

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY PROJECTS

In Reply Refer To:
OEP/DG2E/Gas Branch 3
Downeast LNG, Inc.
Downeast Pipeline, LLC.
Docket Nos. CP07-52-000,
CP07-53-000, CP07-53-001

FERC/EIS-0231D

TO THE PARTY ADDRESSED:

The staff of the Federal Energy Regulatory Commission (Commission or FERC) has prepared this draft Environmental Impact Statement (EIS) to address Downeast LNG, Inc.'s and Downeast Pipeline, LLC.'s (hereafter collectively referred to as Downeast) proposed liquefied natural gas (LNG) terminal, natural gas pipeline, and associated facilities in the above-referenced docket. The Downeast LNG Project (Project) would be located in Washington County, Maine.

The draft EIS was prepared to satisfy the requirements of the National Environmental Policy Act (NEPA). The U.S. Coast Guard; U.S. Army Corps of Engineers; National Oceanic and Atmospheric Administration, National Marine Fisheries Service; U.S. Environmental Protection Agency; and the Maine Department of Environmental Protection are cooperating agencies for the development of this EIS. A cooperating agency has jurisdiction by law or special expertise with respect to potential environmental impacts associated with the proposal and is involved in the NEPA analysis.

Based on the analysis included in the EIS, the FERC staff concludes that construction and operation of the Downeast LNG Project would result in some adverse environmental impacts. However, most of these impacts would be reduced to less-than-significant levels with the implementation of Downeast's proposed mitigation measures and the additional measures we recommend in this EIS.

The Project would establish a LNG marine terminal in New England capable of unloading cargo from LNG vessels, storing up to 320,000 cubic meters of LNG in specially designed tanks, vaporizing the LNG back into natural gas, and providing an average sendout of 500 million cubic feet of natural gas per day to the New England region's interstate pipeline grid. Downeast's proposed 29.8-mile-long pipeline would transport natural gas from the LNG terminal to an interconnect point with Maritimes and Northeast Pipeline's L.L.C. (M&NE) existing pipeline system near the town of Baileyville, Maine. Downeast states that the Project would provide an additional supply source of natural gas to meet increasing demand and increase the reliability of the interstate gas delivery system in New England.

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The draft EIS addresses the potential environmental effects of construction and operation of the following facilities proposed by Downeast:

- a new marine terminal that would include a 3,862-foot-long pier with a single berth and vessel mooring system, intended to handle LNG vessels ranging from 70,000 to 165,000 cubic meters in capacity, with future expansion capabilities to handle vessels with 220,000 cubic meters of cargo capacity;
- two full-containment LNG storage tanks, each with a nominal usable storage capacity of 160,000 cubic meters;
- LNG vaporization and processing equipment;
- piping, ancillary buildings, safety systems, and other support facilities;
- a 29.8-mile-long, 30-inch-diameter underground natural gas pipeline;
- natural gas metering facilities located at the LNG terminal site; and
- various ancillary facilities including pigging¹ facilities and three mainline block valves.

The Project would also include the transit of LNG vessels through both United States and Canadian waters to and from the LNG terminal in Robbinston, Maine. The intended vessel transit routes include the waters of the Gulf of Maine, Bay of Fundy, Grand Manan Channel, Head Harbor Passage, Friar Roads, Western Passage, and Passamaquoddy Bay. The draft EIS also includes information regarding potential modifications and expansions of the M&NE pipeline system to transport the natural gas volumes that would be supplied by the Downeast sendout pipeline.

The draft EIS has been placed in the public files of the FERC and is available for distribution and public inspection at:

Federal Regulatory Energy Commission
Public Reference Room
888 First St. NE; Room 2A
Washington, DC 20426
(202) 502-8371

Only volume 1 of the draft EIS, containing text of the analysis, was printed in hard copy. Volume 2, containing additional appendices, was produced as .pdf files on a compact disk (CD) that can be read by a computer with a CD-ROM drive. A limited number of hard copies and CDs of the draft EIS are available from the FERC's Public Reference Room, identified above. This draft EIS is also available for public viewing on the FERC's Internet website at www.ferc.gov, via the eLibrary link, and at project area libraries listed in Appendix A of the draft EIS.

