

U.S. Department of Energy Categorical Exclusion Determination Form Office of Fossil Energy

Carib Energy (USA) LLC FE DOCKET NO. 11-141-LNG

PROPOSED ACTION DESCRIPTION: Carib Energy (USA), LLC, a Delaware limited liability company with its primary place of business in Coral Springs, Florida, filed an application (Application) with the Office of Fossil Energy (FE), Department of Energy (DOE), on October 20, 2011, seeking authorization to export domestically sourced liquefied natural gas (LNG) up to 120,000 gallons per day for a term of 25 years, to any country in Central America, South America, or the Caribbean that has or in the future develops the capacity to import LNG via approved ISO IMO7/TVAC ASME LNG containers transported on ocean-going carriers and with which trade is not prohibited by U.S. law or policy. On December 12, 2012, Carib filed an amendment to its application to specify that the LNG for export would be obtained through the Floridian Natural Gas Storage Company facility (Floridian) then being developed in Martin County, Florida. Floridian's certificate of public convenience and necessity was granted by the Federal Energy Regulatory Commission (FERC) on August 29, 2008 (Docket No. CP08-13-000, 124 FERC ¶61,214), and amended on August 31, 2012 (Docket No. CP12-100-000, 140 FERC ¶61,167). Carib stated that the facility is expected to begin operations in mid- to late 2014 and no modifications will be required. In the same amendment, Carib designated BP Energy Company (BPEC) as its supplier of LNG and requested an increase in the daily volume to 600,000 gallons of LNG (the equivalent of approximately 0.06 billion cubic feet per day of natural gas). Both the initial application and the amendment were submitted pursuant to section 3 of the Natural Gas Act and 10 CFR Part 590 of DOE's regulations. DOE's proposed action is to authorize this export if DOE determines that such export is in the public interest.

FERC has already completed its environmental review of the Floridian Facility that will satisfy the requirements of the National Environmental Policy Act (NEPA) pursuant to an application for a certificate of public convenience and necessity under section 7 of the NGA, 15 USC 717f. That review included both an Environmental Impact Statement (EIS) and an Environmental Assessment (EA). [See FERC Final Environmental Impact Statement, Floridian Natural Gas Storage Project, Docket No. CP08-13-000 (July 2008) and FERC Environmental Assessment, Floridian Natural Gas Amendment Project, Docket No. CP12-100-000 (July 2012).] The EIS addressed the construction and operation of the Floridian Facility, including its operation as a natural gas liquefaction and storage facility. The EA addressed truck operations, including traffic flow and other impacts from the arrival at and departure of trucks from the Floridian Facility. These environmental review documents addressed all of the reasonably foreseeable activities likely to arise from Carib's proposed use of the Floridian facility under section 7 of the NGA in the FERC application, in addition to use of the Floridian facility under section 3 of the NGA for exports of LNG in the current DOE Application. While the construction and commencement of operations of the Floridian Facility has not yet occurred, no further construction or change in operations beyond those addressed in the FERC EIS and EA is necessary for the proposed export.

The Department's regulations at 10 CFR Part 1021, Subpart D, Appendix B5, provides a list of categorical exclusions from preparation of either an EIS or an EA under NEPA by DOE. Specifically, categorical exclusion B5.7 provides a categorical exclusion where approvals or disapprovals of authorizations to import or export natural gas under NGA section 3 involve minor operational changes but not new

construction. Carib's proposed exports from the Floridian Facility fall within the scope of the B5.7 categorical exclusion because the contemplated construction and operations reviewed by FERC will not be changed due to action on Carib's application. Accordingly, DOE/FE will apply a categorical exclusion under NEPA for the current Application, and this Order, therefore, makes final findings on all issues related to the Application.

CATEGORICAL EXCLUSION APPLIED: B5.7 - Import or export natural gas, with operational changes

For the complete DOE National Environmental Policy Act regulations regarding categorical exclusions, including the full text of each categorical exclusion, see Subpart D of 10 CFR Part 1021.

Regulatory Requirements in 10 CFR 1021.410(b): (See full text in regulation)

[] The proposal fits within a class of actions that is listed in Appendix A or B to 10 CFR Part 1021, Subpart D.

To fit within the classes of actions listed in 10 CFR Part 1021, Subpart D, Appendix B, a proposal must be one that would not: (1) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, or similar requirements of DOE or Executive Orders; (2) require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators), but the proposal may include categorically excluded waste storage, disposal, recovery, or treatment actions or facilities; (3) disturb hazardous substances, pollutants, contaminants, or CERCLA-excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases; (4) have the potential to cause significant impacts on environmentally sensitive resources, including, but not limited to, those listed in paragraph B(4) of 10 CFR Part 1021, Subpart D, Appendix B; (5) involve genetically engineered organisms, synthetic biology, governmentally designated noxious weeds, or invasive species, unless the proposed activity would be contained or confined in a manner designed and operated to prevent unauthorized release into the environment and conducted in accordance with applicable requirements, such as those listed in paragraph B(5) of 10 CFR Part 1021, Subpart D, Appendix B.

[I There are no extraordinary circumstances related to the proposal that may affect the significance of the environmental effects of the proposal.

The proposal has not been segmented to meet the definition of a categorical exclusion. This proposal is not connected to other actions with potentially significant impacts (40 CFR 1508.25(a)(1)), is not related to other actions with individually insignificant but cumulatively significant impacts (40 CFR 1508.27(b)(7)), and is not precluded by 40 CFR 1506.1 or 10 CFR 1021.211 concerning limitations on actions during preparation of an environmental impact statement.

Based on my review of the proposed action, as NEPA Compliance Officer (as authorized under DOE Order 451.1B), I have determined that the proposed action fits within the specified class(es) of action, the other regulatory requirements set forth above are met, and the proposed action is hereby categorically excluded from further NEPA review.

Signature: Maly Mata - Date Determined: 5/30/14

Mark J. Matarrese, NEPA Compliance Officer, Office of Fossil Energy