EXECUTIVE SUMMARY

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The Elba III Project Environmental Impact Statement (EIS) has been prepared by the staff of the Federal Energy Regulatory Commission (FERC or Commission) with the cooperation and assistance of the U.S. Coast Guard (Coast Guard) and the U.S. Army Corps of Engineers (COE), who acted as "cooperating agencies" under the National Environmental Policy Act of 1969 (NEPA). The EIS was prepared to fulfill the requirements of NEPA; the Council on Environmental Quality regulations for implementing NEPA (Title 40 of the Code of Federal Regulations, Parts 1500 -1508 [40 CFR 1500 -1508]); and the FERC's implementing regulations (18 CFR 380).

The FERC is the federal agency responsible for authorizing applications to construct and operate onshore liquefied natural gas (LNG) import and interstate natural gas transmission facilities.

The Coast Guard is the federal agency responsible for issuing a Letter of Recommendation (LOR) regarding the suitability of the waterway for LNG marine traffic. The Coast Guard exercises regulatory authority over LNG facilities that affect the safety and security of port areas and navigable waterways under Executive Order 10173; the Magnuson Act (Title 50 of the United States Code, Section 191 [50 USC 191]); the Ports and Waterways Safety Act of 1972, as amended (33 USC 1221, et seq.); and the Maritime Transportation Security Act of 2002 (46 USC 701). The Coast Guard is responsible for matters related to navigation safety, vessel engineering and safety standards, and all matters pertaining to the safety of facilities or equipment located in or adjacent to navigable waters up to the last valve immediately before the receiving tanks. The Coast Guard also has authority for LNG facility security plan review, approval and compliance verification as provided in 33 CFR 105, and siting as it pertains to the management of marine traffic in and around the LNG facility. The Coast Guard's responsibility extends between the LNG facility and a point 12 nautical miles seaward from the coastline (to the territorial seas).

The COE has jurisdictional authority pursuant to Section 404 of the Clean Water Act (33 USC 1344), which governs the discharge of dredged or fill material into waters of the United States, and Section 10 of the Rivers and Harbors Act (33 USC 403), which regulates any work or structures that potentially affect the navigable capacity of a waterbody. The COE would need to evaluate and approve several aspects of the Elba III Project including issuance of Section 404 Permits for expansion of the existing LNG import terminal and for wetland impacts associated with construction of the Elba Express Pipeline; issuance of an easement where the Elba Express Pipeline would cross COE-managed lands; adoption of modifications to existing COE-managed Mitigation Lands; and approval for a large fuel-carrying pipeline across federal property.

In accordance with NEPA, this document's purpose is to inform the FERC decision-makers, the public, and other permitting agencies about the potential adverse and beneficial environmental impacts associated with the proposed project and its alternatives, and to recommend practical, reasonable, and appropriate mitigation measures that would reduce adverse impacts to the extent possible. Most of the environmental impacts would occur during the construction period. We considered a range of terminal site and system alternatives; pipeline system and route alternatives; and route variations.

PROPOSED ACTION

The proposed Elba III Project consists of the Elba Terminal Expansion (Terminal Expansion) and the Elba Express Pipeline. Taken collectively, these actions and facilities comprise the proposed action which is referred to in this EIS as the Elba III Project (Project). The Project would provide an incremental source of, and the transportation infrastructure required to deliver, firm, long-term, and competitively priced natural gas to the Georgia and South Carolina interstate natural gas markets, and other markets in the southeastern and eastern United States (U.S.).

Elba Terminal Expansion

Southern LNG, Inc. (Southern LNG) plans to construct and operate an expansion of its existing LNG import terminal on Elba Island near Savannah, in Chatham County, Georgia. The expansion would: (a) more than double the terminal's LNG storage capacity by adding 405,000 cubic meters (m^3) of new storage; (b) substantially increase the facility's existing vaporization capacity; (c) upgrade the terminal's send-out meter station to increase capacity by an additional 900 million cubic feet per day (MMcfd); and (d) modify the terminal's marine berthing and unloading facilities to accommodate larger vessels and provide for simultaneous unloading of two LNG vessels. All of the planned facilities would be located entirely within the existing 190-acre facility site on Elba Island.

