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

Docket Nos: CP05-83-000, CP05-84-000,CP05-85-000, CP05-86-000

Dear Ms. Salas:

In accordance with our responsibilities under Section 309 of the Clean Air Act, the National Environmental Policy Act (NEPA), and the Council on Environmental Quality Regulations (CEQ) for Implementing NEPA, the U.S. Environmental Protection Agency (EPA) Region 6 office in Dallas, Texas, has completed its review of the Draft Environmental Impact Statement (DEIS) for the construction and operation of the liquified natural gas (LNG) import terminal and natural gas facilities proposed by the Port Arthur LNG, L.P. and Port Arthur Pipeline, L.P., Texas.

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 or application of mitigation measures that can reduce environmental impact. EPA asks for additional information to be included in the FEIS in the areas of air quality impacts, sediment analysis, dredged material placement for benefical uses, habitat restoration and mitigation to complement and to more fully insure compliance with the requirements of NEPA and the CEQ regulations.

Enclosed are detailed comments which more clearly identify the information needed. 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 proposed Federal actions. If you have any questions, please contact Mike Jansky, of my staff, at (214) 665-7451 or by e-mail at jansky.michael@epa.gov.

6ENXP:10/25/05:MJANSKY:PORT ARTHUR LNG,L.P.,

6ENXP	6ENXP	6PD	6WQ
SMITH	GIBSON	DIGGS	PARRISH

EPA appreciates the opportunity to review the DEIS. Please send five copies of the FEIS to EPA Region 6 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,

John Blevins
Director
Compliance Assurance and
Enforcement Division

Enclosure

DETAILED COMMENTS
ON THE
DRAFT ENVIRONMENTAL IMPACT STATEMENT (DEIS)
FOR
FEDERAL ENERGY REGULATORY COMMISSION
PORT AUTHUR LNGTERMINAL AND PIPELINE PROJECT

COMMENTS:

1. Port Arthur is located in the Beaumont/Port Arthur ozone nonattainment area.

This area is in violation of the National Ambient Air Quality Standard (NAAQS) for 8-hour ozone and is classified as a marginal nonattainment area. As such, federal actions occurring in Port Arthur may be subject to the conformity regulations found at 40 CFR Part 51 Subpart W. Included in this DEIS is a draft general conformity determination for this LNG facility. Also included is a letter from the Texas Commission on Environmental Quality to the Federal Energy Regulatory Commission granting a conditional finding that the proposed project conforms to the Texas State Implementation Plan for the Beaumont/Port Arthur area. Thus far, the general conformity requirements have been met for this project; any change in project emissions, timing or scope during further development of the DEIS may warrant additional analyses.

2. We previously expressed an interest in alternative dredging and pipeline construction plans which would result in using as much of the dredged material as possible in an ecologically beneficial manner. The summary table (4.3.3.1-1, page 4-23) of composite sediment analyses showed minimal reason to believe that contamination exists within the dredging prism at the LNG terminal site. However, the passing of Hurricane Rita and associated impacts to the industrial area of the Port Arthur Ship Canal may have changed that situation. Therefore, we request that the FEIS contain an analysis of any likely sediment changes due to spills in the area. In addition, we request an opportunity to review a maintenance dredging plan prior to the issuance of the FEIS.

Also, we have outstanding concerns regarding the habitat restoration plan for the emergent marsh impacted by the proposed pipeline south of the Gulf Intercoastal Waterway, between mileposts 23 and 27. Although FERC has recommended that the applicant develop more detailed plans for this pipeline segment and provide them for inclusion in the FEIS, we would request an opportunity to review those plans prior to publication of the FEIS, as well as a revised Aquatic Resources Mitigation Plan. It is our understanding that the wetland determination has not been verified by the Corps of Engineers and we would request that a wetland assessment be conducted following Hurricane Rita, in order to determine any significant changes to marsh condition. Please note that the revised Aquatic Resources Mitigation Plan should be sent to EPA in addition to the agencies listed on page 4-53 of the DEIS.