1.0 INTRODUCTION

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared this draft Environmental Impact Statement (EIS) for public review and comment to assess the potential environmental effects that may occur as a result of the construction and operation of the proposed liquefied natural gas (LNG) import terminal and associated natural gas pipeline in Calhoun and Jackson Counties, Texas (collectively referred to as the Calhoun LNG Project or Project). Comments received in response to this draft EIS will be addressed in a final EIS which will be used by the FERC in its decision-making process to determine whether or not to authorize the Project.

On March 8, 2005, Calhoun LNG, L.P. filed an application with the FERC, in Docket No. CP05-91-000, under Section 3(a) of the Natural Gas Act (NGA) and part 153 of the Commission's regulations. On June 10, 2005, Point Comfort Pipeline Company, L.P. filed an application in Docket No. CP05-380 under Section 7(c) of the NGA and parts 157 and 284 of the Commission's regulations. These applications were noticed in the *Federal Register* (FR) on August 3, 2005. Calhoun LNG, L.P. is an affiliate of Gulf Coast LNG Partners, L.P. while Point Comfort Pipeline Company, L.P. is an affiliate of Gulf Coast LNG Partners, L.P. and Calhoun LNG, L.P. (hereafter collectively referred to as Calhoun Point Comfort).[1]

In Docket No. CP05-91-000, Calhoun Point Comfort proposes to import, store, and vaporize on average about 1.0 billion cubic feet per day (bcfd) of LNG at a terminal facility to be located on the southeastern shoreline of Lavaca Bay, south of Point Comfort, Texas. The proposed terminal site is bounded by Lavaca Bay to the west and south, Cox Bay to the south and east, and industrial facilities to the north owned by the Aluminum Company of America (Alcoa) and Formosa Plastics Corporation. Calhoun Point Comfort requests Commission authorization to construct and operate:

- a new marine terminal along Lavaca Bay that would include one berth to unload up to 120 LNG ships per year with a ship capacity ranging from 75,000 cubic meters (m^3) to 220,000 m^3 of LNG;
- four 16-inch-diameter stainless steel unloading arms of which three would be dedicated to LNG transfer from the berth facilities to the LNG storage tanks, one would be dedicated to vapor return service to balance the LNG ship (one of the dedicated unloading arms could be used for both LNG transfer or vapor return service);
- two single containment LNG storage tanks each with a nominal working volume of approximately 160,000 m^3 (1,006,000 barrels);
- three in-tank pumps per LNG storage, each capable of discharging 5,500 gallons per minute (gpm);
- four low pressure (LP) and four high pressure (HP) sendout pumps, each capable of discharging 3,217 and 4,133 gpm, respectively;

[1] Gulf Coast LNG Partners, L.P. is a Houston, Texas based limited partnership that has been formed through an equity investment by Haddington Energy Partners II, LP and through contributions from Gulf Coast LNG, LLC.

- six first-stage submerged combustion vaporizers (SCV) and six second-stage SCVs that would be heated with a 80- and 20- percent by weight ethylene glycol and water mixture, respectively, as well as other associated vaporization equipment;
- a boil-off gas (BOG) and vapor removal system comprised of a 24-inch BOG header, one BOG scrubber, two ship vapor blowers, three BOG compressors, one desuperheater/ condenser, one ship vapor return header and scrubber, and a 8-inch LP fuel gas supply line;
- a flare system that would include a 100-foot flare stack; and
- various support buildings and piping structures at the LNG terminal site including an office building, control building, workshop/warehouse, electric room, and a security building.

The Calhoun County Navigation District (CCND) is developing plans to augment the existing harbor by dredging a new turning basin at the confluence of the Point Comfort Channel and the Alcoa Industrial Channel located north and west of the LNG terminal site. This augmentation would encompass construction of Calhoun Point Comfort's new ship berth as well as the CCND's new turning basin and require the dredging of about 4.2 million cubic yards of material from Lavaca Bay. This activity is essential to the operation of the Calhoun LNG Project. Calhoun Point Comfort would use the CCND's turning basin to maneuver its LNG ships.