The Elba Terminal Expansion would be constructed in two phases, A and B. Phase A would be completed as early as January 2010 and would include the following facilities:

a. one new 200,000 m^3 (1.25 million barrels [bbls]) LNG storage tank, one associated boil-off gas condenser, and three boil-off gas compressors;
b. three submerged combustion vaporizers, each with a peak capacity of 180 MMcfd (providing a total peak send-out capacity of 1,755 MMcfd for the full facility at the completion of phase A); and
c. modifications to the unloading docks to accommodate larger LNG vessels and to allow simultaneous unloading of two LNG vessels. The modifications to the dual berthing slip include:

    - adding four mooring dolphins (two for each berth);
    - dredging approximately 72,000 cubic yards of material from the slope at the back of the existing slip (and disposing of dredged material into the existing spoil disposal area adjacent to the terminal); and
    - installing a sheet pile bulkhead at the back of the slip.

These modifications would allow the slip to accommodate larger LNG vessels with an approximate overall length of 345 meters (m) (compared to the current 288 m), breadth of 55 m (currently 49 m), design laden draft of 12.0 m (currently 11.7 m), and displacement of 177,000 metric tons (currently 128,000 metric tons). Slip modifications are designed to accommodate LNG vessels, capable of transporting up to 266,000 m^3 of LNG. Vessels currently in service and

delivering to the Elba LNG import terminal typically transport between 125,000 and 145,000 m^3 of LNG.

Phase B would be completed no later than December 2012 and would include the following facilities:

a. one new 200,000 m^3 (1.25 million bbls) LNG storage tank; and
b. three submerged combustion vaporizers (two for service and one spare), each with a peak capacity of 180 MMcfd (providing a total peak send-out capacity of 2,115 MMcfd for the full facility at the completion of phase B).

Each of the two phases would include all necessary ancillary equipment including related pumps, piping, controls and appurtenances, and associated systems (electrical, mechanical, civil, instrumentation, hazard detection, and fire protection) and buildings necessary to accommodate the associated tanks and vaporizer units. The expansion would result in a potential increase of 95 additional LNG deliveries to the terminal per year.

Elba Express Pipeline

Elba Express Company, L.L.C. (EEC) plans to construct and operate about 188 miles of new natural gas pipeline and appurtenant facilities in Georgia and South Carolina. The pipeline would be constructed in two phases, extending between an interconnection with Southern Natural Gas Company (Southern) near Port Wentworth, Chatham County, Georgia on the southern end and an interconnection with Transcontinental Gas Pipe Line Corporation (Transco) in Anderson County, South Carolina on the northern end.

The first phase is proposed to be placed in service no later than July 2011 with a design capacity of 945 MMcfd, and would consist of:

a. a "Southern Segment," which includes about 104.8 miles of 42-inch-diameter pipeline extending from Port Wentworth to the existing Southern Wrens Compressor Station (Wrens) in Jefferson County, Georgia (to be collocated with the existing Southern pipelines); and
b. a "Northern Segment," which includes about 83.1 miles of 36-inch-diameter pipeline extending from Wrens to interconnects with Transco in Hart County, Georgia, and Anderson County, South Carolina.

The second phase would involve construction and operation of a new compressor station of about 10,000 horsepower near Millen, Jenkins County, Georgia. The compressor station would increase the pipeline design capacity by 230 MMcfd to a total of 1,175 MMcfd, and is proposed to be placed in service no later than January 2013.

EEC would also purchase an undivided interest in Southern's existing twin 30-inch-diameter pipelines which extend between the import terminal and the beginning of the Elba Express Pipeline at Port Wentworth, thereby connecting the proposed pipeline with the terminal.

PUBLIC INVOLVEMENT

On January 24, 2006, Southern LNG, EEC, and Southern (Applicants) filed a request with the FERC to use our[1] Pre-Filing (PF) review process. At that time, Southern LNG and EEC were in the preliminary design stage of the Project and no formal application had been filed with the FERC. The request to use our PF review process was approved on February 1, 2006, and a pre-filing docket number (PF06-14-000) was established to place information filed by the Applicants and related documents issued by the FERC into the public record. The PF review process provides opportunities for interested stakeholders to become involved early in project planning, facilitates interagency cooperation, and assists in the identification and resolution of issues prior to a formal application being filed with the FERC.

