

EXECUTIVE SUMMARY

This final¹ environmental impact statement (EIS) for the Golden Pass LNG Terminal and Pipeline Project (Project) proposed by Golden Pass LNG Terminal L.P. and Golden Pass Pipeline, L.P. (collectively referred to as Golden Pass) has been prepared by the staff of the Federal Energy Regulatory Commission (FERC or Commission) to fulfill the requirements of the National Environmental Policy Act (NEPA) and the Commission's implementing regulations under Title 18, Code of Federal Regulations, Part 380. The purpose of this document is to inform the public and the permitting agencies about the potential adverse and beneficial environmental impacts of the proposed Project, and its alternatives; and to recommend mitigation that would avoid or reduce any significant adverse impact to the maximum extent possible.

The purpose of the proposed Project is to provide the facilities necessary to meet growing demand for natural gas in the United States (U.S.) by: providing a reliable supply of natural gas to shippers desiring to contract for the receipt, storage, and vaporization of LNG; delivering natural gas through the associated sendout pipelines to intrastate and interstate interconnections with existing pipeline systems; and providing access to worldwide 'stranded' reserves of natural gas to diversify sources of natural gas, meet increasing demand for natural gas in the U.S., and replace declining natural gas production in the Gulf of Mexico. To accomplish this purpose, Golden Pass proposes to construct and operate a new liquefied natural gas (LNG) import terminal in Jefferson County, Texas that would include LNG ship unloading berths, LNG storage and vaporization, and a new natural gas pipeline system to deliver the vaporized natural gas to 10 interconnections with the existing interstate and intrastate pipeline systems, and the ExxonMobil Beaumont Refinery. The proposed LNG facilities would import, store, and vaporize an average of approximately 2 billion cubic feet per day (Bcfd) of natural gas (with a peak capacity of 2.7 Bcfd) for delivery into the existing intrastate and interstate pipeline systems.

The Project would be constructed in two phases and would be completed in about 60 months. Phase 2 construction would begin after the start of Phase I construction and would increase the average capacity from 1.0 to 2.0 Bcfd. To provide these services, Golden Pass is requesting Commission approval under Section 3 of the Natural Gas Act (NGA) for the LNG terminal consisting of the following facilities:

- A protected LNG unloading slip, and an LNG ship and support vessel maneuvering area that would be capable of receiving up to 200 LNG ships per year;
- Ship unloading facilities consisting of two berths, each capable of accommodating LNG ships ranging from 125,000 cubic meters (m³) to 250,000 m³, and associated facilities (both berths and the maneuvering area would be dredged during Phase 1; then the first berth would be completed during Phase 1 and the second during Phase 2);
- A total of five full-containment LNG storage tanks each with a working capacity of 155,000 m³ (three tanks would be constructed during Phase 1 and two during Phase 2);
- A total of ten shell-and-tube heat transfer fluid LNG heat exchangers to vaporize the LNG (five exchangers would be installed during Phase 1 and five during Phase 2);
- A waterline that would extend for a distance of 2,400 feet from the Port Arthur Department of Water Utilities at State Highway 87 to the LNG terminal; and

¹ Vertical bars that appear in the margins of this final EIS mark text that has been modified and differs substantially from the corresponding text in the draft EIS.

- Associated support facilities, including administrative buildings, storage and maintenance areas, electric power systems, access roads, and other facilities related to the LNG import terminal.

