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DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket No. USCG-2013-0363]

Deepwater Port License Application: Liberty Natural Gas, LLC, Port Ambrose

Deepwater Port

AGENCY: Maritime Administration, Department of Transportation

ACTION: Notice of Application.

SUMMARY: The Maritime Administration (MarAd) and the U.S. Coast Guard (USCG) announce they have received an application for the licensing of a liquefied natural gas deepwater port and that the application contains the required information. This notice summarizes the applicant's plans and the procedures that will be followed in considering the application.

DATES: The Deepwater Port Act of 1974, as amended, requires any public hearing(s) on this application to be held not later than 240 days after publication of this notice, and a decision on the application not later than 90 days after the final public hearing.

ADDRESSES: The public docket for USCG-2013-0363 is maintained by the U.S. Department of Transportation, Docket Management Facility, West Building, Ground Floor, Room W12-140, 1200 New Jersey Avenue, S.E., Washington, DC 20590. The Federal Docket Management Facility accepts hand-delivered submissions, and makes docket contents available for public inspection and copying at this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The

Federal Docket Management Facility's telephone number is 202-366-9329, the fax number is 202-493-2251 and the website for electronic submissions or for electronic access to docket contents is <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Mr. Roddy Bachman, U.S. Coast Guard, telephone: 202-372-1451, email: Roddy.C.Bachman@uscg.mil or

Ms. Tracey Ford, Maritime Administration, telephone: 202-366-0321, email:

Tracey.Ford@dot.gov. For questions regarding viewing the Docket, call Ms. Barbara Hairston, Program Manager, Docket Operations, telephone: 202-366-9826.

SUPPLEMENTARY INFORMATION:

Receipt of Application

On September 28, 2012, MarAd and USCG received an application from Liberty Natural Gas, LLC for all Federal authorizations required for a license to own, construct, and operate a deepwater port authorized under the Deepwater Port Act of 1974, as amended, 33 U.S.C. 1501 *et seq.* (the Act). The application contains all information required by the Act to initiate the licensing review and approval process.

Background

According to the Act, a deepwater port is a fixed or floating man-made structure other than a vessel, or a group of structures, including all components and equipment, including pipelines, pumping or compressor stations, service platforms, buoys, mooring lines, and similar facilities that are proposed as part of a deepwater port, located beyond State seaward boundaries and used or intended for use as a port or terminal for the transportation, storage, and further handling of oil or natural gas for transportation to, or

from, any State.¹

The Maritime Administrator possesses the authority to license a deepwater port (by delegation from the Secretary of Transportation, published on June 18, 2003 [68 FR 36496]). Statutory and regulatory requirements for licensing appear in 33 U.S.C. 1501 *et seq.* and 33 CFR Part 148. Under delegations from, and agreements between, the Secretary of Transportation and the Secretary of Homeland Security, applications are jointly processed by MarAd and USCG. Each application is considered on its merits.

In accordance with 33 U.S.C. 1504(f) for all applications, MarAd and USCG, working in cooperation with other Federal agencies and departments, shall comply with the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321 *et seq.*). The U.S. Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (USACE), among others, are cooperating agencies and will assist in the NEPA process as described in 40 CFR 1501.6; will participate in scoping meeting(s); and will incorporate the Environmental Impact Statement (EIS) into their permitting processes. Comments addressed to the EPA, USACE, or other federal cooperating agencies will be incorporated into the Department of Transportation (DOT) docket and considered as the EIS is developed to ensure consistency with the NEPA process.

MarAd, in issuing this Notice of Application pursuant to section 1504(c) of the Act, must designate as an “Adjacent Coastal State” any coastal state which (A) would be directly connected by pipeline to a deepwater port as proposed in an application, or (B) would be located within 15 miles of any such proposed deepwater port (see 33 U.S.C.

¹ On December 20, 2012, the Coast Guard and Maritime Transportation Act of 2012 (Title III, Sec. 312) amended Section 3(9)(A) of the Deepwater Port Act of 1974 (33 U.S.C. 1502(9)(A)) to insert the words “or from” before the words “any State” in the definition of Deepwater Port. This amendment grants MarAd the authority to license the construction of Deepwater Ports for the export of oil and natural gas from domestic sources within the United States to foreign markets abroad.

1508(a)(1)). On April 30, 2013, MarAd issued a Notice of Policy Clarification Concerning the Designation of Adjacent Coastal States for Deepwater Port License Applications in the Federal Register (78 FR 25349-25351) advising the public that nautical miles shall be used when determining Adjacent Coastal State status. Pursuant to the criteria provided in the Act, New York and New Jersey are the Adjacent Coastal States for this application. Other states may apply for Adjacent Coastal State status in accordance with 33 U.S.C. 1508(a)(2).

The Act directs that at least one public hearing take place in each Adjacent Coastal State, in this case, New York and New Jersey. Additional public meetings may be conducted to solicit comments for the environmental analysis to include public scoping meetings, or meetings to discuss the Draft EIS and the Final EIS.

MarAd and USCG will publish additional Federal Register notices with information regarding these public meeting(s) and hearing(s) and other procedural milestones, including the NEPA environmental review. The Maritime Administrator's decision, and other key documents, will be filed in the public docket.