On February 15, 16, 21, 22, 23, and 28, 2006, the Applicants sponsored open houses in Sylvania, Pooler, Thomson, Washington, Elberton, and Waynesboro, Georgia, respectively. The purpose of the open houses was to inform agencies and the general public about the proposed Project and to provide them an opportunity to ask questions and express their concerns. We participated in these open houses and provided information on the environmental review process. On February 16, 2006, we met with representatives of the COE and Coast Guard to discuss coordination of agency review, permit requirements and status, and each agency's interest in participating in our environmental review as a cooperating agency. In addition, we conducted site visits of the existing LNG Terminal and various portions of the proposed pipeline route on February 16, 17, 22, and 23, 2006.

On March 24, 2006, the FERC and Coast Guard issued a *Notice of Intent to Prepare an EIS and Coast Guard LOR for the Proposed Elba III Project, Request for Comments on Environmental Issues, and Notice of Public Comment Meetings* (NOI). This notice was sent to almost 1,800 interested parties including federal, state, and local officials; agency representatives; conservation organizations; Native American tribes; local libraries and newspapers in the Project area; residents within a 0.5 mile of Elba Island and the proposed compressor station location; and property owners along the proposed pipeline route.

In April 2006, we conducted public scoping meetings in Pooler (April 10, 2006), Sylvania (April 11, 2006), Thomson (April 12, 2006), and Washington (April 13, 2006), Georgia, to provide an opportunity for the public to learn more about the Project and to provide oral comments on environmental issues to be addressed in the EIS. We also conducted a site visit, open to the public, of the Terminal Expansion site and Elba Express Pipeline route. A total of 44 people presented oral comments at the scoping meetings.[2] Comments primarily expressed concerns about the impact of the terminal expansion on public safety and other commercial port users, and the impact of the pipeline on private property and future property uses. Transcripts of these

[1] "We", "us", and "our" refer to the environmental staff of the FERC's Office of Energy Projects.
[2] There were 14 oral comments collected at the Pooler meeting, 7 at the Sylvania meeting, 8 at the Thomson meeting, and 15 at the Washington meeting.

comments are part of the public record for the Elba III Project, and are available for inspection at the FERC web site in the Elba III Project dockets.[3]

During this period, we also conducted additional agency consultations to identify issues that should be included in the EIS. On April 11, 2006, we met with representatives of the COE, Coast Guard, National Oceanic and Atmospheric Administration's National Marine Fisheries Service, and Georgia Department of Natural Resources (GDNR) to discuss the roles and responsibilities of participation as a cooperating agency, agency coordination, and specific resource concerns to be addressed in the EIS.

Publication of the NOI established a 30-day public comment period for the submission of comments, concerns, and issues related to the environmental aspects of the proposed Project. Although the comment period closed on April 24, 2006, we continued to receive correspondence through late July 2006. Additional comment letters were received in October and November 2006, following the filing of formal FERC applications by the Applicants on September 29, 2006 (in Docket Nos. CP06-470-000, -471-000, -472,000, -473,000, and -474,000). In total, 38 letters from 34 entities were received in response to the NOI and the FERC's *Notice of Applications*, issued October 6, 2006.[4]

The draft EIS was filed with the U.S. Environmental Protection Agency (EPA) and mailed to about 990 federal, state, and local agencies; elected officials; Native American tribes; newspapers and public libraries in the project area; parties to the FERC's proceeding; potentially affected landowners; and other interested parties. Four public meetings were held in the project area to receive comments on the draft EIS. These meetings were conducted in Washington, Georgia (May 7, 2007), Thomson, Georgia (May 8, 2007), Sylvania, Georgia (May 9, 2007), and Pooler, Georgia (May 10, 2007). Oral comments were received from 12 affected landowners (10 speakers), 2 representatives of landowner groups, and 2 environmental groups (3 speakers). Written comments were received from 3 federal agencies, 1 state agency, 2 environmental groups, 1 landowner group, 4 affected landowners, 29 interested citizens (2 petitions and one individual), and the Applicants. The final EIS was mailed to about 1,100 addresses distributed among the same groups as received the draft EIS.