In Docket No. CP05-380-000, Calhoun Point Comfort requests Commission authorization to construct and operate a pipeline extending from the LNG terminal northward to its terminus southwest of Edna, Texas. This pipeline, via interconnections with existing intrastate and interstate pipeline systems, would be capable of transporting up to about 1.0 bcfd of imported natural gas to markets throughout the United States (U.S.). Calhoun Point Comfort's proposed pipeline facilities would consist of:

- 27.1 miles of 36-inch-diameter natural gas pipeline;
- 0.25 mile of 8-inch-diameter lateral leading to Formosa Hydrocarbons Company (Formosa Lateral) and 0.25 mile of 16-inch-diameter lateral leading to the Transco meter station (Transco Lateral);
- ten delivery points/interconnects which include two delivery points with Formosa Hydrocarbons Company and Formosa Plastics Corporation and eight interconnect points for nine pipeline interconnections with the following existing natural gas pipeline systems: Channel/HPL JV Pipeline Company (Channel/HPL), Florida Gas Transmission Company (FGT), Kinder Morgan-Tejas Pipeline Company (KM-Tejas), Enterprise-Valero Pipeline Company (Valero), Gulf South Pipeline Company (Gulf South), Kinder Morgan Texas Pipeline Company (KM Texas), Natural Gas Pipeline of America (NGPL), Transcontinental Gas Pipeline Corporation (Transco), and Tennessee Gas Pipeline Company (Tennessee); and
- a pig launcher facility and mainline valve (MLV) at the LNG terminal, a MLV near the middle of the pipeline, and a pig receiver facility and MLV at the northern pipeline terminus.

Figure 1-1 shows the general location of the proposed facilities.

Non-Internet Public

DRAFT ENVIRONMENTAL IMPACT STATEMENT
FOR THE CALHOUN LNG TERMINAL AND PIPELINE PROJECT

Docket Nos. CP05-91-000
CP05-380-000

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Figure 1-1

Public access for the above information is available only through the Public Reference Room, or by e-mail at public.referenceroom@ferc.gov.

1.1 PROJECT PURPOSE AND NEED

The purpose of the Calhoun LNG Project is to provide facilities necessary to import, store, and vaporize 1.0 bcfd of LNG to:

- provide a competitive supply of natural gas to local industrial customers, such as Formosa Hydrocarbons Company and Formosa Plastics Corporation, and other energy-consuming customers in Texas; and
- deliver natural gas into existing interstate and intrastate natural gas pipelines near Edna, Texas.

It should be noted that the existing pipeline infrastructure in this country was designed to move natural gas from producing areas to consuming areas. Thus, since the Gulf Coast, particularly Texas, has historically produced much of the natural gas used in this country, the pipelines from the Gulf Coast area serve a large market area extending from the Midwest to the Northeast.

Calhoun Point Comfort stated that the Project was conceived in response to the growing national demand for new sources of natural gas. In addition, the Calhoun LNG Project would provide a natural gas liquid (NGL) recovery system which would be owned and operated by Formosa Hydrocarbons Company. The Project would also contribute to the diversification of the nation's energy resources, and help ameliorate the projected future natural gas shortage in the United States.

1.1.1 Projected Domestic Supplies and Demand for Natural Gas

Speaking at a conference in April 2004, U.S. Federal Reserve Board Chairman Alan Greenspan pointed out that use of natural gas has increased over time while its availability has recently stagnated. Domestic natural gas prices are on the rise because of supply and demand issues. Chairman Greenspan stated that the U.S. needs to import more natural gas, including the expansion of LNG import terminals (Schneider, 2004).

The Energy Information Administration of the U.S. Department of Energy (EIA) predicted that U.S. natural gas supplies would rise from about 19 trillion cubic feet (tcf) produced in 2002 to almost 24 tcf by 2025. However, during that same timeframe, domestic consumption of natural gas is projected to increase from a total of about 22 tcf in 2002 to about 31 tcf in 2025. To make up the difference between future domestic supplies and demand, the U.S. would have to increase imports of natural gas. The EIA indicated that in 2002, the U.S. imported about 3.5 tcf of natural gas, combining imports from Canada, Mexico, and LNG. In 2025, imports are predicted to increase to about 7 tcf, with LNG's portion growing from almost 0.2 tcf in 2002 to about 4.8 tcf in 2025 (EIA, 2004).

