UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS TX 75202-2733

February 5, 2018

Mr. Chris A. Labat
Vice President of Engineering and Technology
LOOP LLC
137 Northpark Boulevard
Covington, LA 70433

Re: EPA Review of the Proposed Modification to the Louisiana Offshore Oil Port (LOOP)

Dear Mr. Labat:

The Maritime Administration (MARAD) and the United States Coast Guard (USCG) have contacted the EPA Region 6 concerning our review and analysis of the proposed modification to LOOP's Port Operations Manual and Deepwater Port License. To assist the MARAD and USCG review, other Federal agencies, including the EPA, we were asked to provide comments regarding the adequacy of the LOOP's submission for compliance with the Deepwater Port Act (DPA) license requirements, National Environmental Policy Act (NEPA), and other applicable Federal and state statues.

On November 21, 2017, the EPA Region 6 received a copy of the LOOP's project description dated March 22, 2017, and the LOOP's Bi-Directional Main Oil Line Environmental Impact Analysis dated September 2017, from the MARAD and USCG. We also received a copy of the legal analysis memorandum completed by a private law firm regarding the Department of Interior (DOI) and the EPA jurisdiction of Outer Continental Shelf (OCS) air emissions and submitted to MARAD and USCG on the LOOP's behalf. The proposed modification includes conversion of a portion of the existing crude oil importing operation to accommodate crude oil exporting operation

After reviewing the referenced LOOP documents, the EPA has determined that additional information is needed to complete the EPA's portion of the Clean Water Act (CWA) permit and to establish if the LOOP may have triggered any permitting obligations under the Clean Air Act (CAA). The NEPA and cross-cutting statutes and regulatory consultation documents associated with the proposed project need to be sufficient for our use in regulatory permit actions. In addition to the comments below, please note that additional information may be needed as we more fully examine the LOOP's existing and proposed project's plans.

CLEAN WATER ACT.
The LOOP deepwater port license project description received by the EPA Region 6 did not include a copy of the National Pollutant Discharge Elimination System (NPDES) permit application forms. We have, however, been working with the Louisiana Department of Environmental Quality (LDEQ) on reissuance of the joint EPA/Louisiana issued N/LPDES permit. In accordance with the applicable environmental permit regulations, (40 CFR 124.3(c), 54 FR 18785, May 2, 1989) this information was reviewed and determined to be administratively complete. The LDEQ has drafted a revised permit with

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the EPA input and is currently being reviewed by the Agency before going to public notice. The EPA is also currently engaging with other federal partners including the National Oceanic and Atmospheric Administration and the U.S. Fish and Wildlife on cross-cutting environmental statutes.

CLEAN AIR ACT.

The EPA has reviewed the legal memorandum, dated November 22, 2017, completed by a private law firm and sent to the MARAD and USCG on the LOOP's behalf. In this Memorandum, the LOOP claims that it is an offshore marine terminal, and operations at the terminal which is located in the Gulf of Mexico west of 87.5 degrees' longitude and are therefore subject to exclusive DOI jurisdiction and not the EPA's jurisdiction. The Memorandum also states that in designing, building, and operating the Bi-directional Oil Pipeline Project, the LOOP is not required to engage in the EPA permitting process or to consider the EPA air emissions standards. However, recent correspondence from the DOI to MARAD and USCG states "LOOP does not hold a BOEM-issued lease, ROW, or RUE nor are they an operator of a lease, and therefore LOOP is not subject to BOEM regulations."

Instead, the LOOP has a Deepwater Port Act (DPA) license first issued by Department of Transportation (DOT) on December 17,1976. In general, the DPA states that a deepwater port "shall be considered a 'new source' for purposes of the Clean Air Act." Based upon the DPA, CAA and the DPA license, the LOOP is considered a deepwater port and is subject to CAA jurisdiction.

Please note that prior to the issuance of a CWA and/or CAA permit(s),the EPA is required to comply with the Endangered Species Act, the Magnuson-Stevens Fishery Conservation and Management Act, and the Marine Mammal Protection Act.

The EPA would welcome the opportunity to discuss the CWA and CAA regulatory applicability issues with you in more detail. Please feel free to contact me at your nearest convenience to arrange a meeting or conference call. My direct phone number is (214) 665-6580, and email address is Lawrence.Rob@epa.gov.

Sincerely yours,

Robert D. Lawrence
Senior Policy Advisor – Energy Issues

cc: LTJG Curtis E. Borland, U.S. Coast Guard, Washington, D.C.
Ms. Yvette M. Fields, Director, Maritime Administration, Washington, D.C.
Mr. Michael Celata, U.S. Department of the Interior, Washington, D.C.

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