AREAS OF CONCERN

Issues raised during the scoping period included Project purpose and need; alternatives to the pipeline route and the terminal site; facility operation, maintenance, and safety; and environmental impacts of the terminal expansion and Elba Express Pipeline. In addition, several

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[3] Public meeting transcripts and a summary of the issues discussed during the agency scoping meetings are available for viewing on the FERC internet website (http://www.ferc.gov). Using the "eLibrary" link, select "General Search" from the eLibrary menu, enter the selected date range and "Docket No." (CP06-470-000), and follow the instructions. (For assistance, call 1-866-208-3676, or e-mail FERCOnlineSupport@ferc.gov.) Because scoping was conducted during the PF review (before the Applicants filed formal applications with the FERC on September 29, 2006), PF06-14 must be used in the "Docket No." field to view the public scoping transcripts.

[4] Written correspondences included letters, Return Mailers (attached to our NOI), and electronic mail. The Commission also received one Congressional correspondence (included in the total).

public comments related specifically to the Coast Guard's LOR process for the proposed LNG terminal expansion and increase in LNG vessel size and traffic. These comments requested:

- identification of operational and maintenance dredging and dredged material disposal program and associated impacts on water quality and aquatic wildlife;
- assessment of the potential impacts on shoreline erosion that would be generated by LNG vessel wakes;
- justification for preferred treatment of LNG vessel transit in the Savannah River;
- socioeconomic impact assessment and mitigation measures to reduce impacts on other Port of Savannah vessel traffic and operators;
- assessment of air quality impacts and mitigation measures associated with LNG terminal operations and vessels;
- assessment of historic occurrences of serious accidents, damages, and the effects of unanticipated occurrences at existing LNG facilities in the United States; and
- identification of safety and security measures to mitigate risks associated with LNG vessels and terminal operations, and assessment of associated impacts on other Port of Savannah operators.

These concerns and others have been addressed in this EIS.

PROJECT IMPACTS

Table ES-1 summarizes the number/extent of resources for the Elba III Project.

ALTERNATIVES CONSIDERED

This EIS addresses alternatives to the proposed actions before the FERC, the Coast Guard, and the COE. In general, the reasonable alternatives before the FERC and the COE are similar. These agencies can either deny the project/permits, postpone the issuance of authorizations pending further study, or issue authorizations for the Project as proposed or modified by location or condition.

For the Coast Guard, the reasonable alternatives include issuing a negative LOR (essentially the No Action alternative), postponing issuance of an LOR, or issuing an LOR with conditions (the Coast Guard's preferred alternative). A negative LOR would find the waterway unsuitable for additional LNG vessel traffic and larger LNG vessels. The Coast Guard's preferred alternative would be to issue an LOR finding the waterway suitable for additional LNG vessel traffic and larger LNG vessels only under the following proposed conditions:

- appropriate resources must be available to implement the required security measures outlined in the Waterway Suitability Assessment (WSA) or the most current Coast Guard policy on Ports, Waterways, and Coastal Security; and