1.2 PURPOSE AND SCOPE OF ENVIRONMENTAL IMPACT STATEMENT

The FERC is the federal agency responsible for authorizing applications to construct and operate onshore LNG import and interstate natural gas transmission facilities. The U.S. Coast Guard (Coast Guard) is the federal agency responsible for determining the suitability of the waterway for LNG marine traffic. The FERC is the lead federal agency for the preparation of this EIS in compliance with the requirements of the National Environmental Policy Act of 1969 (NEPA),

the Council on Environmental Quality (CEQ) regulations for implementing NEPA (40 Code of Federal Regulations [CFR] 1500-1508), and the FERC's regulations for implementing the NEPA (18 CFR 380). The FERC will use this EIS as an element in its review of Calhoun Point Comfort's applications to determine whether to authorize the Project. The Commission will consider the environmental issues, including our[2] recommended mitigation measures, as well as non-environmental issues. Final authorization will be granted only if the Commission finds that the proposed Project is in the public interest. The environmental impact assessment and mitigation discussed in this EIS are important factors in this final determination.

The U.S. Army Corps of Engineers (COE); Coast Guard; U.S. Fish and Wildlife Service (FWS); National Oceanic and Atmospheric Administration, National Marine Fisheries Service (NOAA Fisheries); U.S. Environmental Protection Agency (EPA); and the U.S. Department of Transportation (DOT) are cooperating federal agencies for the development of this EIS. A cooperating federal agency has jurisdiction by law or special expertise with respect to environmental impacts involved with the proposal and is involved in the NEPA analysis.

This document is a draft EIS that has been prepared for public review and comment. A final EIS will be prepared subsequently to respond to comments received on this draft EIS. The distribution list for this draft EIS is provided in appendix A. Our principal purposes in preparing this EIS are to:

- identify and assess potential impacts on the human environment that would result from the implementation of the proposed action;
- identify and assess reasonable alternatives to the proposed action that would avoid or minimize adverse effects on the human environment;
- identify and recommend specific mitigation measures to minimize environmental impacts; and
- facilitate public involvement in identifying significant environmental impacts.

Our analysis in this EIS focuses on facilities that are under the FERC's jurisdiction (*i.e.*, the proposed LNG terminal and 27.1 miles of pipeline as proposed by Calhoun Point Comfort) and the waterway used for LNG vessel traffic to reach the LNG terminal. Two nonjurisdictional facilities would also be constructed in association with the Project (see section 2.10 of this EIS).

The topics addressed in this EIS include alternatives; geology; soils and sediments; water use and quality; wetlands; vegetation; wildlife; and aquatic resources including essential fish habitat (EFH); threatened, endangered, and special status species; land use, recreation, and visual resources; socioeconomics; transportation and traffic; cultural resources; air quality and noise; reliability and safety; and cumulative impacts. This EIS describes the affected environment as it currently exists, discusses the environmental consequences of the proposed Project, and compares the Project's potential impacts to the potential impacts of other alternatives. This EIS also presents our conclusions and recommended mitigation measures.

[2] "We," "us," and "our" refer to the environmental staff of the FERC's Office of Energy Projects.

1.3 PERMITS, APPROVALS, AND REGULATORY REQUIREMENTS

As the lead federal agency for the Calhoun LNG Project, the FERC is required to comply with Section 7 of the Endangered Species Act of 1973, the Magnuson-Stevens Fishery Conservation and Management Act of 1976, Section 106 of the National Historic Preservation Act of 1966, and Section 307 of the Coastal Zone Management Act of 1972. Each of these statutes has been taken into account in the preparation of this document.

The Coast Guard exercises regulatory authority over LNG facilities that affect the safety and security of port areas and navigable waterways under Executive Order 10173; the Magnuson Act (50 United States Code (USC) Section 191; the Ports and Waterways Safety Act of 1972, as amended (33 USC Section 1221 et seq); and the Maritime Transportation Security Act of 2002 (46 USC Section 701). The Coast Guard is responsible for matters related to navigation safety, vessel engineering and safety standards, and all matters pertaining to the safety of the facilities or equipment located in or adjacent to navigable waters up to the last valve immediately before the receiving tanks. The Coast Guard also has authority for LNG facility security plan review, approval, and compliance verification as provided in Title 33 CFR Part 105, and siting as it pertains to the management of vessel traffic in and around the LNG facility.