In addition, Golden Pass is requesting Commission approval under Section 7(c) of the NGA for a pipeline system capable of transporting up to 2.5 Bcfd of natural gas and consisting of three pipelines and associated pipeline support facilities, including pig launchers and receivers, and meter stations. The pipeline system would be installed in overlapping phases across three counties in Texas and one parish in Louisiana, and would consist of:

- Mainline – A 77.8-mile-long, 36-inch-diameter pipeline extending from the LNG import terminal in Jefferson County through Orange, and Newton Counties, Texas (66.5 miles), and Calcasieu Parish, Louisiana (11.3 miles) to an interconnection with an existing Transcontinental Gas Pipe Line Corporation interstate pipeline near Starks, Louisiana (to be installed over an estimated 12-month period);
- Loop – A 42.8-mile-long, 36-inch-diameter pipeline that would be installed adjacent to (*e.g.*, loop) the Mainline and would extend from the LNG import terminal in Jefferson County to an interconnection with the existing intrastate American Electric Power Texoma Pipeline in Orange County, Texas (to be installed over an estimated 8-month period beginning and concurrently with the Mainline);
- Beaumont Lateral – A 1.8-mile-long, 24-inch-diameter pipeline extending from the Mainline in Beaumont, Jefferson County, Texas to an interconnection with the existing Exxon Mobil Corporation Beaumont Refinery Complex natural gas supply system and potentially other industrial customers in the Beaumont-Port Arthur area (to be installed over an estimated 2-month period after installation of the Loop is complete);
- Meter stations and interconnection facilities to interconnect with up to 10 existing intrastate and interstate pipelines, and the ExxonMobil Beaumont Refinery; and
- Associated pipeline facilities, including pig launchers and receivers, and block valves.

PROJECT IMPACTS

The environmental issues associated with construction and operation of the Golden Pass LNG Terminal and Pipeline Project are analyzed in this draft EIS using information provided by Golden Pass and further developed from data requests; field investigations; literature research; alternatives analysis, contacts with Federal, state, and local agencies; and input from public groups and organizations. Major findings and conclusions are summarized below.

Clearing and construction activities would result in the disruption of approximately 2,007.7 acres of land comprised of palustrine wetlands, estuarine emergent marsh, upland prairie, forest, agriculture and pasture land, and open water/channel shoreline habitat. The majority of the Project area consists of emergent marsh and coastal prairie/grasslands. Operation of the LNG terminal would permanently affect 207 acres of land for the LNG terminal (including 2 acres of reclaimed shoreline), and 20.6 acres of adjacent land for the access roads. Operation of the pipeline system would affect approximately 703.9 acres of land for the pipeline easement and 7.9 acres of land for the aboveground facilities and new permanent access roads.

Construction and operation of the proposed Golden Pass LNG Terminal and Pipeline Project would have minimal impact on geologic resources. The Project lies in an area of low seismic risk and earthquake hazards. Due to the high organic content in the sediments in the upper 70 to 80 feet at the LNG site, Golden Pass has incorporated measures into its facility design to avoid destabilization such as soil improvement and the use of deep-driven piles to support the LNG tanks and other facility equipment. Protection from potential flooding effects associated with hurricane storm surges has been factored into the design of the LNG terminal facilities. Measures to minimize shoreline erosion include installation of a concrete pillow-block and cable-linked revetment system along the slopes of the vessel berth and armoring of the shoreline slopes of the marine basin.

Construction and operation of the Project would not have a significant impact on groundwater resources in the Project area, including the underlying Chicot Aquifer. Golden Pass identified no important groundwater withdrawal areas or springs within 150 feet of the Project. The greatest potential for impact on groundwater would be from spills, leaks, or other releases of hazardous substances during Project construction or operation. To minimize the potential effects of a hazardous substance release, Golden Pass would implement the preventative and mitigative measures specified in its Spill Prevention, Containment, and Countermeasures Plans for the LNG terminal and pipeline.

