

**NOTICE OF INTENT / NOTICE OF PREPARATION  
OF A DRAFT ENVIRONMENTAL IMPACT STATEMENT /  
ENVIRONMENTAL IMPACT REPORT,  
NOTICE OF MEETING, AND  
REQUEST FOR PUBLIC COMMENTS**

DATE: February 24, 2004

TO: Responsible, Trustee, and Cooperating Agencies  
and Interested Parties

FROM: U.S. DEPARTMENT OF HOMELAND SECURITY  
U.S. Coast Guard

U.S. DEPARTMENT OF TRANSPORTATION  
Maritime Administration

CALIFORNIA STATE LANDS COMMISSION

PROJECT: Cabrillo Port Liquefied Natural Gas Deepwater Port

APPLICANT: BHP Billiton LNG International, Inc.

PROJECT LOCATION: Ventura and Los Angeles Counties, California

DOCKET #: USCG 2004–16877

STATE CLEARINGHOUSE #: 2004021107

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**SUMMARY:** The Coast Guard and the Maritime Administration (MARAD) announce their intent to prepare a joint environmental impact statement/environmental impact report (EIS/EIR), pursuant to a Memorandum of Agreement with the California State Lands Commission (CSLC), in connection with this application for a proposed liquefied natural gas (LNG) deepwater port (DWP) that would be located approximately 13.9 miles offshore of Ventura County, California. The joint EIS/EIR will be prepared with the CSLC because the applicant has also filed a CSLC land lease application for subsea pipelines through State waters to deliver natural gas to shore. The joint EIS/EIR will meet the requirements of both the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA). This notice announces public meetings to be held in connection with the joint EIS/EIR, requests public comment on the scope of the joint EIS/EIR, and serves as a notice of preparation (NOP) for the purposes of California law.

**DATES:** Comments or related material must be received by March 31, 2004, at 2 p.m. Pacific Standard Time. Meeting dates are March 15, 2004, (Oxnard, California) and March 16, 2004 (Malibu, California).

**ADDRESSES:** The Coast Guard, MARAD, and CSLC will conduct an open house, followed by a public scoping meeting, to receive oral or written testimony at the following times and places:

Monday, March 15, 2004  
Oxnard Performing Arts Center  
800 Hobson Way  
Oxnard, California 93030  
(805) 486-2424

Open House: 9:30 a.m. to 11:30 a.m., and 4 p.m. to 6 p.m.  
Public Scoping Meetings: 12 p.m. to 3 p.m., and 6:30 p.m. to 9:30 p.m.

Tuesday, March 16, 2004  
Malibu High School Auditorium  
30215 Morningview Drive  
Malibu, California 90265  
(310) 457-6801

Open House: 4 p.m. to 6 p.m.  
Public Scoping Meeting: 6:30 p.m. to 9:30 p.m.

All public scoping meeting spaces will be wheelchair-accessible. Individuals may request special accommodations for the public scoping meetings, such as real-time translation. Contact Cy Oggins, CSLC, at (916) 574-1884 or [ogginsc@slc.ca.gov](mailto:ogginsc@slc.ca.gov) if special accommodations are required. Requests should be made as soon as possible but at least three (3) business days before the scheduled meeting. Include the name and telephone number of the contact person, the timelines for requesting accommodations, and a TDD number that can be used by individuals with hearing impairments.

It is not necessary to present comments at more than one meeting. One need not attend a meeting in order to comment. Comments may also be sent using one of the following methods (identify the subject of the comment by using the docket number, USCG-2004-16877):

- (1) Electronically through the Web site for the Docket Management System, at <http://dms.dot.gov>.
- (2) By mail to the Docket Management Facility, U.S. Department of Transportation, Room PL-401, 400 Seventh Street SW, Washington, D.C. 20590-0001.
- (3) By fax to the Docket Management Facility at (202) 493-2251.
- (4) By delivery to Room PL-401 on the Plaza level of the Nassif Building, 400 Seventh Street SW, Washington, D.C., from 9 a.m. to 5 p.m., Monday through Friday, except Federal holidays. The telephone number is (202) 366-9329.

The Docket Management Facility maintains the public docket for this notice. Comments and material received from the public will become part of this docket and will

be available for inspection or copying in Room PL-401 on the Plaza level of the Nassif Building, 400 Seventh Street SW, Washington, D.C., from 9 a.m. to 5 p.m. Monday through Friday, except Federal holidays. This docket may also be found on the Internet at <http://dms.dot.gov>.