As required by its regulations, the Coast Guard is responsible for issuing a Letter of Recommendation (LOR) as to the suitability of the waterway for LNG marine traffic. The LOR would be based on the following items:

- density and character of marine traffic;
- locks, bridges, other manmade obstruction in the waterway;
- environmental effects of LNG vessels during transit from open water to the facility; and
- the following factors adjacent to the facility:
    a. depth of water;
    b. tidal range;
    c. protection from high seas;
    d. natural hazards, including reefs, rocks, and sandbars;
    e. underwater pipes and cables; and
    f. distance of berthed vessels from the channel and the width of the channel.

In accordance with Title 33 CFR Part 127.007, each applicant must submit a Letter of Intent (LOI) to the local Captain of the Port to begin the LOR process. On June 14, 2005, the Coast Guard issued a *Navigation and Vessel Inspection Circular – Guidance on Assessing the Suitability of a Waterway for Liquefied Natural Gas (LNG) Marine Traffic* (NVIC). The purpose of this NVIC is to provide the Coast Guard Captains of the Port/Federal Maritime Security Coordinators, members of the LNG industry, and port stakeholders with guidance on assessing the suitability of a waterway for LNG marine traffic that takes into account conventional navigation safety/waterway management issues contemplated by the existing LOI/LOR process, but in addition, will also take completely into account maritime security implications. In accordance with this guidance, each LNG project applicant is to submit a Waterway Suitability

Assessment (WSA) to the cognizant Captain of the Port. The WSA is to address the transportation of LNG from the LNG tanker's entrance into U.S. territorial waters, through its transit to and from the LNG receiving facility, including operations at the vessel/facility interface. In addition, the WSA should address the navigational safety issues and port security issues introduced by the proposed LNG operations. The NVIC 05-05 also provides specific guidance on the timing and scope of the WSA. See section 4.12.5 of this EIS for additional discussion of marine safety.

Endangered Species Act (ESA)

Section 7 of the ESA, as amended, states that any project authorized, funded, or conducted by any federal agency (*e.g.*, FERC) should not "…jeopardize the continued existence of any endangered species or threatened species or result in the destruction or adverse modification of habitat of such species which is determined…to be critical…" (16 United States Code [USC] Section 1536(a)(2)(1988)). The FERC, or Calhoun Point Comfort as a non-federal party, is required to consult with the FWS and NOAA Fisheries to determine whether any federally-listed or proposed endangered or threatened species or their designated critical habitat occur in the vicinity of the proposed Project. If, upon review of existing data or data provided by the applicant, the FERC determines that these species or habitats may be affected by the proposed Project, the FERC is required to prepare a biological assessment (BA) to identify the nature and extent of adverse impact, and to recommend measures that would avoid the habitat and/or species, or that would reduce potential impacts to acceptable levels. If, however, the FERC determines that no federally-listed or proposed endangered or threatened species or their designated critical habitat would be affected by the proposed Project, no further action is necessary under the ESA. See section 4.6 of this EIS for the status of this review.

Magnuson-Stevens Fishery Management and Conservation Act (MSA)

The MSA, as amended by the Sustainable Fisheries Act of 1996 (Public Law 104-267), established procedures designed to identify, conserve, and enhance EFH for those species regulated under a federal fisheries management plan. The MSA requires federal agencies to consult with NOAA Fisheries on all actions or proposed actions authorized, funded, or undertaken by the agency that may adversely affect EFH (MSA Section 305(b)(2)). Although absolute criteria have not been established for conducting EFH consultations, NOAA Fisheries recommends consolidating EFH consultations with interagency coordination procedures required by other statutes such as the NEPA, the Fish and Wildlife Coordination Act, or the ESA (50 CFR 600.920(e)) in order to reduce duplication and improve efficiency. As part of the consultation process, the FERC has prepared a draft EFH Assessment included in appendix B of this EIS. A final EFH Assessment will be provided as part of our final EIS.