The Deepwater Port Act imposes a strict timeline for processing an application. When MarAd and USCG determine that an application contains the required information, the Act directs that all public hearings on the application be concluded within 240 days after publication of this Notice of Application.

Within 45 days after the final hearing, the Governor(s) of the Adjacent Coastal State(s), in this case the Governors of New York and New Jersey, may notify MarAd of their approval, approval with conditions, or disapproval of the application. MarAd may not issue a license without the explicit or presumptive approval of the Governor(s) of the

adjacent coastal state(s). During this 45 day time period, the Governor(s) may also notify MarAd of inconsistencies between the application and State programs relating to environmental protection, land and water use, and coastal zone management. In this case, MarAd may condition the license to make it consistent with such state programs (33 U.S.C. 1508(b)(1)). MarAd will not consider written approvals or disapprovals of the application from Governors of Adjacent Coastal States until the 45-day period after the final public hearing.

The Maritime Administrator must render a decision on the application within 90 days after the final hearing.

Should a favorable record of decision be rendered and license be issued, MarAd may include specific conditions related to design, construction, operations, environmental permitting, monitoring and mitigations, and financial responsibilities. If a license is issued, USCG would oversee the review and approval of the deepwater port's engineering design and construction; operations/security procedures; waterways management and regulated navigation areas; maritime safety and security requirements; risk assessment; and compliance with domestic and international laws and regulations for vessels that may call on the port. The deepwater port would be designed, constructed and operated in accordance with applicable codes and standards.

In addition, installation of pipelines and other structures, such as the Submerged Turret Loading buoys, may require permits under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act, which are administered by USACE.

Permits from the EPA may also be required pursuant to the provisions of the Clean Air Act, as amended, and the Clean Water Act, as amended.

Summary of the Application

Liberty Natural Gas, LLC is proposing to construct, own, and operate a liquefied natural gas (LNG) deepwater port, known as Port Ambrose, located in the New York Bight. The Port Ambrose facility will be located at a different proposed location and include a different design than the previous deepwater port license application submitted by Liberty Natural Gas, LLC in 2010. Port Ambrose would consist of two Submerged Turret Loading Buoys (STL Buoys) in Federal waters approximately 17 nautical miles southeast of Jones Beach, New York, approximately 24 nautical miles east of Long Branch, New Jersey, and about 27 nautical miles from the entrance to New York Harbor, in a water depth of approximately 103 feet.

LNG would be delivered from purpose-built LNG regasification vessels (LNGRVs), vaporized on site and delivered through the STL buoys, flexible riser/umbilical, subsea manifold and lateral pipelines to a buried 19 nautical mile subsea Mainline connecting to the existing Transco Lower New York Bay Lateral in New York State waters approximately 2.2 nautical miles south of Long Beach, New York and 13 nautical miles east of Sandy Hook, New Jersey. The buoys would be lowered to rest on a landing pad when not in use and would also include a pile-anchored mooring array.

STL Buoy 1 is located at Latitude: 40°19'24.61" N and Longitude: 73°25'45.33" W. STL Buoy 2 is located at Latitude: 40°20'09.26" N and Longitude 73°23'51.92" W. The Port components would fall in the following U.S. Outer Continental Shelf (OCS) lease blocks:

Buoy 1 (6708, 6709, 6758); Buoy 2 (6709); Lateral 1 (6708); Lateral 2 (6708, 6709); "Y" Assembly (6708); Mainline Pipeline (6708, 6658, 6657, 6607, 6606, 6556, 6555, 6554, 6504 and 6503).

The 145,000 cubic meter LNGRVs would have onboard closed-loop vaporization and metering and odorant capability. Each vessel will have three vaporization units capable of a maximum send-out of 750 million standard cubic feet per day (MMscfd) (maximum pipeline system flow rate is 660 MMscfd with two buoys) with annual average expected to be 400 MMscfd. The LNGRVs have been designed to utilize a ballast water cooling system that will entirely re-circulate onboard the vessel during Port operations, eliminating vessel discharges associated with regasification while at the Port. Deliveries through Port Ambrose would be focused during peak demand winter and summer months. The Port will receive up to 45 LNGRVs per year.

As proposed, the LNGRVs would access the port inbound from the Hudson Canyon to Ambrose Traffic Lane and depart via the Ambrose to Nantucket Traffic Lane. MarAd and USCG are aware that Port Ambrose falls within the proposed area of interest for the New York Power Authority Long Island - New York City Offshore Wind Project. This project will be acknowledged and considered in the processing of the Port Ambrose application and NEPA analysis.

If approved, the majority of the port and pipeline construction and installation is proposed to occur in 2015, with commissioning in December 2015.

Privacy Act

The electronic form of all comments received into the Federal Docket Management System can be searched by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). The DOT Privacy Act Statement can be viewed in the Federal Register published on April 11, 2000 (Volume 65, Number 70, pages 19477-78) or by visiting

<http://www.regulations.gov>.

(Authority: 33. U.S.C. 1502, et seq.; 49 CFR 1.93(h))

Dated: June 11, 2013.

By Order of the Maritime Administrator.

Julie Agarwal
Secretary, Maritime Administration

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