To: Magee, Melanie[Magee.Melanie@epa.gov]
From: Lawrence, Rob
Sent: Mon 4/2/2018 5:51:24 PM
Subject: RE: Question About Deepwater Port Marine Loading Facilities

Thanks

Rob Lawrence

Region 6

Policy Advisor - Energy Issues

214.665.6580

From: Magee, Melanie
Sent: Monday, April 02, 2018 12:48 PM
To: Lawrence, Rob <Lawrence.Rob@epa.gov>
Subject: FW: Question About Deepwater Port Marine Loading Facilities
Importance: High

Just in case, here is a copy of the questions and my responses.

From: Magee, Melanie
Sent: Friday, March 30, 2018 10:03 AM
To: Bouchard, Andrew <Bouchard.Andrew@epa.gov>
Cc: Robinson, Jeffrey <Robinson.Jeffrey@epa.gov>; Shine, Brenda <Shine.Brenda@epa.gov>
Subject: RE: Question About Deepwater Port Marine Loading Facilities
Importance: High

Hi Andrew,

Thanks for letting us know the issue is moving. I have included responses to your questions in numerical order below. Please let me know if you need any additional information.

1) The first company that requested information from us is working to secure land purchases for the TCEQ permitted onshore component and has asked to keep their identity confidential. We don't know their name, partners, or location other than its planned for federal waters 25-35 miles offshore of Texas. The second and third companies are Kinder Morgan and Enterprise Products both proposing in federal waters off the coast of Texas. I understand from the US Coast Guard (USCG) staff that we may have two more potential applicants (Magellan and another unknown company) but we have not received any information requests from the remaining two, to date.

2) We have not received written permit applications from the proposed projects. We have met separately with the first confidential named source and Kinder Morgan. In the meetings, we were shown a basic conceptual diagram and general vicinity map. We have been told by the companies that they are considering export operations of West Texas crude oil at a new facility (no existing operations) and will potentially exceed 200 M barrels.

3) You may recall from our conversations, for deepwater port projects, the companies have to carefully consider and balance the timing of applications based on financial commitments, Deepwater Port License timelines and Air Permitting timelines. As a part of the Deepwater Port License application to the USCG and the Maritime Administration (MARAD) , the company must include a copy of their air permit application that matches the project design contained in their Deepwater Port License application and commitments to financial partners. As a part of the USCG/MARAD Deepwater Port License process, after receiving the first deepwater port license application (includes air permit application), a public notice is published and the notice requires other interested project applicants with similar plans to submit applications. Based on our conversations with the three companies, we think the confidential named source is preparing to submit a Deepwater Port License application with air permit application to EPA in May 2018. We are anticipating USCG/MARAD to proceed with the public notice and the other applications will be submitted in a domino process to EPA and USCG/MARAD shortly thereafter. Another potential consideration is the separate ongoing discussions regarding the existing *unpermitted* LOOP facility located in the federal waters off the coast of Louisiana. We understand that the unpermitted oil import operations were expanded to include bi-directional flow to allow oil export operation. Recent news reports have stated LOOP commenced crude oil export operations in February 2018. We expect if the sources are licensed and permitted they will build and begin operation within 2-3 years.

From: Bouchard, Andrew
Sent: Friday, March 30, 2018 8:36 AM
To: Magee, Melanie <Magee.Melanie@epa.gov>
Cc: Robinson, Jeffrey <Robinson.Jeffrey@epa.gov>; Shine, Brenda <Shine.Brenda@epa.gov>
Subject: Question About Deepwater Port Marine Loading Facilities

Hi Melanie,

So I just got word that your RA spoke with the OAR and OECA AA's yesterday. I'm putting together some additional information to send back up the chain today, but have 3 quick questions for you.

1) Can you give me a list of all the companies (3?) you are talking with (*Note: we may have some political appointees who may have to recuse themselves depending on who the companies are)?

2) Can you confirm that you all have not actually received anything official in writing from the companies, including official permit applications?

3) Can you tell me anything about their anticipated dates for when they would like to begin loading operations for crude oil exports?

Thanks!

Andrew Bouchard
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