Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First St., N.E. Room 1A
Washington, DC 20426

Docket Nos: CP05-360-000, CP05-357-000, CP05-358-000 and CP05-359-000

Dear Ms. Salas:

In accordance with the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act, Environmental Protection Agency (EPA) Region 6 has reviewed the Draft Environmental Impact Statement (DEIS) for the proposed construction and operation of the liquefied natural gas (LNG) import terminal and natural gas pipeline facility proposed by Creole Trail LNG, and Cheniere Creole Trail Pipeline Company. The proposed facility would transport up to 3.3 billion cubic feet per day of imported natural gas to the U.S. market.

EPA rates the DEIS as "**EC-2,**" i.e., EPA has "**Environmental Concerns and Requests Additional Information in the Final EIS** (FEIS)." EPA has identified environmental concerns that may require changes to the preferred alternative and application of mitigation measures that can reduce environmental impact. EPA asks for additional information to be included in the FEIS to complement and to more fully insure compliance with the requirements of NEPA and the Council on Environmental Quality (CEQ) regulations. Detailed comments are enclosed which more clearly define our concerns. Areas requiring additional information or clarification include: contaminant testing and the suitability of dredged material for beach nourishment as a beneficial use.

Our classification will be published in the *Federal Register* according to our responsibility under Section 309 of the Clean Air Act to inform the public of our views on this proposed Federal action. If you have any questions, please contact Mike Jansky of my staff at (214) 665-7451 or jansky.michael@epa.gov for assistance.

6ENXP:MJANSKY:02/07/2006:CREOLE TRAIL LNG TERMINAL, LA
6WQ-EM 6PD 6PD
Keeler Wade Lawrence

EPA appreciates the opportunity to review the DEIS. Please mail five (5) copies of the FEIS when it is sent to the Office of Federal Activities, EPA (Mail Code 2252A), Ariel Rios Federal Building, 1200 Pennsylvania Ave, N.W., Washington, D.C. 20004.

Sincerely yours,

Rhonda M. Smith
Chief, Office of Planning
and Coordination

Enclosure

DETAILED COMMENTS
FOR THE
FEDERAL ENERGY REGULATORY COMMISION
CREOLE TRAIL LNG TERMINAL AND PIPELINE PROJECT
DRAFT ENVIRONMENTAL IMPACT STATEMENT

COMMENTS

Based on the data presented in the November 2005 PBS&J report entitled "Creole Trail LNG Terminal Project Water, Sediment, and Soil Chemistry Analysis Inshore or Beach Nourishment Dredged Material Placement Alternative," concerns remain regarding the sediment quality conclusions reached for the proposed excavated and dredged material. The report presents data for the proposed onshore excavated sediments and water samples adjacent to the berthing area. A review of the data presented indicated that there are uncertainties as to whether the proposed dredging would adversely impact the aquatic environment.

The report describes sediment and surface water criteria that were used to interpret the chemical concentrations found in the samples collected. While sediment quality guidelines (SQG) are tools to evaluate the suitability of the material, they are not definitive indicators. SQG do not address unanticipated chemicals nor do they address the interactions of chemicals present at the site.

The sediment data presented for station CTL-04M contained elevated concentrations of several polycyclic aromatic hydrocarbons (PAH), three of which are

considered to be highly bioaccumulative. The concentrations ranged between the Effects Range Low (ERL) and Effects Range Medium (ERL) sediment guidelines. While the SQG themselves do not indicate a direct relationship to toxicity, they do provide evidence for concern and the need for further information. We recommend conducting a Tier III evaluation for station CTL-04M, as described in the Inland Testing Manual (Evaluation of Dredged Material Proposed for Discharge in Waters of the U.S. -- Testing Manual, Corps of Engineers and EPA, February 1998, EPA 823-B-98-004, http://www.epa.gov/waterscience/itm/ITM/.

Since uncertainties remain on the material collected from station CTL-04M, a Tier III evaluation is needed to determine the impacts to the environment. A more effective determination of suitability for dredged material is an evaluation based on a combination of chemical and biological data. Biological testing in conjunction with chemistry data will provide a more complete analysis of the dredged material and will provide a more clear interpretation of results.

This information would help clarify the potential for adverse impacts on the aquatic environment associated with the dredging activities and the beneficial use of the dredged material.