The LNG terminal and pipeline system would be within the Sabine Lake, Lower Neches, Lower Sabine, and West Fork Calcasieu watersheds. The primary impact on surface waters from construction of the LNG terminal would be the dredging of approximately 6.3 million cubic yards (yd³) of material from the area adjacent to the marine slip to accommodate the LNG ship berths and turning basin. The dredging would result in the creation of about 63.9 acres of open water and the conversion of 42.8 acres of shallow open water to deep water (44 feet mean lower low water). Golden Pass proposes to pipe the dredge material to a beneficial use area in the J.D. Murphree Wildlife Management Area (WMA) (1.2 million yd³) and the remainder to nearby existing upland disposal area or areas. Golden Pass would use hydraulic dredging which would be expected to result in lower suspended sediment concentrations as compared to other dredging methods. Golden Pass would perform maintenance dredging using the hydraulic dredging method on a two-year cycle, removing 820,000 yd³ per cycle.

The Mainline and Loop would cross a total of 88 perennial waterbodies and one intermittent drainage. Of these, 53 are classified as ditches and 17 would be major waterbody crossings (greater than 100 feet wide). No waterbodies would be crossed by the Beaumont Lateral. To minimize impacts, Golden Pass proposes to use a total of 31 horizontal directional drills (HDDs) across 19 features. Side-by-side HDDs (one for the Mainline and one for the Loop) include four land-to-water HDDs, two water-to-water HDD, 14 HDDs under major waterbodies, and four under other features (roads and wetlands). Single HDDs along the Mainline include two HDDs near residential areas to minimize impact on residences, two under waterbodies (including the Sabine Island WMA), and three under other features (rice fields, wetlands, and roads/railroads). There are three potable water intake pipes located less than 3 miles downstream of the proposed crossings of two waterbodies in Texas; however, both waterbodies would be crossed by HDD, thus minimizing water quality impacts. To minimize Project construction impacts on surface waters, Golden Pass would develop and implement the measures described in a project-specific Storm Water Pollution Prevention Plan, our² Upland Erosion Control, Revegetation and Maintenance Plan (Plan), and Wetland and Waterbody Construction and Mitigation Procedures (Procedures), as well as the requirements in the permits issued by the other federal and state agencies.

Construction of the Project would affect a total of 399.0 acres of wetlands, of which 108.8 acres would be permanently lost for development of the LNG terminal facility. Along the pipeline system, 64.2 acres of wetlands would be permanently converted from forested to herbaceous wetlands or lost for development

² “We,” “us,” and “our” refer to the environmental staff of the FERC’s Office of Energy Projects.

of the aboveground facilities and new permanent access roads. All other wetlands affected by pipeline construction would be restored, and allowed to revegetate and return to pre-construction conditions. To minimize temporary construction impacts on wetlands, Golden Pass would implement the protective measures in our Procedures. Golden Pass also is working with federal and state agencies in finalizing its Aquatic Resources Mitigation Plan for the Project that would address other concerns, such as pre- and post-construction monitoring, and compensation for unavoidable losses of emergent and forested wetlands.

Construction and operation of the LNG terminal would result in a permanent loss of approximately 205 acres of vegetation (or 43 percent of the entire 477-acre property). An additional 40 acres of land would be temporarily disturbed during construction, but would be restored and left in a natural state following construction. Construction of the pipeline system (including construction work areas, pipe yards, access roads, and aboveground facilities) would involve the temporary clearing and disturbance of approximately 1,742.1 acres of land. Following construction, all construction work areas would be restored, seeded, and generally allowed to revegetate to pre-construction conditions. The permanent right-of-way would be maintained in an herbaceous state following construction. There would be no long-term impacts in areas with existing herbaceous cover types following restoration. Approximately 238.7 acres of forested uplands and wetlands would be converted from a forest to an herbaceous cover.

NOAA Fisheries indicated that the Project had the potential to affect essential fish habitat (EFH) for post larval, juvenile, and adult red drum; subadult and adult Spanish mackerel; and juvenile and subadult white and brown shrimp. The primary impact of construction and operation of the Project facilities would be the alteration and direct loss of habitat types that could function as EFH for these species. In addition, EFH impacts are possible if there is significant loss of prey for managed species. In total, 61.2 acres of coastal emergent marsh would be affected by construction, of which 44.7 acres would be at the LNG terminal site. However, none of the coastal emergent marsh at the LNG terminal site and only 6.3 acres of these marshes along the pipeline system provide EFH. A total of 106.7 acres of deep open water habitat would be created by dredging for the berths and marine basin, which may provide some additional EFH.