(5) In addition, comments may be made by mail or email to Cy Oggins, California State Lands Commission, 100 Howe Avenue, Suite 100-South, Sacramento, California 95825; [ogginsc@slc.ca.gov](mailto:ogginsc@slc.ca.gov) or electronically through the project Web site at [www.cabrilloport.ene.com](http://www.cabrilloport.ene.com). Include the docket number, USCG-2004-16877, and State Clearinghouse number. However, if one of these comment submittal methods is used, the comment will also be entered in the Docket Management Facility docket.

**FOR FURTHER INFORMATION CONTACT:** Information pertaining to the proposed Cabrillo Port Project is available online at <http://dms.dot.gov>, <http://www.slc.ca.gov>, or [www.cabrilloport.ene.com](http://www.cabrilloport.ene.com). Questions regarding the proposed Project, the license application process, or the EIS/EIR process may be directed to Commander Mark Prescott, USCG, (202) 267-0225 ([mprescott@comdt.uscg.mil](mailto:mprescott@comdt.uscg.mil)), Keith Lesnick, MARAD, 202-366-1624 ([Keith.Lesnick@marad.dot.gov](mailto:Keith.Lesnick@marad.dot.gov)) or Cy Oggins, CSLC, (916) 574-1884 ([ogginsc@slc.ca.gov](mailto:ogginsc@slc.ca.gov)). Questions regarding viewing or submitting materials to the docket may be directed to Andrea M. Jenkins, Program Manager, Docket Operations, (202) 366-0271.

This public notice may be requested in an alternative format, such as Spanish translation, audiotape, large print, or Braille. Contact Cy Oggins, CSLC, (916) 574-1884 ([ogginsc@slc.ca.gov](mailto:ogginsc@slc.ca.gov)), or visit [www.cabrilloport.ene.com](http://www.cabrilloport.ene.com).

## **SUPPLEMENTARY INFORMATION:**

### **Public Meetings and Request for Comments**

As discussed under ADDRESSES, the Coast Guard, MARAD, and CSLC plan to conduct meetings related to preparation of the joint EIS/EIR for the proposed Project. The open houses will be informal opportunities to ask questions and receive information regarding the Project. The public scoping meetings will be structured to provide interested members of the public with an opportunity to present comments regarding the approach and conduct of the environmental analysis. Speakers at the public scoping meetings will be recognized in the following order: elected officials, public agencies, individuals or groups in the sign-up order, and anyone else who wishes to speak. Speakers may be asked to limit their oral comments to three (3) minutes in order to afford everyone an opportunity to speak. Written comments will also be accepted. Please notify Cy Oggins, CSLC, (916) 574-1884 ([ogginsc@slc.ca.gov](mailto:ogginsc@slc.ca.gov)), as soon as possible, but at least three (3) business days before the scheduled meeting, if translation of written materials is required.

The Coast Guard, MARAD, and CSLC also encourage submittal of comments and related material regarding this notice using one of the methods described under

ADDRESSES. The Coast Guard, MARAD, and CSLC are most interested in receiving comments that identify potentially significant impacts, alternatives, or mitigation measures that should be taken into account in determining the scope of the joint EIS/EIR.

### **Background Information**

A notice of application for the proposed Cabrillo Port DWP was published in the Federal Register (FR) on January 27, 2004 (69 FR 3934). Consult that notice for additional information regarding the proposed DWP and the moorings that would be installed on the floor of the Pacific Ocean approximately 13.9 miles offshore of Ventura County, California.