Marine Mammal Protection Act (MMPA)

The MMPA of 1972 prohibits, with certain exceptions, the take of marine mammals in U.S. waters and by U.S. citizens on the high seas, and the importation of marine mammals and marine mammal products into the United States. Congress amended the MMPA in 1994 to provide for certain exceptions to the take prohibitions including a program to authorize and control the taking of marine mammals incidental to commercial fishing operations; preparation of stock assessments for all marine mammal stocks in waters under U.S. jurisdiction; and studies of

pinniped-fishery interactions. The Secretary of the NOAA Fisheries, in consultation with any other federal agency (*e.g.,* FERC) to the extent that such agency may be affected, prescribes regulations as are necessary and appropriate to carry out the purposes of the MMPA (16 USC 1382 Section 112 (a)). See section 4.5.2 of this EIS for a discussion on marine mammals.

National Historic Preservation Act (NHPA)

Section 106 of the NHPA, as amended in 1992, requires the FERC to take into account the effects of its undertakings on properties listed in or eligible for listing in the National Register of Historic Places (NRHP), including prehistoric or historic sites, and districts, buildings, structures, objects, or properties of traditional religious or cultural importance. The NHPA also requires the FERC to afford the Advisory Council on Historic Preservation (ACHP) an opportunity to comment. In accordance with the ACHP's regulations for implementing Section 106, found at 36 CFR 800, the FERC is using the services of the applicant, Calhoun Point Comfort, and its consultants to prepare information, analyses, and recommendations to assist in meeting our obligations to comply with the NHPA. See section 4.10 of this EIS for the status of this review.

Coastal Zone Management Act (CZMA)

The CZMA calls for the "effective management, beneficial use, protection, and development" of the nation's coastal zone and promotes active state involvement in achieving those goals. As a means to reach those goals, the CZMA requires participating states to develop management programs that demonstrate how these states will meet their obligations and responsibilities in managing their coastal areas. In the state of Texas, the Texas General Land Office (TGLO) is the agency responsible for administering its Coastal Zone Management Program (CZMP). Because Section 307 of the CZMA requires federal agency activities to be consistent to the maximum extent practicable with the enforceable policies of a management program, the FERC has requested that Calhoun Point Comfort seek a determination of consistency with Texas's CZMP. See section 4.7.5 of this EIS for additional discussion of the Texas CZMP.

Other Permits, Approvals, and Consultations

At the federal level, required permits and approval authority outside of FERC's jurisdiction include compliance with the Clean Water Act (CWA), the Rivers and Harbor Act, and the Clean Air Act (CAA). Several Texas state agencies have delegated responsibilities under the CWA, CAA, and CZMA. The Coast Guard has responsibilities relating to LNG waterfront facilities.

We have consulted with the U.S. Department of Defense (DOD) as required by the Energy Policy Act of 2005 and Section 3 of the Natural Gas Act to determine if there would be affects on training or activities on any military installations from the Project. No comments or concerns were received from any branch of the military or military installation in reply to the FERC's scoping notice issued on July 7, 2005.

In addition, in letters dated January 18, 2006 to the Army, COE, Navy and Air Force at the Pentagon, we requested any information on affects to military installations. In a letter dated February 23, 2006, the COE indicated that it is unaware of any active defense or military establishments in the vicinity of the Project. The Army noted that the Matagorda Ship Channel, a COE federal navigation channel, is located near the proposed Project and may be affected. We note that impacts on the Matagorda Ship Channel are discussed throughout this DEIS and

through consultation with the COE, with no significant impacts determined to be associated with the proposed Project. Since no affects to military installations have been identified, we conclude that there is no affect on military installations from this Project, and therefore no concurrence from the Secretary of Defense is required under the Energy Policy Act.

Major permits, approvals, and consultations required for the Calhoun LNG Project are identified in table 1.3-1. The FERC encourages cooperation between applicants and state and local authorities, but this does not mean that state and local agencies, through applications of state and local laws, may prohibit or unreasonably delay the construction or operation of facilities approved by the FERC. Any state or local permits issued with respect to jurisdictional facilities must be consistent with the conditions of any authorization issued by the FERC.[3]

