

**FINDING OF NO SIGNIFICANT IMPACT
FOR SABINE PASS LIQUEFACTION, LLC REGARDING
ORDER GRANTING LONG-TERM AUTHORIZATION TO EXPORT
LIQUEFIED NATURAL GAS FROM SABINE PASS LNG TERMINAL TO
NON-FREE TRADE AGREEMENT NATIONS**

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

ACTION: Finding of No Significant Impact

SUMMARY: Pursuant to section 1501.6 of the regulations of the Council on Environmental Quality (CEQ), 40 CFR 1501.6, the U.S. Department of Energy (DOE) participated as a cooperating agency with the Federal Energy Regulatory Commission (FERC) in an environmental assessment (EA) that analyzed the potential environmental impacts associated with applications submitted by Sabine Pass Liquefaction, LLC, and Sabine Pass LNG, L.P. (Sabine Pass) with FERC and the Department of Energy, Office of Fossil (FE) seeking authorization to site, construct, and operate liquefaction and export facilities at the existing Sabine Pass LNG Terminal in Cameron Parish, Louisiana.

In its application to DOE submitted on September 7, 2010, under section 3(a) of the Natural Gas Act (NGA), 15 USC 717b, and Part 590 of DOE's regulations, 10 CFR Part 590, Sabine Pass seeks long-term, multi-contract authorization to export up to 16 million metric tons per year of domestically produced liquefied natural gas (LNG), equivalent to 2.2 billion cubic feet per day of natural gas, from the Sabine Pass LNG Terminal to any country with which the United States does not have a free trade agreement requiring the national treatment for trade in natural gas, that has or in the future develops the capacity to import LNG, and with which trade is not prohibited by U.S. law or policy. Sabine Pass requests this authorization for a 20-year term. DOE granted this authorization in DOE/FE Order No. 2961 on May 20, 2011, (FE Docket No. 10-111-LNG) subject to the satisfactory completion of the environmental review being prepared by FERC on Sabine Pass' application to build and operate the liquefaction project at the existing Sabine Pass LNG Terminal.

On January 31, 2011, Sabine Pass filed an application with FERC requesting authorization to construct and operate liquefaction and export facilities at the existing Sabine Pass LNG Terminal. FERC prepared an Environmental Assessment (EA) for the project, which it released for comment in December 2011, and finalized in its Order Granting Section 3 Authorization, issued April 16, 2012. 139 FERC ¶ 61,039. The FERC Order, *inter alia*, granted Sabine Pass' application to construct and operate the liquefaction facility subject to appropriate mitigating measures set forth as an appendix to the order. Sierra Club filed a request for rehearing and stay of the FERC Order, and on July 26, 2012, FERC issued an order denying that request. 140 FERC ¶ 61,076.

The purpose and need for DOE action is to comply with section 3(a) of the NGA, which requires DOE to issue an order granting an application for authority to export natural gas

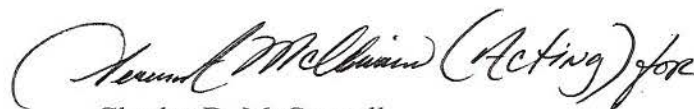
unless, after opportunity for hearing, it finds that the proposed export will not be consistent with the public interest.

All discussion and analyses related to the potential impacts of a grant of the export application are contained within the EA prepared by FERC, "Environmental Assessment for the Sabine Pass Liquefaction Project,"¹ which is herein adopted and incorporated by reference, and in the April 16 and July 26 orders. The EA examined potential impacts in the following areas and found that with appropriate mitigating measures, none would constitute a major federal action significantly affecting the quality of the human environment: geology and soils; water resources; fisheries, vegetation, and wildlife resources; land use, recreation, and visual resources; socioeconomics; cultural resources; air quality and noise; reliability and safety; and cumulative impacts.

DETERMINATION: On the basis of the EA and the April 16 and July 26 orders, DOE has determined that granting the application of Sabine Pass for authority to export LNG, subject to the environmental conditions imposed on Sabine Pass that are set forth in the EA and FERC's April 16 order, will not have a significant effect on the human environment. The preparation of an environmental impact statement, therefore, is not required and DOE is issuing this Finding of No Significant Impact.

Copies of the EA and FONSI will be available on the DOE/FE website at http://www.fossil.energy.gov/programs/gasregulation/authorizations/Orders_Issued_2010/Sabine10_111dkt.html. It will also be available at: <http://www.energy.gov/NEPA>, under DOE NEPA Documents.

Signed in Washington, D.C., on the 7th day of August, 2012.



Charles D. McConnell
Assistant Secretary
Office of Fossil Energy
U.S. Department of Energy

¹ *Environmental Assessment for the Sabine Pass Liquefaction Project*, FERC Docket No. CP11-72-000, December 2011; DOE EA-1845, DOE/FE Docket No. 10-111-LNG.