FINDING OF NO SIGNIFICANT IMPACT FOR PROPOSED CNG PROJECT REGARDING EMERA CNG, LLC APPLICATION SEEKING DEPARTMENT OF ENERGY AUTHORIZATION TO EXPORT COMPRESSED NATURAL GAS TO NON-FREE TRADE AGREEMENT NATIONS

AGENCY: U.S. Department of Energy, Office of Fossil Energy

ACTION: Finding of No Significant Impact

SUMMARY: The U.S. Department of Energy (DOE) prepared an environmental assessment (EA) to evaluate the potential environmental impacts associated with the construction and operation of a compressed natural gas (CNG) facility by Emera CNG, LLC (Emera) at the Port of Palm Beach, in the City of Riviera Beach, in Palm Beach County, Florida. The CNG facility would be constructed for the purpose of compressing and exporting up to 2.92 billion standard cubic feet (Bscf) per annum of gaseous natural gas (up to 8 million standard cubic feet per day [MMscfd] via trailers, tank containers, and ocean-going carriers to a facility at Freeport Harbour, Grand Bahama Island. Emera's proposed facility may also be used in the future to export CNG to other countries with which trade is not prohibited by U.S. law or policy, as discussed below.

On November 20, 2013, in FE Docket No. 13-157-CNG, Emera filed an application (Application) with DOE's Office of Fossil Energy (DOE/FE) under Section 3 of the Natural Gas Act, 15 U.S.C. § 717b (NGA), for long-term authorization to export CNG from its proposed facility to: i) countries with which the United States currently has, or in the future will have, a free trade agreement (FTA) requiring national treatment for trade in natural gas (FTA countries),¹ and ii) countries with which the United States does not have a FTA providing for national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (non-FTA countries).

DOE must meet its obligation under Section 3 of the NGA to authorize the export of natural gas, including CNG, unless it finds that the export is not consistent with the public interest. Under Section 3(c) of the NGA, applications to export natural gas, including CNG, to FTA countries are deemed to be consistent with the public interest, and DOE must grant the application without modification or delay, per 15 U.S.C. § 717b(c). Accordingly, DOE/FE granted the FTA portion of the Application on June 13, 2014, in DOE/FE Order No. 3447.

¹ The United States currently has FTAs requiring national treatment for trade in natural gas with Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore. FTAs with Israel and Costa Rica do not require national treatment for trade in natural gas.

Section 3(a) of the NGA requires DOE to grant applications to export natural gas, including CNG, to non-FTA countries unless DOE finds that the proposed export will not be consistent with the public interest, per 15 U.S.C. § 717b(a). DOE's decision to grant or deny a requested non-FTA export authorization is based on a public interest review of the proposed exports, which includes consideration of potential environmental impacts.

DOE's proposed action is to grant authorization for the proposed export of CNG to non-FTA countries, in response to Emera's Application. DOE's authorization would allow Emera to export the proposed volume of CNG from its proposed facility at the Port of Palm Beach to non-FTA countries. The proposed Emera facility was included in the scope of DOE's NEPA review as a connected action.

The Draft EA was made available to the public on the DOE National Energy Technology Laboratory website and on DOE's NEPA website on February 13, 2015, commencing a 30-day public comment period. The Draft EA was also available at the Riviera Beach Public Library. A total of 58 comments were received from 7 agencies during the comment period, including the U.S. Fish & Wildlife Service, Florida Department of Environmental Protection, Florida Fish and Wildlife Conservation Commission, Florida Department of Transportation, Florida State Historic Preservation Officer, City of Riviera Beach, and the Town of Palm Beach. No comments were received from the U.S. Army Corps of Engineers, U.S. Coast Guard, National Oceanic and Atmospheric Administration's (NOAA) National Marine Service, Federal Emergency Management Agency (FEMA), U.S. Environmental Protection Agency (EPA), Region 4, Seminole Tribe of Florida, or Seminole Nation of Oklahoma. No comments were received from individual citizens. The Final EA addresses all comments received at Appendix D.

All discussion and analysis related to the potential impacts of construction and operation of the proposed facility are contained in the Final EA (DOE/EA-1976), which is incorporated herein by reference. DOE evaluated 16 resource areas for potential impacts associated with the proposed project. After preliminary evaluation, it was determined that there would be no or negligible impacts for nine resource areas: aesthetics and visual resources; land use; community services; cultural resources; geology, topography, and soils; terrestrial resources; noise and vibration; transportation; and utilities. Therefore, these nine resource areas were not evaluated in detail in the EA. The EA discusses the results of the analysis of seven resource areas: water resources, aquatic resources, air quality, solid and hazardous waste, socioeconomics, environmental justice, and public and occupational health and safety. For all seven of these resource areas, it was determined that there would be negligible impacts or that potential impacts would be minor, temporary, or both. In addition, no other current or planned projects in the vicinity of the Port were identified as having potential cumulative impacts in conjunction with the proposed action.

DETERMINATION: On the basis of the Final EA, DOE has determined that granting Emera's Application for authorization to export up to 8 MMscfd of CNG from its proposed CNG facility

would not have a significant effect on the human environment. Therefore, preparation of an environmental impact statement is not required, and DOE is issuing this Finding of No Significant Impact.

Copies of the Final EA and this FONSI are available at DOE's National Energy Technology Laboratory web site at: <u>http://www.netl.doe.gov/library/environmental-assessments</u>. The EA and FONSI will also be available at: <u>www.gc.energy.gov/NEPA</u>, under DOE NEPA Documents.

Copies of the final EA and FONSI can also be obtained by sending a request to:

Mr. Fred Pozzuto, Document Manager

U.S. Department of Energy National Energy Technology Laboratory 3610 Collins Ferry Road P.O. Box 880, MS B07 Morgantown, WV 26507-0880 Email: fred.pozzuto@netl.doe.gov

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Christopher A. Smith Assistant Secretary Office of Fossil Energy