Message

From: Lawrence, Rob [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=B22505B64AEE401EBA1A31E9B50F61D1-LAWRENCE, ROB]
Sent: 7/23/2018 1:13:38 PM
To: Larsen, Brent [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=8f36d5b7b5674c77a9262d3fa8edd72c-Larsen, Brent]; Dwyer, Stacey [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b9f207a623824720907845ead85383ca-Dwyer, Stacey]; Gillespie, David [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=0debd47dbc364b2abc314422100d2790-Gillespie, David]; Okpala, Maria [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=54967b98ecdb46329418372b20ba9872-Okpala, Maria]
Subject: RE: Texas Gulf Terminal Deepwater Port - NPDES Permit

Importance: High

Did you receive a NPDES permit application independently of the MARAD/USCG diskettes? Air Permits did.

Do we agree with the interpretation that vessels moored to the buoy are still in transportation mode? That is different from what we said about LNG import terminals, Port Pelican and Beacon Port.

Rob Lawrence
Region 6
Policy Advisor - Energy Issues
214.665.6580

From: Lawrence, Rob
Sent: Friday, July 20, 2018 2:56 PM
To: Larsen, Brent <Larsen.Brent@epa.gov>; Dwyer, Stacey <Dwyer.Stacey@epa.gov>; Gillespie, David <Gillespie.David@epa.gov>; Okpala, Maria <Okpala.Maria@epa.gov>
Subject: Fwd: Texas Gulf Terminal Deepwater Port - NPDES Permit

See topic USCG / MARAD wants to discuss next week.

Would Wednesday or Thursday work best?

I will schedule and reserve a room.

Sent from my iPhone

Begin forwarded message:

> **From:** "Fields, Yvette (MARAD)" <Yvette.Fields@dot.gov>
> **Date:** July 20, 2018 at 1:21:18 PM CDT
> **To:** "Borland, Curtis" <Curtis.E.Borland@uscg.mil>, "Lawrence, Rob" <Lawrence.Rob@epa.gov>, "Bachman, Roddy C CIV" <Roddy.C.Bachman@uscg.mil>, "McKitrick, Bradley CIV" <Bradley.K.McKitrick@uscg.mil>
> **Cc:** "Morefield, Wade (MARAD)" <wade.morefield@dot.gov>, "Houston, Linden (MARAD)" <Linden.Houston@dot.gov>
> **Subject: RE: Texas Gulf Terminal Deepwater Port - NPDES Permit**
>
> Curtis,

Thanks for looping MARAD in on the issue.

If possible, I would like for my team to listen-in on the call. Please let me or Linden know if and when the call is scheduled for next week.

Thanks again,

Yvette

From: Borland, Curtis [mailto:Curtis.E.Borland@uscg.mil]
Sent: Friday, July 20, 2018 1:54 PM
To: Lawrence, Rob <Lawrence.Rob@epa.gov>; Bachman, Roddy C CIV <Roddy.C.Bachman@uscg.mil>; McKitrick, Bradley CIV <Bradley.K.McKitrick@uscg.mil>
Cc: Fields, Yvette (MARAD) <Yvette.Fields@dot.gov>; Morefield, Wade (MARAD) <wade.morefield@dot.gov>
Subject: Texas Gulf Terminal Deepwater Port - NPDES Permit

Hi Rob,

If you're available next Wednesday or Thursday, I'd like to have a brief discussion on Texas Gulf's position that it is not required to obtain a NPDES permit for its offshore activities (Vol. I, App. X of the application). I think I may be inclined to agree with them, but I know it's EPA's decision.

In brief, I think this because: 1) there are no discharges from the SPM buoy itself, 2) vessels are excluded from the definition of deepwater port, and 3) when the VLCC is on the buoy, it is only engaged in cargo loading, it remains a vessel in transportation, and it does not engage in a port related industrial function. Therefore no NPDES permit for the deepwater port is required.

This is in contrast to the LNG deepwater ports where the vessel is engaged in the industrial operation of either liquefaction or regasification of natural gas, which, in my view, takes it out of the category of a vessel in transportation and makes it a component of the deepwater port (so long as the industrial operation is ongoing). To my knowledge, all of the LNG ports have received NPDES permits for operations at the port that account for discharges from vessels when they are on the buoy.

I'm out of the office on Monday and Tuesday. If the brief phone call can happen on Wednesday or Thursday, please coordinate a time with Roddy and Brad.

Have a good weekend!