TABLE 1.3-1

Major Permits, Approvals, and Consultations for the Calhoun LNG Project

Agency	Permits/Approvals/Consultations	Anticipated Application Filing/Consultation Date
FEDERAL		
Federal Energy Regulatory Commission (FERC)	Authorization under Sections 3 and 7 of the Natural Gas Act.	Calhoun Point Comfort filed applications on March 8, 2005 and June 10, 2005.
Advisory Council on Historic Preservation	Opportunity to comment on the Project under Section 106 of the NHPA.	If no historic properties would be affected, the Advisory Council on Historic Preservation would not need to be consulted.
U.S. Department of Agriculture, Natural Resources Conservation Service - Farmland Protection Policy Act	Farmland Protection Policy Act Determine that construction of the pipeline would not be a permanent conversion of important farmland.	Calhoun Point Comfort initiated consultation for the LNG terminal and pipeline during February 2005.
U.S. Army Corps of Engineers (COE)	Authorization for activities that will occupy, fill, or grade land in a floodplain, streambed, or channel of a stream or other waters of the U.S. under Section 10 of the Rivers and Harbors Act of 1899. Authorization to discharge dredged or fill material into waters of the U.S. under Section 404 of the Clean Water Act.	Permit application submitted during June and July 2005. Calhoun Point Comfort submitted a wetland delineation report and permit application during June and July 2005. The COE 's jurisdictional determination is pending.
U.S. Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service (NMFS) (NOAA Fisheries)	Consultation with the NMFS Protected Resources Division regarding compliance with Section 7 of the ESA and the MMPA. Consultation with the NMFS Habitat Conservation Division on threatened and endangered aquatic species, EFH conservation recommendations, and compliance with Section 305 of the MSA.	Calhoun Point Comfort initiated consultation during January and May 2005.
U.S. Department of Homeland Security U.S. Coast Guard - 33 CFR 127 (Coast Guard)	33 CFR 127 Issue Letter of Recommendation, Waterfront Facilities Handling LNG and Liquefied Hazardous Gas.	Calhoun Point Comfort submitted a Letter of Intent to Coast Guard dated March 14, which was received by the Coast Guard on August 15, 2005.
Federal Emergency Management Administration (FEMA)	Consultation regarding floodplain protection.	Calhoun Point Comfort initiated consultation during February and May 2005.

[3] See, *e.g.*, Schneidewind v. ANR Pipeline Co., 485 U.S. 293 (1988); National Fuel Gas Supply v. Public Service Commission, 894 F.2d 571 (2n Cir. 1990); and Iroquois Gas Transmission System, L.P., *et al.*, 52 FERC 61,091 (1990) and 59 FERC 61,094 (1992).

TABLE 1.3-1

Major Permits, Approvals, and Consultations for the Calhoun LNG Project

Agency	Permits/Approvals/Consultations	Anticipated Application Filing/Consultation Date
U.S. Department of Defense	Consultation as required by Section 311 of the Energy Policy Act of 2005 and Section 3 of the Natural Gas Act	FERC consultation on January 18, 2006 with the DOD regarding information on project affects to military installations.
U.S. Department of the Interior, Fish and Wildlife Service (FWS)	Section 7 of the ESA Consultation regarding effects on threatened and endangered species.	Calhoun Point Comfort initiated consultation for the LNG terminal and the pipeline during January and May 2005.
U.S. Department of Transportation (DOT)	49 CFR 192; 49 CFR 193 Evaluate compliance with federal safety standards; encroachment permits for crossing of federal highways.	Calhoun Point Comfort to initiate consultation.
U.S. Environmental Protection Agency (EPA)	Section 402 of the CWA; 44 CFR 9; CAA Issue National Pollutant Discharge Elimination System (NPDES) permit; review of construction within floodplain; review of air quality permit application.	Calhoun Point Comfort to submit its permit application during the 4th quarter of 2007.
STATE		
Texas Commission of Environmental Quality (TCEQ)	Texas Clean Air Act; CAA; 40 CFR 50-99 Acceptance of air permit for LNG terminal.	Calhoun Point Comfort filed its permit application on March 18, 2005. Air permit issuance on December 6, 2005. Permit Number 75317.
Railroad Commission of Texas (TRRC)	Temporary Water Use Permit; Section 401 Water Quality Certification; Stormwater Pollution Prevention, and Sedimentation Plans.	Calhoun Point Comfort to submit its permit application and plans during the 4th quarter of 2007 and 3rd quarter 2008.
___	TAC Title 16 Part 1 Chapter 3 Issue NPDES stormwater permit and pipeline construction permit, hydrostatic test water discharge permit.	Calhoun Point Comfort to submit its permit applications during the 3rd and 4th quarter of 2005 and 2nd quarter 2008.
Texas General Land Office (TGLO)	Section 307 of the CZMA Determine coastal zone management consistency	Calhoun Point Comfort initiated consultation for the LNG terminal during February 2005.
State Historic Preservation Office (SHPO)	Section 106 of the NHPA Consultation regarding NRHP eligibility and project effects.	In letters dated February 15 and 23, 2005, the SHPO indicated that no historic properties would be affected within the areas surveyed for LNG terminal and pipeline from MP 0.0 to 12.0.
Texas Parks and Wildlife Department	Review of biological survey reports. Review of Section 10 and Section 404 permits through the Fish and Wildlife Coordination Act.	Calhoun Point Comfort initiated consultation during January and May 2005.
Texas Department of Transportation	Issue permit for crossing state highways.	Calhoun Point Comfort to submit its permit application during the 4th quarter of 2007.
LOCAL		
Calhoun and Jackson County Road Commission	Conduct permit review for road crossings.	Calhoun Point Comfort to submit its permit applications during the 4th quarter of 2007.
Calhoun and Jackson County Drainage District	Issue permit to cross drainage districts.	Calhoun Point Comfort to submit its permit applications during the 4th quarter of 2007.

