

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

U.S. ARMY CORPS OF ENGINEERS

AES Sparrows Point LNG, LLC  
Mid-Atlantic Express, L.L.C

Docket Nos. CP07-62-000  
CP07-63-000  
CP07-64-000  
CP07-65-000

COE Application No. CENAB-OP-RMN (2007-01644-M16\_

TO THE PARTY ADDRESSED:

The staff of the Federal Energy Regulatory Commission (FERC or Commission) in cooperation with the U.S. Army Corps of Engineers (COE), the U.S. Coast Guard, (Coast Guard), and the U.S. Environmental Protection Agency (EPA) has prepared a draft Environmental Impact Statement (EIS) for a liquefied natural gas (LNG) import terminal expansion and natural gas pipeline facilities proposed by AES Sparrows Point LNG, LLC and Mid-Atlantic Express, L.L.C. (collectively referred to as AES) in the above-referenced dockets. The draft EIS was prepared to satisfy the requirements of the National Environmental Policy Act (NEPA). The FERC staff concludes that approval of the proposed project with appropriate mitigating measures, as recommended, would have mostly limited adverse environmental impact.

This is a joint public notice by the FERC and COE to advertise:

- the availability of the draft EIS;
- the scheduling of the joint FERC public meetings/COE public hearings on June 9, 11, and 12, 2008; and
- the submission of a Department of the Army permit application CENAB-OP-RMN (AES Sparrows Point LNG & Mid-Atlantic Express LLC/Dredging & Pipeline) 2007-01644-M16.

AES proposes to construct and operate an LNG import terminal in an industrial port setting on Sparrows Point, in Baltimore County, Maryland. The LNG terminal would consist of facilities capable of unloading LNG ships, storing up to 480,000 cubic meters (m<sup>3</sup>) of LNG (10.2 billion cubic feet of natural gas equivalent), vaporizing the LNG, and sending out natural gas at a baseload rate of 1.5 billion cubic feet per day (Bcfd). The maximum potential gas sendout capacity without expansion is 1.595 Bcfd. Mid-Atlantic Express proposes to interconnect the LNG facilities with three existing interstate natural gas pipelines by construction of a single, approximate 88 mile pipeline north, to the vicinity of Eagle, Pennsylvania.

The draft EIS addresses the potential environmental effects of the construction and operation of the following LNG terminal and natural gas (steel) pipeline facilities.

- a ship unloading facility, with two berths, capable of receiving LNG ships with capacities up to 217,000 m<sup>3</sup>;
- three 160,000 m<sup>3</sup> (net capacity) full-containment LNG storage tank, comprised of 9 percent nickel inner tank, pre-stressed concrete outer tank, and a concrete roof;

- a closed-loop shell and tube heat exchanger vaporization system;
- various ancillary facilities including administrative offices, warehouse, main control room, security building, and a platform control room;
- meter and regulation station within the LNG Terminal site;
- dredging an approximate 118 acre area in the Patapsco River to -45 feet below mean lower low water to accommodate the LNG vessels; and
- Approximately 88 miles of 30-inch-diameter natural gas pipeline (steel) (approximately 48 miles in Maryland and 40 miles in Pennsylvania), a pig launcher and receiver facility at the beginning and ending of the pipeline, 9 mainline valves, and three meter and regulation stations, one at each of three interconnection sites at the end of the pipeline.

### COE Permitting Requirements

AES Sparrows Point LNG, LLC and Mid-Atlantic Express, L.L.C. have applied, concurrently, to the COE for a Department of the Army Individual permit pursuant to Section 404 of the Clean Water Act (CWA) (33 U.S.C. 1344) and Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403) for proposed dredging and structures in and under navigable waters of the United States and the discharge of dredged, excavated, and/or fill material into waters of the United States, including jurisdictional wetlands, to construct the preferred alternative identified in the draft EIS. The decision whether to issue the permits will be based on an evaluation of the probable impacts, including cumulative impacts, of the proposed project on the public interest. The project would result in permanent and temporary impacts to approximately 19.43 acres of wetlands (including the permanent conversion of approximately 4.5 acres of forested wetlands to emergent or scrub/shrub wetlands), and 14,002 linear feet (4.07 acres) of streams. See Table 4.4.2-1 and Appendix I in the draft EIS for each stream/wetland crossing location, description, and impact. In addition, the applicant is proposing to dredge approximately 3.7 million cubic yards of sediment from an approximate 118 acre area in the Patapsco River to -45 feet below mean lower low water, and dispose of the dredge material by beneficial reuse (e.g., abandoned mine reclamation, landfill capping), or disposal in a landfill. The applicant has not submitted an aquatic resources compensatory mitigation plan to the COE; however, it is anticipated that a compensatory mitigation plan will be included in the final EIS.