TABLE ES-1

Summary of Environmental Resources for the Elba III Project

Resource Area/Impact	Units
Total acres of land temporarily disturbed for the Terminal Expansion	213
Total Elba Express Pipeline length (miles)	188
Total acres of land temporarily disturbed for the Elba Express Pipeline and Appurtenances	3,083
GEOLOGY	
Potential active faults in the Project area	0
Soil liquefaction potential in the Project area	Low
Paleontological resources	0
SOILS	
Miles of prime farmland crossed by the Elba Express Pipeline	72
Miles of soil with significant inherent limitations [1] for restoration along the Elba Express Pipeline	80
WATER SUPPLY	
Number of major near-surface aquifer systems underlying the Project area	5
Number of designated sole source aquifers underlying the Project area	0
Currently identified private water supply wells within 150 feet of the Elba Express Pipeline	67
Number of public water supply wells or wellhead projection areas within 150 feet of the project area	0
Number of surface water intakes within 3 miles downstream of waterbody crossings along the Elba Express Pipeline	1
WATER QUALITY	
Number of perennial stream crossings along the Elba Express Pipeline	161
Number of intermittent stream crossings [2] along the Elba Express Pipeline	180
Number of major river crossings [3] along the Elba Express Pipeline	5
Cubic yards of sediments to be dredged for the Terminal Expansion	72,000
WETLANDS	
Acres of wetland/riparian habitat disturbed during construction [4] along the Elba Express Pipeline	237
Acres of forested wetland impacts during construction/operation	106/48
VEGETATION AND WILDLIFE	
Acres of upland forest affected by construction of the Elba Express Pipeline	941
Acres of planted pine plantation affected by construction of the Elba Express Pipeline	562
Acres of open land affected by construction of the Elba Express Pipeline	735
Number of Managed and Sensitive Wildlife Areas along the Elba Express Pipeline	2
AQUATIC RESOURCES	
Number of warmwater fisheries crossed by the Elba Express Pipeline	352
THREATENED, ENDANGERED AND OTHER SPECIAL STATUS SPECIES	
Number of federally listed or proposed threatened or endangered species potentially affected due to Project construction	31
Number of federally listed or proposed threatened or endangered species potentially with suitable habitat present along the waterway for LNG marine traffic	12
Number of federally listed or proposed threatened or endangered species potentially affected due to right-of-way (ROW) construction along the Elba Express Pipeline	9
LAND USE AND VISUAL RESOURCES	
Acres of land affected by operation of the Terminal Expansion	34
Acres of land affected by operation of the Elba Express Pipeline	961
Acres of land affected by operation of aboveground facilities associated with the Elba Express Pipeline	34
Number of access roads required for the Elba Express Pipeline	96
Miles of COE Project and Mitigation Lands crossed by the Elba Express Pipeline	5.6

TABLE ES-1

Summary of Environmental Resources for the Elba III Project

Resource Area/Impact	Units
Number of structures located within 50 feet of construction ROW along the Elba Express Pipeline	18
SOCIOECONOMICS	
Peak workforce size for the Terminal Expansion	208
Peak workforce size for the Elba Express Pipeline	500
Number of permanent new jobs created for the Terminal Expansion	20
Number of permanent new jobs created for the Elba Express Pipeline	3
Number of additional LNG shipments annually	95
CULTURAL RESOURCES	
Number of cultural resources identified for the Terminal Expansion	0
Number of cultural resources identified for the Elba Express Pipeline	302
AIR AND NOISE QUALITY	
Number of new submerged combustion vaporizers at terminal	6
Number of new compressor stations	1
PUBLIC SAFETY	
Miles of Elba Express Pipeline in a Class 1 area	171
Miles of Elba Express Pipeline in a Class 2 area	5
Miles of Elba Express Pipeline in a Class 3 area	12

1 Inherent limitations include soils defined as shallow bedrock, compaction prone, highly erosive, and poor revegetation.
2 Includes ephemeral streams, canals, and irrigation ditches.
3 Defined as river crossings greater than 100 feet.
4 Construction impacts are based on a 75-foot-wide ROW centered over the pipeline. Some wetlands are not crossed by the centerline but are located within the construction ROW.

- throughout the period of construction and until such time when the LNG facility goes into operation, the applicant must conduct an annual review of the WSA to identify changes that have occurred to the project scope and/or port community since submission of the initial WSA. The applicant must provide a written statement to the Captain of the Port (COTP) annually coinciding with the date of the Waterway Suitability Report (WSR) attesting as to whether or not any changes have occurred. If this annual review identifies changes to the project and/or port that may invalidate portions of the WSA, the applicant must describe the changes in detail and describe any actions necessary to update the WSA. If updating the WSA is required, the applicant must include a timeline for actions to take place. Prior to the start of operations, the applicant must conduct a final review of the WSA and submit documentation to the COTP attesting that the most recent WSA on file with the COTP is current and up to date. Documentation of the final review must be submitted to the COTP between 30 and 60 days prior to the start of operations.

The alternative of issuing an LOR without conditions was determined not reasonable in this case and eliminated from consideration because it would not meet the Coast Guard's purpose and need for issuance of an LOR – ensuring adequate safety and security of LNG vessel transit. Also, no reasonable alternatives for shipping routes or other variations were identified because the terminal is an existing import facility.