The primary impact on wildlife would be associated with the cutting, clearing, and/or removal of existing vegetation within the construction work areas and the permanent loss of habitat associated with new aboveground facilities. Disturbance, displacement, and mortality of individuals would occur during construction, and displacement would occur during operation due to the permanent conversion of coastal prairie/grassland habitat at the LNG terminal site. Overall, Project impacts are not expected to substantially affect local wildlife or wildlife population movements.

Fifteen federal and state listed endangered and threatened species were identified as potentially occurring within the Project area. With the exception of the red-cockaded woodpecker (RCW), the Project is not likely to adversely affect any of these species or their critical habitat. Golden Pass conducted an aerial survey (via helicopter) for RCW in May 2004, of approximately 30 miles of the preferred and alternative alignments for the pipeline route in Calcasieu Parish, Louisiana. In response to comments from the FWS on that survey, Golden Pass completed ground surveys for the RCW within the construction work areas in September 2004. Based on the field work and tree examinations, two areas contain trees of the right size, age and condition for RCW nesting habitat. No activity indicative of RCW presence has been found to date. ESA consultation with the FWS is ongoing. In addition, the FWS also has requested that ground surveys of all suitable RCW nesting habitat within 0.5-mile of the construction work area be conducted to verify the results of the aerial survey. Golden Pass states that it has been unable to obtain landowner access to complete RCW surveys in eight potential areas within 0.5 mile of the construction work area. Therefore, we will require Golden Pass to perform these surveys after access has been granted if they get authorization from the Commission to build the pipeline.

There are 33 residences located within 1 mile of the proposed LNG terminal, with the nearest existing residence located across the Sabine-Neches Waterway (SNWW) on Pleasure Island, about 0.3 mile north of the vaporization process area. The land on the western side of the SNWW that surrounds the proposed LNG terminal site is low-lying coastal wetland and DMPA, and unsuitable for extensive residential development. There are no current proposals for residential or commercial development for any area within 0.25 mile of the proposed LNG terminal although additional lots are available for development on Pleasure Island. Based on the proposed location of the LNG facility, the generally low topographic relief, and lack of any comparably-sized facilities in the area, the proposed LNG facilities would dominate the local area viewshed and result in both temporary and permanent changes to the surrounding visual landscape. Because of the size of the facility, no measures can be taken to visually screen the major aboveground facilities.

Land use impacts associated with the pipeline system would include disturbance of existing land uses within construction work areas along the pipelines during construction (1,594.1 acres) and creation of a new permanent right-of-way for operation and maintenance of the pipeline and aboveground facilities (711.8 acres). Golden Pass identified seven residences that would be located within 50 feet of the pipeline construction work areas. Golden Pass proposes to utilize an HDD to bypass one residential area. This would minimize construction-related impacts to five of these residences. Golden Pass has indicated that it would produce site-specific construction drawings noting special construction techniques to be employed to minimize impacts at the two remaining residences.

No designated recreational facilities would be directly affected by development of the LNG terminal. Construction of the pipeline system would cross 14.9 miles of the J.D. Murphree WMA in Jefferson County, Texas and 0.8 mile of the Sabine Island WMA in Calcasieu Parish, Louisiana. Golden Pass designed its pipeline route through the J.D. Murphree WMA to minimize direct impacts on wetlands. The Sabine Island WMA would be crossed using an HDD.

The LNG terminal and 49.7 miles of the pipeline system would be located within the Texas designated coastal zone management area. Golden Pass filed its coastal zone consistency statement with its U.S. Army Corps of Engineers permit application in December 2004. The application was updated and resubmitted in April 2005.

