



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 2  
290 BROADWAY  
NEW YORK, NY 10007-1866

FEB 19 2008

Magalie R. Salas, Secretary  
Federal Energy Regulatory Commission  
888 First St. NE, Room 1A  
Washington, D.C. 20426

Reference Docket Nos. PF05-4, CP06-54-000, and CP06-55-000

Dear Ms. Salas:

The U.S. Environmental Protection Agency (EPA) has reviewed the final environmental impact statement (FEIS) for the Broadwater Liquefied Natural Gas (LNG) terminal and pipeline (CEQ # 20080020). The proposed terminal and pipeline would be located in New York State waters of the Long Island Sound, approximately nine miles from the nearest shoreline of Long Island, and about eleven miles from the nearest shoreline in Connecticut. This review was conducted in accordance with Section 309 of the Clean Air Act, 42 U.S.C. 7609, and Section 102(2)(C) of the National Environmental Policy Act, 42 U.S.C. 4332(2)(C).

The proposed LNG terminal would be a floating storage and regasification unit (FSRU) that would be attached to a yoke mooring system (YMS) that includes a mooring tower embedded in the seafloor. The FSRU would look like a marine vessel, 1,215 feet long, 200 feet wide, and 48 feet above the waterline at the primary hull, and would pivot around the YMS, enabling the FSRU to orient in response to the prevailing wind, tide, and current conditions. LNG would be delivered to the FSRU by LNG carriers, temporarily stored, regasified, and then transported in a new subsea natural gas pipeline that would extend from the seafloor beneath the FSRU approximately 21.7 miles to an offshore connection with the existing Iroquois Gas Transmission System pipeline in Long Island Sound. Approximately 118 carrier deliveries are expected per year, on average two to three per week.

The FEIS is well written and responds to the majority of comments made by EPA regarding the DEIS; however, there are a few outstanding air issues one of which relates directly to the FEIS.

- The FEIS discussions of Prevention of Significant Deterioration (PSD) applicability and PSD permit application timing do not appear to be consistent with prior information provided by EPA Region 2, most notably as presented in an August 9, 2007 letter from Steven Riva, Chief of Region 2's Air Permitting Program to Sandra Barnett of Broadwater.

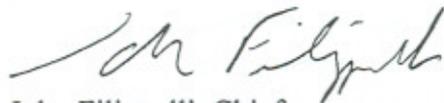
We also note the following issues related to the Clean Air Act:

- Section 5.1.9 of the EIS (p. 5-14) acknowledges that Appendix K is a "preliminary General Conformity Analysis." In the proposed and final General Conformity determination, Broadwater will need to determine how it will demonstrate conformity under 40 CFR 93.158, whether, for example, through a specific provision for the project in the state's State Implementation Plan budget, as discussed in Appendix K (p. K-9 through K-10), or through emissions offsets. Once Broadwater has determined how it will demonstrate conformity, the proposed determination will need to be documented consistent with the requirements of 40 CFR 93.159 and offered for agency and public comment consistent with the requirements of 40 CFR 93.155 and 93.156.
- Air quality modeling for the project indicates that the 24-hour average particulate matter 2.5 (PM<sub>2.5</sub>) National Ambient Air Quality Standard (NAAQS) would be exceeded with the construction and operations of the Broadwater terminal and pipeline. The 3-hour and 24-hour average NAAQS for sulfur dioxide (SO<sub>2</sub>) would also be exceeded with Broadwater. While the EIS provides a qualitative discussion of potential mitigation of the air quality concern, to obtain a construction permit under the Clean Air Act (CAA), there must be modeling to demonstrate that emissions from the facility (as limited under the terms of the permit) will not cause or contribute to a violation of the NAAQS.
- In an October 7, 2007 letter to New York State Department of Environmental Conservation, EPA Region 2 responded to a question regarding the ambient air boundary under the CAA. EPA concluded that the safety and security zone of the FSRU could be used as the ambient air boundary (in this case, 1.1 km). EPA did not establish an ambient air boundary for the LNG tankers while in transit. Please ensure that the ambient air boundary is limited to the safety and security zone of the FSRU only.

In addition, EPA agrees with the FERC's staff recommendations concerning the use of mid-line buoys and further work with the U.S. Fish and Wildlife Service and NOAA Fisheries to prepare noise mitigation and lighting plans.

Thank you for the opportunity to comment on the FEIS. Should you have any questions about these comments, please contact Lingard Knutson of my staff at (212) 637-3747.

Sincerely yours,



John Filippelli, Chief  
Strategic Planning and Multi-Media Programs Branch