The No Action or Postponed Action Alternatives (as well as the negative and postponed LOR), would deny or defer the proposed project. While these alternatives would avoid the environmental impacts identified in this EIS, they would also deny the power plant customers and other markets in Georgia and South Carolina access to additional supplies of natural gas made available by importation of LNG. This in turn could lead to higher natural gas prices, the use of alternative sources of energy, or alternative proposals to develop natural gas import and transmission infrastructure. While conservation and the development of other sources of energy are anticipated to play a part in meeting the future energy needs of the country, they are not expected to significantly reduce the long-term requirement for additional natural gas supplies. Therefore, we conclude that the No Action and Postponed Action Alternatives are not preferable to the proposed action.

Other reasonable alternatives we considered include different locations for both the Terminal Expansion and the Elba Express Pipeline. For the Terminal Expansion, we examined using existing LNG import terminals in the region (rather than expanding the existing facility) and alternative terminal sites (locating the LNG storage tanks at a different location, a new import terminal within the Port of Savannah, and an entirely new site somewhere in the southeastern U.S.). We also studied alternatives that involved receiving the LNG off-shore and off-shore receipt, storage, and regasification.

Development of an entirely new LNG import terminal in the southeastern U.S. would require substantial disturbance of both on-shore and marine resources and a significant length of new, large-diameter pipeline to connect with the customers proposed to be served. We concluded that use of another existing terminal or construction of an alternative site, and the associated pipeline facilities that would be required, would not be environmentally preferable to the proposed action.

We considered a number of alternatives to the proposed Elba Express Pipeline, including the use of existing systems (Southern and South Carolina Pipeline Company), alternative routes for both the Southern Segment (to be constructed along Southern's existing right-of-way) and the Northern (greenfield) Segment, and route variations that would avoid crossing COE-managed lands. None of the alternatives examined would reduce environmental impact or provide a significant environmental advantage over the proposed route.

At the request of the COE, we considered three route variations that would avoid crossing areas of COE-managed lands. All of the variations examined would increase the mileage of pipeline without providing a significant environmental advantage.

Regarding aboveground facilities, we reviewed EEC's proposed location for the Elba Express Compressor Station and found it environmentally acceptable. Further, our review of proposed sites for meter stations, mainline valves, and pig launching/receiving facilities raised no issues that warranted evaluation of alternative sites.

MAJOR CONCLUSIONS

EEC would comply with the U.S. Department of Transportation pipeline material and construction standards for natural gas pipelines. Where collocated with Southern's existing

pipeline, the typical offset between pipeline centerlines would range from 20 to 25 feet, which greatly reduces the risk of pipeline damage from any repair activities on the adjacent pipelines. After construction, EEC must implement a pipeline integrity management plan to ensure public safety during operation of the proposed pipeline.

We evaluated the safety of both the proposed facilities and the related LNG vessel transit from the territorial sea through the Savannah River navigation channel. As part of our evaluation, we performed a cryogenic design and technical review of the proposed terminal design and safety systems. Several areas of concern were noted with respect to the proposed facility, and we identified specific recommendations to be addressed by Southern LNG: prior to initial site construction, prior to construction after final design, prior to commissioning, or prior to commencement of service.

The Coast Guard has longstanding experience in controlling the movements of dangerous cargo vessels and LNG vessels in the Port of Savannah and other ports. Our marine safety analysis considers how vessel security requirements for LNG vessels calling on the terminal might affect other vessel and boat traffic in the Savannah River navigation channel.

