

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



FREEPORT LNG EXPANSION, L.P., ET AL.
FE DOCKET NO. 18-03-LNG

PROPOSED ACTION DESCRIPTION: On January 4, 2018, four entities—Freeport LNG Expansion, L.P. (a Delaware limited partnership); FLNG Liquefaction, LLC; FLNG Liquefaction 2, LLC; and FLNG Liquefaction 3, LLC (Delaware limited liability companies) (collectively, FLEX)—jointly filed an application (Application) with the Office of Fossil Energy (FE). FLEX amended the Application on August 2, 2018.

In the Application as amended, FLEX is seeking a short-term blanket authorization to engage in exports of domestically produced liquefied natural gas (LNG) in a volume up to the equivalent of 782 billion cubic feet of natural gas on a cumulative basis over a two-year period. FLEX states that the volumes proposed for export, when added to any volumes exported under its existing long-term authorizations to non-free trade agreement (non-FTA) countries, will not exceed the maximum volumes approved under those authorizations in any annual (*i.e.*, consecutive 12 month) period.

FLEX seeks to export the LNG from the Freeport LNG Liquefaction Project, which is currently under construction at the Freeport LNG Terminal on Quintana Island, Texas, to any non-FTA country with which trade is not prohibited by U.S. law or policy. The Application was submitted pursuant to section 3 of the Natural Gas Act and 10 CFR Part 590 of the Department of Energy's (DOE) regulations.

In prior proceedings, DOE has conducted NEPA analyses for non-FTA exports from the Freeport LNG Liquefaction Project that cover all facilities associated with the Application.¹ No new facilities or modification to any existing facilities at the Freeport LNG Liquefaction Project are required in order for FLEX to export the requested volume of LNG as a result of approval of the Application. DOE/FE's proposed action is to authorize the exports described in the Application if DOE/FE determines that such exports are not inconsistent with the public interest. If granted, the authorization would permit the requested LNG exports by vessel on a short-term basis from the Freeport LNG Terminal, subject to certain terms and conditions set forth in the DOE order.

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

¹ For more details, see *Freeport LNG Expansion, L.P., et al.*, FE Docket Nos. 10-161-LNG, 11-161-LNG, and 16-108-LNG (non-FTA proceedings).

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.

] 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, 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: Mark J. Matarrese

Date Determined: 9/6/18

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