Curtis

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From: Lawrence, Rob <Lawrence.Rob@epa.gov>
Sent: Wednesday, June 13, 2018 8:53 AM
To: Bachman, Roddy C CIV <Roddy.C.Bachman@uscg.mil>; Robinson, Jeffrey <Robinson.Jeffrey@epa.gov>; Magee, Melanie <Magee.Melanie@epa.gov>; Gilbreath, Jan <Gilbreath.Jan@epa.gov>
Cc: Yvette Fields <yvette.fields@marad.dot.gov>; Wade Morefield (wade.morefield@dot.gov) <wade.morefield@dot.gov>; Borland, Curtis <Curtis.E.Borland@uscg.mil>; McKitrick, Bradley CIV <Bradley.K.McKitrick@uscg.mil>
Subject: [Non-DoD Source] RE: Planned Permian Basin pipeline will carry out 1 million barrels of crude oil per day

When Texas Gulf Terminals met with the NPDES staff a couple of weeks ago, they said that an additional 675 VLCCs will make calls on Gulf offshore ports in order to meet the increasing production and export demands (5 years out). If it takes 3 to 4 days to stage and fill a supertanker, we will see more applications for Deepwater Port Act licenses, and the CAA/CWA permits.

Rob Lawrence
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From: Bachman, Roddy C CIV [mailto:Roddy.C.Bachman@uscg.mil]
Sent: Wednesday, June 13, 2018 6:07 AM
To: Lawrence, Rob <Lawrence.Rob@epa.gov>; Robinson, Jeffrey <Robinson.Jeffrey@epa.gov>; Magee, Melanie <Magee.Melanie@epa.gov>; Gilbreath, Jan <Gilbreath.Jan@epa.gov>
Cc: Yvette Fields <yvette.fields@marad.dot.gov>; Wade Morefield (wade.morefield@dot.gov) <wade.morefield@dot.gov>; Borland, Curtis <Curtis.E.Borland@uscg.mil>; McKitrick, Bradley CIV <Bradley.K.McKitrick@uscg.mil>
Subject: RE: Planned Permian Basin pipeline will carry out 1 million barrels of crude oil per day

I happened to talk to one of the offshore contractors yesterday to sort out some confusion BOEM caused in pre-application survey work. He said he thought there were about a dozen potential DWP projects off the Texas Gulf Coast.

Roddy

From: Lawrence, Rob <Lawrence.Rob@epa.gov>
Sent: Tuesday, June 12, 2018 4:27 PM
To: Robinson, Jeffrey <Robinson.Jeffrey@epa.gov>; Magee, Melanie <Magee.Melanie@epa.gov>; Gilbreath, Jan <Gilbreath.Jan@epa.gov>
Cc: Yvette Fields <yvette.fields@marad.dot.gov>; Wade Morefield (wade.morefield@dot.gov) <wade.morefield@dot.gov>; Bachman, Roddy C CIV <Roddy.C.Bachman@uscg.mil>; Borland, Curtis <Curtis.E.Borland@uscg.mil>; McKitrick, Bradley CIV <Bradley.K.McKitrick@uscg.mil>
Subject: [Non-DoD Source] FW: Planned Permian Basin pipeline will carry out 1 million barrels of crude oil per day

That's a lot of crude heading east of Houston. Haven't heard of a proposed Deepwater Port Act project on that end of Texas, yet.

Rob Lawrence
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Policy Advisor - Energy Issues
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From: Casso, Ruben
Sent: Tuesday, June 12, 2018 2:43 PM
To: Lawrence, Rob <Lawrence.Rob@epa.gov>
Subject: Planned Permian Basin pipeline will carry out 1 million barrels of crude oil per day

Planned Permian Basin pipeline will carry out 1 million barrels of crude oil per day

More help is on the way to ease the Permian Basin's pipeline shortage. Exxon Mobil and Plains All American Pipeline announced Tuesday their intent to build a 1 million-barrel-a-day crude oil pipeline.

The project would move oil from the Permian Basin (Wink and Midland) to the Texas Gulf Coast (Webster, Baytown and Beaumont). The most prolific oil field in the country is struggling with bottlenecks as rising oil prices push production higher, outpacing the available pipeline capacity to take oil out to refineries on the Gulf Coast.

That booming region in West Texas and New Mexico has pipeline capacity of about 3.1 million barrels per day compared to production of 3.3 million barrels per day, according to Bloomberg Intelligence. Even with some oil being refined locally or transported elsewhere by rail, the region is pushing its capacity.

This week's announcement provided few details, such as cost or schedule. These massive pipelines usually take at least 18 months, so it's unlikely to open before 2020.

If the project goes forward, it would be one of several large pipelines planned to solve the Permian Basin capacity problem.

