed project. 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 if the reasons identified for holding a public hearing are sufficient to warrant that a public hearing be held. 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 **13 March 2020**. 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 reference our file number, **SWG-2018-00751**, and should be submitted to:

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