Golden Pass consulted with the Texas and Louisiana state historic preservation officers (SHPO) and performed cultural resource investigations for areas that would be potentially affected by construction of the LNG terminal and pipeline system (the area of potential effect). Consultation for the LNG terminal is complete, and the Texas SHPO has concurred that no historic properties would be impacted by proposed activities on the property. The consultation process for the pipeline system is not yet complete, but the results of cultural resource investigations and consultations indicate that the pipeline system could affect buried cultural resources and the viewshed and cultural landscape of historic structures. To ensure appropriate review and protection of these resources, we have recommended that construction not be authorized until the required studies have been completed and we have received the SHPO's comments on them.

The LNG terminal would be located in the Beaumont-Port Arthur area, which is currently in attainment for all National Ambient Air Quality standards except ozone. Golden Pass would minimize fugitive dust emissions during construction by the use of dust suppression techniques such as watering. During operation, air emissions would result from LNG vaporization heaters, diesel fuel storage tanks, diesel firewater pumps, the emergency generator, and site-wide fugitive emissions. In addition, emissions would result from maneuvering and hoteling of LNG ships at the marine berth. The Texas Council on Environmental Quality issued a conditional conformity certification based on a review of Golden Pass'

emissions estimates and commitments made by Golden Pass to reduce or offset emissions. We have determined that the direct and indirect emissions from the LNG terminal would exceed the *de minimis* level for general conformity. However, with implementation of Golden Pass' proposed mitigation measures, we conclude that the LNG terminal would be in general conformity with the Texas State Implementation Plan.

We evaluated the safety of both the proposed LNG import terminal facility and the related LNG vessel transit through the SNWW. With respect to the onshore facility, we completed a cryogenic design and technical review of the proposed terminal design and safety systems, and have identified specific areas of concern and included recommendations to address these concerns. We also calculated thermal radiation and flammable vapor hazard distances for an accident or an attack on an LNG vessel. Based on the extensive operational experience of LNG shipping, the structural design of an LNG vessel, and the operational controls imposed by the U.S. Coast Guard (Coast Guard) and the local pilots, the likelihood of a cargo containment failure and subsequent LNG spill from a vessel casualty – collision, grounding, or allision – is highly unlikely. For similar reasons, an accident involving the onshore LNG import terminal is unlikely to affect the public. As a result, the risk to the public from accidental causes should be considered negligible.

We have evaluated potential ship traffic congestion impacts from the additional LNG ship traffic. The operation of LNG vessels would have impact similar to other large vessels currently using the SNWW and would cause no more disruption than the vessel traffic increases planned by other channel users. On October 29, 2004, Golden Pass submitted a Letter of Intent to construct the LNG facility to the Coast Guard's Marine Safety Office in Port Arthur, Texas. The Coast Guard's letter of recommendation (LOR) would address the suitability of the Sabine Pass and Port Arthur Channels for LNG ship transportation, however, it would not constitute a final authority to commence LNG operations. It is anticipated that the Coast Guard would decide on a LOR as soon as possible after the Commission issues the final EIS, or wait until after the Commission makes an overall public interest determination of the proposal. The Coast Guard's recommendation is subject to certain safety and security provisions, as well as Golden Pass developing an *LNG Vessel Management and Emergency Plan*. This plan would be reviewed and updated as necessary to address issues specific to the Sabine Pass and Port Arthur Channels and the proposed LNG terminal. In addition, the Coast Guard may establish a safety and security zone under 33 CFR 165 for LNG vessels in transit and while docked. Only personnel or vessels authorized by the Captain of the Port would be permitted in the safety and security zone.

There are three LNG projects proposed on the SNWW: the Golden Pass Project (which is addressed in this EIS), the Port Arthur LNG Project in Jefferson County, Texas (which is under review), and the Sabine Pass Project in Cameron Parish, Louisiana (which was approved by the Commission in December 2004). The COE and Jefferson County WND are also considering widening and deepening the SNWW as part of the SNWW Channel Improvement Project. If all three LNG projects are constructed, they would result in cumulative impacts on land use, wetlands, and ship traffic in the SNWW.

