

**FINDING OF NO SIGNIFICANT IMPACT
FOR SABINE PASS LIQUEFACTION EXPANSION PROJECT REGARDING
SABINE PASS LIQUEFACTION, LLC, APPLICATIONS SEEKING
DEPARTMENT OF ENERGY 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 the preparation of an environmental assessment (EA) that analyzed the potential environmental impacts associated with applications submitted by Sabine Pass Liquefaction, LLC (SPL), in association with Sabine Pass Liquefaction Expansion and Sabine Pass LNG, L.P. (collectively referred to as Sabine Pass), to FERC, and with applications submitted by SPL to DOE's Office of Fossil Energy (DOE/FE). The application at FERC sought authorization to expand its existing facilities by siting, constructing, and operating additional liquefied natural gas (LNG) export facilities at the existing Sabine Pass LNG Terminal in Cameron Parish, Louisiana (Expansion Project).

SUPPLEMENTARY INFORMATION: On September 30, 2013, Sabine Pass filed an application with FERC in Docket No. CP13-552-000 under section 3(a) of the Natural Gas Act (NGA) and the procedures of Part 153 of FERC regulations seeking authority to expand its existing facilities by siting, constructing, modifying, and operating two new LNG liquefaction trains (referred to as trains 5 and 6). This expansion would increase the terminal's capability to liquefy natural gas for export by 503.3 billion cubic feet per year (Bcf/yr). The liquefied natural gas will be used for export at the existing Sabine Pass LNG Terminal in Cameron Parish, Louisiana. Concurrently, in FERC Docket No. CP13-553-000, Cheniere Creole Trail Pipeline, L.P. (CCTPL) requested a certificate of public convenience and necessity to construct and operate a related interstate natural gas pipeline, compression, and related facilities to deliver additional domestic natural gas to Sabine Pass's LNG Terminal (Cheniere Creole Trail Pipeline Expansion Project) under NGA section 7(c), 15 U.S.C. § 717f(c). FERC's EA on Sabine Pass' expansion project analyzes both the terminal and pipeline system expansions within a single document.

SPL filed three applications with DOE/FE seeking authority to export domestically produced LNG from the expansion project at its Sabine Pass Terminal (trains 5 and 6) to any country with which the United States does not have a Free Trade Agreement (FTA) and with which trade is not prohibited by U.S. law or policy. On February 27, 2013, in DOE/FE Docket No. 13-30-LNG, Sabine Pass requested long-term authorization to export LNG equivalent to 101 Bcf/yr of natural gas; on April 2, 2013, Sabine Pass filed an application in DOE/FE 13-42-LNG for long-term authorization to export LNG up to the equivalent of 88.3 Bcf/yr of natural gas; and on September 10, 2013, Sabine Pass filed its third application in DOE/FE 13-121-LNG for long-term authorization to export LNG up to the

equivalent of 314 Bcf/yr of natural gas. The combined volume of these three applications (503.3 Bcf/yr) equals the total capacity of trains 5 and 6 of the Expansion Project.¹

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 application for authority to export natural gas, including LNG, to non-FTA countries unless DOE finds that the proposed export will not be consistent with the public interest, per 15 U.S.C. § 717b(a). DOE's decision to grant or deny a requested non-FTA export authorization is based on a public interest review of the proposed exports, which includes completing the environmental review required by NEPA.

FERC prepared an EA for the Expansion Project, which it released for comment in December 2014, and finalized in its Order Granting Section 3 Authorization, issued April 6, 2015. 151 FERC ¶ 61,012. The floodplain assessment was conducted during development and preparation of the EA (see FERC EA, specifically Section 2.2.1). The April 6 FERC Order, *inter alia*, granted Sabine Pass' application to construct and operate the Project subject to appropriate mitigating measures set forth as an appendix to the order.