The decision will reflect the national concern for the protection and utilization of important resources. The benefits, which would be reasonably expected to accrue from the proposed project, must be balanced against its reasonably foreseeable detriments. All factors, which may be relevant to the proposed work, will be considered, including the cumulative effects thereof; among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, 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, consideration of property ownership, and in general, the needs and welfare of the people.

The COE 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 the proposed project. Any comments received will be considered by the COE to determine whether to issue, modify, condition or deny a permit for the proposal. To make this decision, the COE uses comments received to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above.

The evaluation of the impact of the work described above on the public interest will also include application, by the COE, of the Guidelines [Section 404(b)(1)] promulgated by the Administrator, EPA, under authority of Section 404 of the CWA.

For COE permitting purposes, the applicant is required to obtain a Water Quality Certification in accordance with Section 401 of the CWA from the Maryland Department of the Environment (MDE) and the Pennsylvania Department of Environmental Protection (PDEP). The COE hereby requests that MDE and PDEP review the proposed discharges for compliance with the applicable water quality standards. The Section 401 certifying agencies have a statutory limit of one year in which to make their decisions. Additionally, for COE permitting purposes, the applicant is required to obtain Coastal Zone Management Consistency concurrence from the MDE, as well. It should be noted that the MDE has a statutory limit of 6 months in which to make its consistency determination.

Joint FERC Public Meetings/COE Public Hearings are held to provide interested individuals with the opportunity to present information about the effects of the project, including its social, economic and environmental effects. These meetings/hearings provide the opportunity for interested parties to present views, opinions, and information that will be considered by the FERC and the COE in evaluating the proposed project.

#### Coast Guard Permitting Requirements

The Coast Guard within the U.S. Department of Homeland Security is also participating as a cooperating agency in the preparation of the EIS because it 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 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 also has authority for LNG facility plan review, approval and compliance verification as provided in Title 33 Code of Federal Regulations (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 Coast Guard plans to adopt the EIS if it adequately covers the impacts associated with issuance of the LOR.

#### Comment Procedures and FERC Public Meetings/COE Public Hearings

Any person wishing to comment on the draft EIS may do so. To ensure consideration prior to a Commission decision on the proposal, it is important that we receive your comments before the date specified below. **Please carefully follow these instructions to ensure that your comments are received and properly recorded:**

- **Send an original and two copies of your comments to:**

Kimberly D. Bose  
Federal Energy Regulatory Commission  
888 First Street, N.E., Room 1A  
Washington, D.C. 20426

- Reference Docket Nos. CP07-62-000, CP07-63-000, CP07-64-000, and CP07-65-000.
- Label one copy of the comments for the attention of **Gas Branch 2**.
- **Mail your comments so that they will be received in Washington, D.C. on or before June 16, 2008.**

**The Commission strongly encourages electronic filing of any comments or interventions to this proceeding.** See 18 CFR 385.2001 (a)(1)(iii) and the instructions on the Commission's website at <http://www.ferc.gov> under the link to "[Documents and Filings](#)" and "[eFiling](#)." eFiling is a file attachment process and requires that you prepare your submission in the same manner as you would if filing on paper, and save it to a file on your hard drive. New eFiling users must first create an account by clicking on "[Sign up](#)" or "[eRegister](#)." You will be asked to select the type of filing you are making. This filing is considered a "Comment on Filing." In addition, there is a "[Quick Comment](#)" option available, which is an easy method for interested persons to submit text only comments on a project. The [Quick-Comment User Guide](#) can be viewed at <http://www.ferc.gov/docs-filing/efiling/quick-comment-guide.pdf>. Quick Comment does not require a FERC eRegistration account; however, you will be asked to provide a valid email address. All comments submitted under either eFiling or the Quick Comment option are placed in the public record for the specified docket or project number(s).

The COE public hearings provide members of the public the opportunity to present views, opinions, and information which will be considered by the COE in evaluating the Department of the Army permit. All comments received will become part of the formal project record. Copies of any written statements expressing concern for aquatic resources may be submitted to:

- Mr. Joseph P. DaVia  
U.S. Army Corps of Engineers, Baltimore District  
Attention: CENAB-OP-RMN  
P.O. Box 1715  
Baltimore, Maryland 21203-1715

The COE public hearing comment period closes on **June 16, 2008**.