ALTERNATIVES CONSIDERED

We considered the alternatives of no action or postponed action. While the no action or postponed action alternatives would eliminate or postpone the environmental impacts identified in this EIS, the objectives of the proposed Project would not be met and Golden Pass would not be able to provide a new source of natural gas supply to U.S.

Our analysis assessed 15 existing, approved and proposed LNG facilities in the region and assessed expansion potential and extent of additional environmental impact if this Project were to be included at one of these sites. Our conclusion was that none of the existing, approved, or proposed onshore LNG

terminal facilities could handle the additional volumes proposed by Golden Pass without significant expansion of the proposed facilities and associated environmental impact. With respect to offshore existing, permitted or proposed LNG facilities, we conclude that, although offshore technologies provide an alternative means for the import of LNG, the proposed offshore technologies would not provide the same capability as the proposed Golden Pass LNG Terminal and Pipeline Project and would likely result in a similar level of (although different) environmental impacts. With respect to onshore alternative locations not yet proposed, we concluded there are no practical alternative sites which meet the Project purpose and that offer a clear environmental advantage to the proposed Golden Pass LNG terminal site.

We also assessed 34 alternative sites for disposal of dredge materials from the marine basin and berth area. None of these alternatives was superior to the proposed locations, which include a beneficial use area in the J.D. Murphree WMA. We assessed four alternative vaporization technologies for the LNG terminal and concluded that proposed use of shell and tube vaporizers with selective catalytic reduction would minimize air emissions in this nonattainment area. With respect to electric power alternatives, we concluded that purchasing power from Entergy would have less impact on air emissions without a substantial increase in other environmental impacts.

With respect to the pipeline alternatives, we concluded that there were no practicable system alternatives or design alternatives. Golden Pass evaluated four pipeline corridors before selecting one corridor within which it designed the preferred route for the pipeline system. The preferred route included variations to avoid or minimize impacts on the J.D. Murphree WMA and residential development. We identified no other route variations that would significantly reduce environmental impacts.

PUBLIC INVOLVEMENT AND AREAS OF CONCERN

On November 19, 2003, Golden Pass filed a request with the FERC to use the NEPA Pre-filing Process. At that time, Golden Pass was in the preliminary design stage of the Project and no formal application had been filed with the FERC. The request to use the NEPA Pre-filing Process was approved and on January 26, 2004, we issued a *Notice of Environmental Review and Scoping for the Golden Pass LNG Terminal and Pipeline Project and Request for Comments on Environmental Issues*. This notice was sent to 567 interested parties including federal, state, and local officials; agency representatives; conservation organizations; Native American tribes; local libraries and newspapers; residents within a 0.5 mile of the proposed LNG terminal; and property owners along the proposed pipeline routes.

On September 20, 2004, after Golden Pass filed its applications, we issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Golden Pass LNG Terminal and Pipeline Project and Request for Comments on Environmental Issues and Notice of Public Scoping Meetings and Site Visit*. This notice was sent to 586 interested parties including federal, state, and local officials; agency representatives; conservation organizations; local libraries and newspapers; residents within 0.5 mile of the proposed LNG terminal; and property owners along the proposed pipeline route. We conducted public scoping meetings in Sabine Pass, Texas on October 5, 2004, and in Starks, Louisiana on October 6, 2004, to provide an opportunity for the public to learn more about the Project and to provide comments on environmental issues to be addressed in the EIS.

A total of 53 people commented at the scoping meeting in Sabine Pass, Texas; none commented at the scoping meeting in Starks, Louisiana. Comments were generally supportive of the Project, with the exception of landowners on Pleasure Island who expressed concerns about the proximity of their residences to the LNG facility and the impact of the facility on their safety and viewshed. We also received 137 comment letters in response to the notices.