1.4 PUBLIC REVIEW AND COMMENT

On July 7, 2005, the FERC issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Calhoun LNG Terminal and Pipeline Project, Request for Comments on Environmental Issues, and Notice of Public Scoping Meeting* (NOI). The NOI was sent to 211 interested parties including federal, state, and local officials; agency representatives; conservation organizations; local libraries and newspapers; and property owners within 0.5 mile of the proposed LNG terminal and along the proposed pipeline route. Issuance of the NOI opened the public comment period and established a closing date of August 8, 2005, for receiving written comments. In total, 15 letters were received in response to the NOI.

On July 26, 2005, the FERC conducted a public scoping meeting in Port Lavaca, Texas to provide an opportunity for the public to learn more about the proposed Calhoun LNG Project and to provide comments on environmental issues to be addressed in this EIS. Ten people spoke at the meeting and their comments were recorded both in support of and against the Project. A transcript of the scoping meeting and all written comments provided at the meeting have been entered into the public record for the Calhoun LNG Project. On July 26, 2005, the FERC also conducted a site visit, open to the public, of Calhoun Point Comfort's LNG terminal site and the pipeline route.

In addition to the public notice and scoping process discussed above, the FERC staff conducted agency consultations and participated in interagency meetings to identify issues that should be addressed in this EIS. This included an interagency meeting in Galveston, Texas on July 25, 2005 to discuss the Project and the environmental review process with other key federal and state agencies. These agencies included the COE, Coast Guard, NOAA Fisheries, EPA, DOT, and Texas Parks and Wildlife Department (TPWD).

Issues identified during scoping include the impacts of dredging and resuspension of mercury contaminated sediments; the need for dredge material and stormwater management plans; consideration of bay currents, salinity, and temperature; stability of the LNG terminal site; economics; air emissions; the potential need to deepen and widen the Matagorda Bay and ship channel; impacts on eggs, larvae, nekton, and oysters; the need for an EFH Assessment and impacts on bottom bay habitat as a result of dredging the LNG ship berth; federally-listed threatened species; bird strikes into aerial electric lines or LNG storage tanks; and impacts on wildlife, habitat, and wetlands.

1.5 NON JURISDICTIONAL FACILITIES

Under Sections 3 and 7 of the NGA, the FERC considers all relevant factors bearing on the public convenience and necessity as part of a decision to approve jurisdictional facilities. The jurisdictional facilities for the Calhoun LNG Project include the proposed LNG terminal facilities and proposed new natural gas pipeline and its associated aboveground facilities. Occasionally, proposed projects have associated facilities that do not come under the jurisdiction of the Commission.

There are two nonjurisdictional facilities related to this Project: (1) NGL recovery system; and (2) American Electric Power (AEP) transmission line. These are discussed in section 2.10 of this EIS.