DOE's Addendum: On June 4, 2014, DOE/FE published the *Draft Addendum to Environmental Review Documents Concerning Export of Natural Gas from the United States* for public comment (79 FR 32258). Although not required by NEPA, DOE/FE prepared the Addendum in an effort to be responsive to the public and to provide the best information available on a subject that had been raised by commenters. The Addendum addresses unconventional natural gas production in the nation as a whole. It does not attempt to identify or characterize the incremental environmental impacts that would result from LNG exports to non-FTA countries.

The Addendum notes that fundamental uncertainties constrain our ability to foresee and analyze the incremental natural gas production that may be induced by permitting exports of LNG to non-FTA countries. Such impacts are not reasonably foreseeable and cannot be analyzed with any particularity. There is uncertainty as to the aggregate quantity of natural gas that ultimately may be exported to non-FTA countries. Receiving a non-FTA authorization from DOE/FE does not guarantee that a particular facility will be financed and built; nor does it guarantee that, if built, market conditions would continue to favor exports once the facility is operational.

The Addendum also notes that there is fundamental uncertainty as to where any additional production would occur and in what quantity. As the Addendum illustrates, nearly all of the environmental issues presented by unconventional natural gas production are local in nature, affecting local water resources, local air quality, and local land use patterns, all under the auspices of state and local regulatory authority. As DOE explained in *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 2961, without knowing where, in what quantity, and under what circumstances additional natural gas production will arise, the environmental impacts resulting from production activity

¹ Sabine Pass' applications also requested authorization to export domestically produced LNG to FTA countries. Under Section 3(c) of the NGA, applications to export natural gas to FTA countries are deemed to be consistent with the public interest, and DOE must grant the application without modification or delay, per 15 U.S.C. § 717b(c). Accordingly, DOE/FE granted the FTA portion of the applications in DOE/FE Order Nos. 3306, 3307, and 3384.

induced by LNG exports to non-FTA countries are not “reasonably foreseeable” within the meaning of CEQ’s NEPA regulations.²

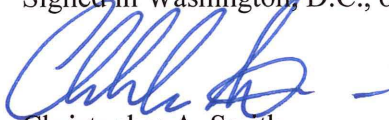
The 45-day comment period on the Draft Addendum closed on July 21, 2014. DOE/FE received 40,745 comments in 18 separate submissions and considered those comments received in issuing the Addendum on August 15, 2014. DOE provided a summary of the comments received and responses to substantive comments in Appendix B of the Addendum. DOE/FE has incorporated the Draft Addendum, comments, and final Addendum into the record in each of the three Sabine Pass proceedings related to the expansion project.

Adoption: All discussion and analyses related to the potential impacts of a grant of the export applications are contained within the EA prepared by FERC,³ herein adopted (DOE/EA-1983) and incorporated by reference, and in FERC's April 6 Order Granting Section 3 Authorization. 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, wetlands, and wildlife resources; land use, recreation, and visual resources; socioeconomics; cultural resources; air quality and noise; reliability and safety; and cumulative impacts. While not required by NEPA, DOE also considered the Addendum, as discussed above.

DETERMINATION: On the basis of the EA, the Addendum and FERC's April 6 order, DOE has determined that granting SPL’s application for authority to export LNG, subject to the environmental conditions that are set forth in the EA and FERC's April 6 Order Granting Section 3 Authorization, will not have a significant effect on the human environment. DOE has also determined that the placement of some project components within floodplains would be unavoidable. However, the current design for the project minimizes floodplain impacts to the extent practicable. 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/2013_Long_Term_Applications.html. The EA and FONSI will also be available at: www.gc.energy.gov/NEPA, under DOE NEPA Documents.

Signed in Washington, D.C., on June 26, 2015.



Christopher A. Smith
Assistant Secretary
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² *Sabine Pass*, DOE/FE Order No. 2961-A, at 11 (quoting 40 C.F.R. § 1508.7).

³ *Sabine Pass Liquefaction Expansion Project Cheniere Creole Trail Pipeline Expansion Project, Environmental Assessment*, FERC Docket Nos. CP13-552-000 and CP-553-000, December 2014.