Congress first authorized DWPs in 1974. Federal law (33 United States Code [USC] 1501 et seq.) defines a DWP as any fixed or floating manmade structure other than a vessel, or any group of such structures, that is located beyond State seaward boundaries, and that is used or intended for use as a port or terminal for the transportation, storage, or further handling of oil or natural gas for transportation to any state. All DWPs require Federal licenses, which may be granted or denied by the Maritime Administrator based on an application process administered by the Coast Guard and MARAD. Part of that process involves assessment of the proposed DWP's environmental impact, in compliance with the National Environmental Policy Act (NEPA) of 1969 (42 USC 4332), and in consultation with States that are adjacent to the proposed DWP's location. For the purposes of the Cabrillo Port application, California is an adjacent State. The Coast Guard has determined that compliance with the NEPA requires preparation of an EIS. The CSLC has determined that the proposed DWP would need a CSLC land lease for subsea pipelines through State waters to deliver the natural gas to shore, and that compliance with the California Environmental Quality Act (CEQA) requires preparation of an EIR. Because of the many similarities between an EIS and an EIR, the Coast Guard (in coordination with MARAD) and CSLC have agreed to cooperate in preparing a single document that can satisfy both the NEPA and the CEQA. For the State of California's purposes, this notice serves as an NOP, notice of public scoping meetings, and request for comments.

### **Proposed Action**

The Applicant is proposing to construct and operate an offshore floating storage and regasification unit (FSRU) that would be moored in Federal waters approximately 13.9 miles offshore of Ventura County in 2,900 feet of water. As proposed, LNG from the Pacific basin would be delivered by tanker to, and offloaded onto, the FSRU; regasified; and delivered onshore via two new 21.1-mile- (33.8-kilometer-) long, 24-inch-diameter natural gas pipelines laid on the ocean floor. These pipelines would come onshore at Ormond Beach near Oxnard, Ventura County. New 14.9-mile- (24-kilometer-) and 7.4-mile- (11.9-kilometer-) long pipeline loops would also be constructed to connect the offshore pipeline with the existing Southern California Gas Company intrastate pipeline system to distribute natural gas throughout the Southern California region. The

facilities would be designed to deliver a peak of up to 1.5 billion cubic feet per day (bcf/d), with an anticipated average rate of 0.6 to 0.9 bcf/d.

The DWP's offloading facilities would be designed to accommodate LNG carriers ranging in capacity from 100,000 to 220,000 cubic meters ( $m^3$ ). The FSRU would be permanently moored, and would use a turret system (a tower-like revolving structure) to allow the FSRU to weathervane (rotate) around a fixed point. The FSRU, which would be designed for loading LNG from a side-by-side, moored LNG tanker, would be shaped like another vessel, double-sided, double-bottomed, and 938 feet (286 meters) long and 213 feet (65 meters) wide, with a displacement of approximately 190,000 deadweight tons.

Ships would be berthed and unloaded on the starboard side of the FSRU. The FSRU would store LNG in three Moss spherical tanks. Each tank would have a 91,000- $m^3$  LNG storage capacity, and the total FSRU LNG storage capacity would be 273,000  $m^3$ . Onboard utilities and systems associated with FSRU operations would include electric power generation and distribution, instrumentation and controls, and fire and safety systems. According to the applicant, the DWP would include all marine systems, communications, navigation aids, and equipment necessary to safely conduct LNG carrier operations and receive product. This will be independently analyzed in the EIS/EIR.

A 200-foot- (60.9-meter-) wide right-of-way would be set aside for the construction, with permanent rights-of-way in all offshore areas in which the 24-inch (0.762-meter) pipelines would be laid. The submarine pipelines would be buried from the 13-meter water depth approximately 0.3 mile (0.48 kilometer) offshore to its landfall at Ormond Beach within the city limits of Oxnard, and would be installed using the horizontal directional drilling technique. The underground pipelines would pass beneath Ormond Beach east of the Reliant Ormond Beach Generating Station in Oxnard. Gas would be metered at a small facility located inland approximately 0.4 mile (0.64 kilometer). The facility would include a metering station, pig launcher/receiver, and odorant station. The onshore pipeline would continue through Ventura County into Los Angeles County. It would be constructed mainly adjacent to existing rights-of-way.

The Coast Guard and CSLC intend to prepare a joint EIS/EIR consistent, with the Deepwater Port Act (DWPA) of 1974, as amended (33 USC 1501 et seq.); the NEPA (Section 102[2][c]), as implemented by Council on Environmental Quality regulations (40 Code of Federal Regulations 1500 to 1508); DOT Order 5610.1C ("Procedures for Considering Environmental Impacts"); Coast Guard policy (Commandant's Instruction M16475.1D); and the CEQA (California Public Resources Code §§ 21000 et seq.) as implemented by the State CEQA Guidelines (14 California Code of Regulations §§ 15000 et seq.).