The Coast Guard, with input from the Savannah Area Maritime Security Committee and other port stakeholders, has completed a review of Southern LNG's Waterway Suitability Assessment (WSA) in accordance with the guidance in *Navigation and Vessel Inspection Circular – Guidance on Assessing the Suitability of a Waterway for Liquefied Natural Gas Marine Traffic* (NVIC 05-05). The WSA review focused on the navigation safety and maritime security risks posed by LNG vessel traffic, and the measures needed to responsibly manage these security risks. As a result of this review, the Coast Guard has preliminarily assessed that the Savannah River, based on existing measures and additional conditions, is suitable for the larger LNG vessels and the increase in LNG marine traffic associated with this expansion. The Coast Guard also stated that, based on certain conditions for suitability, the Port of Savannah's experience with LNG import and the cooperative relationship between government agencies and port stakeholders, there would be sufficient capability within the port community to responsibly manage the safety and security risks introduced by this expansion project. This assessment is *preliminary* because the required NEPA analysis has not yet been completed. Upon completion of its NEPA compliance obligations, the Coast Guard will issue an LOR to address the suitability of the waterways for the proposed increase in LNG marine traffic and the use of larger LNG vessels.

Section 311 of the Energy Policy Act of 2005 stipulated that in any Order authorizing an LNG terminal, the Commission shall require the LNG terminal operator to develop an Emergency Response Plan in consultation with the Coast Guard and state and local agencies. The FERC must approve the Emergency Response Plan prior to any final approval to begin construction. A Cost-Sharing Plan must also be developed that contains a description of any direct cost reimbursements the applicant agrees to provide to any state and local agencies with responsibility for security and safety at the LNG terminal and near vessels that serve the facility.

The conclusions and recommendations presented in this EIS are those of the FERC environmental staff. While our conclusions and recommendations were developed with input

from the COE and Coast Guard as cooperating agencies, each of these agencies may present its own conclusions and recommendations when it has completed its review of the Project.

Review of the information provided by Southern LNG and EEC and further developed from data requests; field investigations; scoping; literature research; alternatives analysis; comments from federal, state, and local agencies; and input from individual members of the public indicates that the proposed Elba III Project is unlikely to result in significant adverse environmental impact on particular resources within the Zones of Concern because it is unlikely that a substantial cargo release would occur during construction and operation. In addition, we conclude that if the Elba III Project is constructed and operated in accordance with applicable laws and regulations, Southern LNG and EEC's proposed mitigation, and the additional mitigation recommendations presented below, it would be an environmentally acceptable action. Although many factors were considered in this determination, the principal reasons are:

- the proposed LNG terminal facilities would be an expansion of an existing, fully-operating LNG import terminal with an established deep-water slip and established exclusion zones;
- the proposed additional LNG vessel traffic and associated escort vessels would utilize an existing shipping corridor currently used by LNG vessels, as well as other deep-draft vessels;
- dredge spoil would be disposed of at one of two existing upland confined disposal facilities owned and operated by Southern LNG on the northwest end of Elba Island;
- safety features would be incorporated into the design and operation of the Terminal Expansion facilities and LNG vessels;
- the proposed pipeline would parallel existing rights-of-way for approximately 56 percent of its length;
- EEC would implement its project-specific Upland Erosion Control, Revegetation and Maintenance Plan and its project-specific Wetland and Waterbody Construction and Mitigation Procedures to minimize construction impacts on soils, wetlands, and waterbodies;
- the use of the horizontal directional drilling method for crossing the Broad River and Savannah River would avoid disturbances to the beds and banks of these waterbodies;
- the Project would have no effect or would not be likely to adversely affect any federally- or state-listed threatened or endangered species;
- the Coast Guard's preliminary finding that the waterway is suitable for increased LNG marine traffic (with conditions), the security provisions and operational controls that would be imposed by the local pilots, and the Coast Guard to direct movement of LNG vessels would maintain the risks of a marine LNG spill, either with or without ignition, to acceptable levels;
- the environmental and engineering inspection and mitigation monitoring program for this Project would ensure compliance with all mitigation measures and conditions of any FERC authorization;
- the navigational controls and marine traffic safety and security measures make the likelihood of a spill from LNG vessels extremely remote; and

- all appropriate consultations with the FWS, SHPOs, and ACHP, if required, and any appropriate compliance actions resulting from these consultations, would be completed before construction would be allowed to start in any given area.

In addition, we have developed specific mitigation measures to further reduce the environmental impact that would otherwise result from construction of the various Project components. The additional studies or field investigations which we recommend typically result in site-specific mitigation and further reduction of impact. We believe that the recommended mitigation measures would reduce potential environmental impacts from Southern LNG's and EEC's proposed actions to environmentally acceptable levels.