

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



CARIB ENERGY (USA) LLC
FE DOCKET NO. 16-98-LNG

PROPOSED ACTION DESCRIPTION: Carib Energy (USA) LLC (Carib), a Delaware limited liability company with its primary place of business in Jacksonville, Florida, filed an application (Application) with the Office of Fossil Energy (FE) on March 25, 2016, seeking authorization to export domestically produced liquefied natural gas (LNG) in a volume up to the equivalent of 1.3 billion cubic feet per year (Bcf/yr) of natural gas (0.004 Bcf/day) for a 20-year term. Carib seeks authority to export the LNG from five existing natural gas liquefaction facilities in the following locations: Trussville, Alabama; Chattanooga, Tennessee; Riverdale, Georgia; Ball Ground, Georgia; and Macon Georgia. Pivotal LNG, Inc. (Pivotal) and its affiliates own each of the five facilities (Pivotal Facilities).¹ The proposed exports of LNG will be loaded at the Pivotal Facilities into approved ISO IM07/TVAC ASME LNG (ISO) containers, then transported via truck and loaded onto ocean-going marine vessels for export at the ports of Jacksonville, Florida; Port Everglades, Florida; Gulfport, Mississippi; or any other port in the southeastern United States capable of handling the exports. The application was submitted pursuant to section 3 of the Natural Gas Act (NGA) and 10 CFR Part 590 of the Department of Energy's (DOE) regulations. The portion of the application that seeks to export LNG to any country with which the United States does not currently have a free trade agreement (FTA) requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (non-FTA countries), will be reviewed pursuant to section 3(a) of the NGA. The Pivotal Facilities currently produce LNG for domestic use and have been operational since the 1970's and 1980's.² No new facilities or modification to any existing Pivotal Facilities are required in order for Carib to export LNG as described in the Application.³ 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.

The Department's regulations at 10 CFR Part 1021, Subpart D, Appendix B5, provide a list of categorical exclusions from preparation of either an Environmental Impact Statement or an Environmental Assessment under the National Environmental Policy Act (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 Pivotal Facilities fall within the scope of the B5.7 categorical exclusion because the facility and its operations will not be changed due to DOE/FE's action on Carib's non-FTA application. Accordingly, DOE/FE will apply a categorical exclusion under NEPA for the non-FTA portion of the Application and make final findings on all issues related to the Application in the final 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

¹ A description of each facility's ownership, history, and specifications (including liquefaction capacity and storage) can be found in the Application at Appendix D.

² Id.

³ See Application under Appendix C, *Summary of Master LNG Purchase and Sale Agreement*.

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.

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: Mark J. Matarrese Date Determined: 11/21/16

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