The environmental review and analysis will be performed according to the timeline prescribed by the DWPA. These activities must be completed within 356 days. The period to complete all NEPA/CEQA documents is approximately 240 days. This

timeline will govern the activities related to the processing of the license application and the completion of all NEPA- and CEQA-related actions needed to support the decision regarding whether to approve, approve with conditions, or disapprove the proposed license/lease.

### **Currently Identified Environmental Issues**

The NEPA and CEQA require agencies to consider environmental impacts that may result from a proposed action, to inform the public of potential impacts and alternatives, and to facilitate public involvement in the assessment process. The EIS/EIR for Cabrillo Port will describe in detail the nature and extent of the environmental impacts of the proposed action and each alternative, and will discuss appropriate mitigation measures for any adverse impacts. The EIS/EIR will include, among other matters, discussions of the purpose and need for the proposed action, a description of alternatives, a description of the affected environment, an evaluation of the environmental impacts of the proposed action and alternatives, and explanations of proposed mitigation. The EIS/EIR will assess the impacts of the alternatives on the natural and human environment, including approving or not approving (no-action alternative) the license application to construct and operate the DWP.

The EIS/EIR will consider a reasonable range of alternatives, including the no-action/no project alternative, which for this Project would mean that MARAD would not approve the application for the DWP and CSLC would not approve the application for the lease of the subsea pipelines right-of-way.

Environmental issues that will require detailed analysis include, but are not necessarily limited to:

#### Aesthetics

- Alteration of the viewshed by construction and operations.

#### Air Quality

- Impacts on regional air quality, including visibility and other resources in sensitive Federal Class I areas (e.g., Channel Islands National Park).

#### Geological Resources and Soils

- Impacts on facilities from seismic hazards;
- Impacts on onshore facilities from liquefaction;
- Erosion and dust; and
- Sand migration and scour at Ormond Beach.

#### Hazardous Materials (HAZMAT)

- Impacts from HAZMAT spills (including petroleum, LNG, hydrocarbons, fuels, lubricant, urea, paints, solvents, and sanitary waste).

#### Marine Transportation

- Disruption in marine transportation, adversely affecting existing ship traffic to and from the ports of Port Hueneme and Oxnard;
- Potential navigational hazards to marine traffic; and
- An increase in tanker travel to and from the FSRU, which could disrupt marine traffic to local ports or harbors.

#### Marine Biology

- Vessels potentially striking sea turtles and marine mammals;
- Crushing and displacement of benthic communities during construction; and
- Effects of increases in turbidity and changes in water quality, lights, and noise.

#### Recreation

- Impacts on boating and commercial and recreational fishing opportunities;
- Recreational areas possibly being impacted by noise and/or dust generated during construction;
- Access to the beach or ocean; and
- Permanent and temporary areas of restricted access around the FSRU.

#### Hazards and Risk / Safety

- LNG releases resulting in potential impacts on third parties from fire, radiant energy, or ignitable gas clouds (mainly to passengers of small craft operating near the FSRU);
- Effects of "cold water" resulting from LNG release to marine mammals; and
- Effects of pipeline failures on humans, property, and marine and terrestrial ecosystems.

The EIS/EIR will include an independent, site-specific risk assessment.

#### Noise

- Potential increases in noise levels due to project construction and operation; and
- Effects of noise on local residents, recreationists, passengers and crews on marine vessels, and marine mammals.

#### Terrestrial and Freshwater Biology

- Impacts from construction or operation on wetlands and other habitats, and sensitive species, within the proposed pipeline landing and corridor areas.

#### Water Quality

- Impacts from LNG or HAZMAT spills, increases in turbidity, or unearthing of contaminated sediments; and
- Increases in shoreline erosion during construction and operation.

#### Environmental Justice

- Potential disproportionate effects on minority and low-income populations within the Project area.

The EIS/EIR will identify any relevant populations that might be disproportionately affected by the proposed Project, and ensure that a range of reasonable alternatives is identified.

#### Agricultural Resources

- Disruption of existing farmland and prime farmland located in the Ormond Beach area and along the onshore pipeline rights-of-way.

#### Cultural Resources

- Potential adverse and cumulative adverse effects on existing and as yet unidentified cultural resources, offshore and onshore.

#### Energy and Mineral Resources

- Restriction of future availability of exploitable oil and gas resources (and associated government royalties) due to infrastructure development and restricted access.