In addition to or in lieu of sending written comments, we invite you to attend one of the FERC public meetings/COE public hearings we have scheduled **at 7:00 p.m. (EDT)** as follows:

**Monday, June 9, 2008**  
Patapsco High School auditorium  
8100 Wise Avenue  
Baltimore, MD  
410-887-7060

**Wednesday, June 11, 2008**  
East Brandywine Fire Hall  
2096 Bondsville Road  
Downingtown, PA  
610-269-1817

**Thursday, June 12, 2008**  
Richlin Ballroom  
1700 Van Bibber Rd  
Edgewood, MD  
(410) 671-7500

Interested groups and individuals are encouraged to attend and present oral comments on the draft EIS. Transcripts of the meetings will be prepared.

After these comments are reviewed, any significant new issues are investigated, and modifications are made to the draft EIS, a final EIS will be published and distributed by the staff. The final EIS will contain the staff's responses to timely comments received on the draft EIS.

Comments will be considered by the Commission but will not serve to make the commenter a party to the proceeding. Any person seeking to become a party to the proceeding must file a motion to intervene pursuant to Rule 214 of the Commission's Rules of Practice and Procedures (18 CFR 385.214). Anyone may intervene on this proceeding based on this draft EIS. You must file your request to intervene as specified above<sup>1</sup>. **You do not need intervenor status to have your comments considered.**

The draft EIS has been placed in the public files of the FERC and is available for distribution and public inspection at:

Federal Energy Regulatory Commission  
Public Reference Room  
888 First Street, N.E., Room 2A  
Washington, D.C. 20426  
(202) 208-1371

The draft EIS is also available for review and inspection (not for distribution) at the locations listed below:

Chester County Library  
450 Exton Square Parkway  
Exton, PA 19341

Harford County Public Library  
Bel Air Branch  
100 E. Pennsylvania Ave.  
Bel Air, MD 21014

North Point Library  
1716 Merritt Boulevard  
Baltimore, MD 21222

US Army Corps of Engineers, Baltimore District  
Regulatory Branch  
City Crescent Building  
10 South Howard Street  
Baltimore, MD 21201  
(410) 962-3670

US Army Corps of Engineers, Philadelphia District  
Regulatory Branch  
John Wanamaker Building

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<sup>1</sup> Interventions may also be filed electronically via the Internet in lieu of paper. See the previous discussion on filing comments electronically.

100 Penn Square East  
Philadelphia, PA 19107  
(215) 656-6836

Hard-copies of the draft EIS have been mailed to federal, state, and local agencies; public interest groups; individuals and affected landowners who requested a copy of the draft EIS or provided comments during scoping; libraries; newspapers; and parties to this proceeding. In the alternate, those persons or organizations who were identified as potential stakeholders on this environmental mailing list are receiving an Executive Summary document and a full version of the draft EIS on CD-ROM. A limited number of documents and CD-ROMs are available from the Public Reference Room identified above. In addition, hard-copies of the document are also available for reading at public libraries along the proposed project route, listed above.

To reduce printing and mailing costs, the final EIS will be issued in both CD-ROM and hard-copy formats. In a separate mailing, the parties on the current mailing list for the draft EIS will be sent a postcard providing an opportunity for them to select which format of the final EIS they wish to receive. The FERC strongly encourages the use of the CD-ROM format in its publication of large documents. If you wish to receive a paper copy of the final EIS instead of CD-ROM, you must return the postcard indicating that choice.

Additional information about the project is available from the Commission's Office of External Affairs, at **1-866-208-FERC** or on the FERC Internet website ([www.ferc.gov](http://www.ferc.gov)) using the eLibrary link. Click on the eLibrary link, click on "General Search" and enter the docket number excluding the last three digits (i.e., CP07-62) in the Docket Number field. Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov) or toll free at 1-866-208-3676, or for TTY, contact (202) 502-8659. The eLibrary link on the FERC Internet website also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission now offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries and direct links to the documents. Go to the eSubscription link on the FERC Internet website.

It is requested that you communicate the foregoing information concerning the proposed work to any persons known by you to be interested and not being known to this office, who did not receive a copy of this notice.

Kimberly D. Bose,  
Secretary