In addition to the public notice process, we conducted additional agency consultations to identify issues that should be addressed in the EIS. Topics discussed included agency coordination for the review of the multiple LNG projects in Texas and Louisiana, the approach to the alternatives and cumulative impact analyses in the EIS, and specific concerns of the agencies that should be addressed in the EIS.

On March 3, 2005, the FERC issued the draft EIS for the Project and filed it with the EPA. A formal notice was published in the Federal Register announcing that the draft EIS was available and had been mailed to individuals and organizations on the draft EIS mailing list prepared for the Project. In accordance with the Council on Environmental Quality (CEQ) regulations implementing NEPA, the public was allowed until April 19, 2005 to comment on the draft EIS in the form of written comments or at the public meeting. Public meetings to receive comments on the draft EIS were held on March 22, 2005 in Starks, Louisiana and on March 23, 2005, in Sabine Pass, Texas.

We received comment letters from 5 federal agencies, 3 state agencies, 14 individuals or organizations, and the applicant. A total of 31 people provided statements at the public meetings, one at the Starks, Louisiana meeting and 30 at the Sabine Pass, Texas meeting. FERC staff's responses to comments filed on the Commission website by May 13, 2005, are provided in appendix I of this document. Golden Pass also filed minor modifications to the Project, supplemental information, and revisions to various documents/applications that are being reviewed by other federal and state agencies. Vertical bars that appear in the margins of this final EIS mark all substantive changes from the corresponding text in the draft EIS. These changes were made both in response to agency, public comments received on the draft EIS and new information that became available from Golden Pass after issuance of the draft EIS.

This final EIS was mailed to the agencies, individuals, and organizations on the mailing list (included in appendix A) and was submitted to the EPA for a formal notice of availability. In accordance with CEQ's regulations implementing NEPA, no agency decision on a proposed action may be made until 30 days after the EPA publishes a notice of availability of the final EIS. However, the CEQ regulations provide an exception to this rule when an agency decision is subject to a formal internal process that allows other agencies or the public to make their views known. In such cases, the agency decision may be made at the same time as the notice of the final EIS is published, allowing both periods to run concurrently. Should the Commission authorize the proposed Project, it would be subject to a 30-day rehearing period. Therefore, the Commission could issue its decision concurrently with the EPA's notice of availability.

MAJOR CONCLUSION

We conclude that, with the use of Golden Pass' proposed mitigation and adoption of our recommended mitigation measures, construction and operation of the proposed facilities would have limited adverse environmental impact. The impacts would be most significant during the construction period. As part of our analysis, we have developed specific mitigation measures that we believe to be appropriate and reasonable for construction and operation of the proposed Project. We believe these measures would substantially reduce the environmental impact of the Project. The primary reasons for our decision are:

- the LNG terminal facility would make use of a site previously used for a dredge material placement area;
- the LNG terminal facility would be located in an area with access to a deep water federal navigation channel;
- Golden Pass would implement the FERC staff's Plan and Procedures to mitigate impacts on soils, wetlands, and waterbodies;

- Golden Pass would implement an approved Aquatic Resources Mitigation Plan to mitigate for, and minimize impacts, on wetlands and EFH;
- Golden Pass has routed the pipeline to avoid placement of the construction work area near most residences;
- appropriate consultations with the U.S. Fish and Wildlife Services, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, the COE, SHPOs, and the Railroad Commission of Texas (for the coastal zone management plan consistency determination) would be required before Golden Pass would be allowed to begin construction;
- safety features would be incorporated into the design and operation of the LNG import terminal and LNG vessels, and can be expected to operate safely;
- operational controls would be imposed by the local pilots and Coast Guard to direct the movement of LNG ships, and the security provisions to deter attacks by potential terrorists; and
- the environmental inspection and mitigation monitoring program that would ensure compliance with all mitigation measures that become conditions of any FERC authorization.