#### Land Use and Traffic

- Conflicts with existing land uses, especially in coastal areas designated for recreational purposes (Ormond Beach);
- Impacts on farmland and agricultural areas in Oxnard;
- Impacts on marine resources off the coast of Oxnard, including the Channel Islands National Marine Sanctuary and Channel Islands National Park; and
- Disruptions to traffic use and patterns.

#### Population and Housing

- Impacts on the existing community character and development, population, housing, infrastructure and social services, employment, and the regional economic base.

Cumulative Impacts: The EIS/EIR will evaluate the cumulative effects of the Project associated with each environmental issue area. These include the incremental effects of past projects, other current projects, and probable future projects, including the offshore LNG facility proposed by Crystal Energy and the Sound Energy Solutions LNG project proposed for the Port of Long Beach, along with the cumulative effects of other major projects in the area.

No-Action/No Project Alternative: The EIS/EIR will examine the impacts of not approving the DWP license application.

Alternative Offshore Locations: The EIS/EIR will consider an alternative location in the vicinity of the proposed Project, and other locations adjacent to the California coast. Local alternatives include sites near the Santa Barbara Channel and Anacapa Island.



**Land-Based Alternatives:** The California Legislature mandated the evaluation of land-based LNG sites. Land-based alternatives previously considered by California agencies will be considered again, including sites at Point Conception and Camp Pendleton.

**Alternative Technologies:** Alternative Project technologies, including open-rack vaporizers and alternative floating facility designs, also will be evaluated.

**Alternative Pipeline Routes:** The EIS/EIR will also evaluate an alternative submarine pipeline route and an alternative onshore pipeline route.

The major Federal and State permit, approval, and consultation requirements for Cabrillo Port include, but are not necessarily limited to, the following:

#### FEDERAL

- DOT/MARAD — DWP license;
- DHS/U.S. Coast Guard — DWP license;
- U.S. Environmental Protection Agency (EPA) — Title V Federal operating permit and Prevention of Significant Deterioration preconstruction review;
- EPA — Clean Water Act (CWA) stormwater and wastewater discharge permits;
- Advisory Council on Historic Preservation — Section 106, National Historic Preservation Act (NHPA);
- U.S. Army Corps of Engineers (USACE) — Waterways permit under Section 404, CWA;
- USACE — Section 10, Rivers and Harbors Act;
- U.S. Fish and Wildlife Service — Section 7, Endangered Species Act (ESA);
- National Oceanic and Atmospheric Administration (NOAA), NOAA Fisheries — Section 7, ESA;
- NOAA Fisheries — Magnuson-Stevens Fishery and Conservation and Management Act;
- NOAA Fisheries — Marine Mammal Protection Act; and
- Federal Communication Commission — Telecommunications license.

#### CALIFORNIA

- CSLC — Right-of-way lease;
- California Coastal Commission — Compliance with California Coastal Act and consistency with California Coastal Management Program;
- California Department of Transportation — Encroachment permits;
- Los Angeles Regional Water Quality Control Board (RWQCB) — CWA Section 401 certification;
- Los Angeles RWQCB — Hydrostatic test water discharge permit;
- California Department of Fish and Game — California ESA consultation and stream alteration agreements; and
- State Historic Preservation Officer — Section 106 NHPA consultation.

**Availability of EIS/EIR**

A notice of availability (NOA) will be published in the Federal Register when the draft EIS/EIR is available, and CSLC will issue notices of availability and completion. The draft EIS/EIR in hard-copy or electronic format will be distributed to agencies and interested parties that have requested copies. Anyone who wishes to comment on the draft report will be provided with an opportunity to review the draft EIS/EIR and to offer comments on the environmental effects of the Project. Comments received during the draft EIS/EIR review period will be available in the public docket and responded to in the final EIS/EIR. An NOA of the final EIS/EIR will also be published in the Federal Register, and CSLC will issue notices of availability and completion.

Dated:

Joseph J. Angelo

Director of Standards, Marine  
Safety, Security and Environmental  
Protection,  
U.S. Coast Guard

Raymond R. Barberesi

Director, Office of Ports and  
Domestic Shipping,  
U.S. Maritime Administration

Paul D. Thayer

Executive Officer,  
California State Lands  
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Attachments:

- Figure 1
- Figure 2
- Figure 3