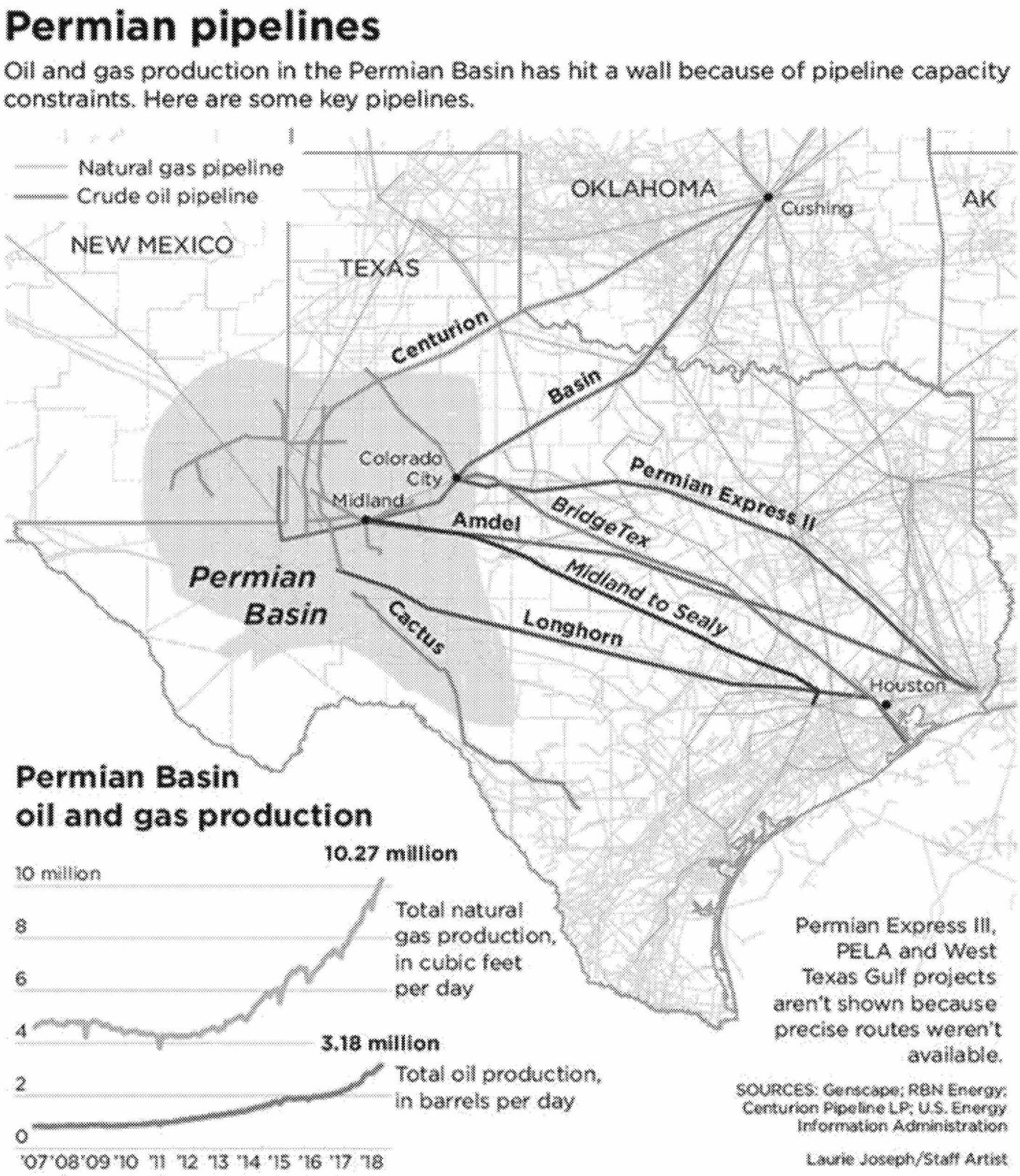
The EPIC crude oil pipeline — opening in 2019 — will provide 550,000 barrels-a-day capacity from the Permian Basin and Eagle Ford to Corpus Christi.

Houston-based Plains All American announced in February that it was going forward with its Cactus II pipeline. Opening in 2019, that would provide at least 585,000 barrels per day between the Permian Basin and the Corpus Christi area.

Phillips 66 said in April it had sufficient commitments to go ahead with its Gray Oak pipeline connecting West Texas and the Corpus Christi area. That's set to open late 2019 with at least 385,000 barrels.

This latest pipeline would transport oil for Irving-based Exxon as well as other Permian Basin producers.

Exxon would need the largest chunk of that capacity to continue with its plans to triple oil and gas production from the Permian Basin by 2025. Exxon kicked off those ambitious plans last

year, when the company paid Fort Worth's Bass family as much as $6.6 billion for about 275,000 acres in the Permian Basin.

This week's pipeline announcement included that a "priority would be placed on using existing pipeline corridors to help limit potential community and environmental disruptions."