¹ A "pig" is a tool for cleaning and inspecting the inside of a pipeline.

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Copies of the document have been mailed to federal, state, and local government agencies; elected officials; Native American tribes and regional organizations; local libraries and newspapers; intervenors in the FERC's proceeding; and other interested parties (i.e., individuals and groups who provided scoping comments or asked to remain on the mailing list). All parties on the mailing list were sent a CD of the draft EIS. A hard copy was also mailed to those who specifically requested one.

Comment Procedures and Public Meetings

Any person wishing to comment on the draft EIS is encouraged to do so. Your comments should focus on the potential environmental effects, reasonable alternatives, and measures to avoid or lessen environmental impacts. The more specific your comments, the more useful they will be. To ensure consideration prior to a Commission decision on the proposal, it is important that your comments be received before **July 6, 2009**. Please carefully follow the instructions below so that your comments are properly recorded.

For your convenience, there are three methods you can use to submit your comments to the Commission. In all instances, please reference the **Project Docket Numbers CP07-52-000, CP07-53-000, and CP07-53-001** with your submission. **The Commission encourages electronic filing of comments** and has dedicated eFiling expert staff available to assist you at (202) 502-8258 or efiling@ferc.gov.

- (1) You may file your comments electronically by using the [Quick Comment](#) feature, which is located on the Commission's internet website at <http://www.ferc.gov> under the link to [Documents and Filings](#). A Quick Comment is an easy method for interested persons to submit text-only comments on a project;
- (2) You may file your comments electronically by using the [eFiling](#) feature, which is located on the Commission's internet website at <http://www.ferc.gov> under the link to [Documents and Filings](#). eFiling involves preparing your submission in the same manner as you would if filing on paper, and then saving the file on your computer's hard drive. You will attach that file as your submission. New eFiling users must first create an account by clicking on "[Sign up](#)" or "[eRegister](#)." You will be asked to select the type of filing you are making. A comment on a particular project is considered a "Comment on a Filing;" or
- (3) You may file your comments via mail to the Commission by sending an original and two copies of your letter to:

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First St., NE, Room 1A
Washington, DC 20426

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Label one copy of the comments for the attention of Gas Branch 3, PJ-11.3. Mail your comments promptly, so that they will be received in Washington, DC on or before **July 6, 2009**.

In addition to or in lieu of sending written comments, we invite you to attend the public comment meeting we will conduct in the Project area. **The meeting will begin at 7:00 PM (EST)**, and is scheduled as follows:

<u>Date</u>	<u>Location</u>
Tuesday, June 16, 2009	Robbinston Grade School Cafeteria 904 U.S. Route 1 Robbinston, Maine (207) 454-3694

This public meeting will be posted on the FERC's calendar located at <http://www.ferc.gov/EventCalendar/EventsList.aspx>. Interested groups and individuals are encouraged to attend and present written or oral comments on the draft EIS. Transcripts of the meetings will be prepared.

After the comments are reviewed, any significant new issues are investigated, and necessary modifications are made to the draft EIS, a final EIS will be published and distributed. The final EIS will contain our responses to timely comments filed on the draft EIS that are related to environmental issues.

Comments will be considered by the Commission and the cooperating agencies but will not serve to make the commentor a party to the proceeding. Any person seeking to become a party to the proceeding must file a motion to intervene pursuant to Rule 214 of the Commission's Rules of Practice and Procedure (Title 18 CFR Part 385.214). Only intervenors have the right to seek rehearing of the Commission's decision. Further instructions for becoming an intervenor are included in the User's Guide under the "e-filing" link on the Commission's website (<http://www.ferc.gov>). **You do not need intervenor status to have your comments considered.**

Additional information about the Project is available from the Commission's Office of External Affairs at **1-866-208-FERC** (3372). The administrative public record for this proceeding to date is on the FERC Internet website (<http://www.ferc.gov>). Click on the eLibrary link, click on "General Search," and enter the docket number excluding the last three digits in the Docket Number field (i.e., CP07-52). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-866-208-3676, or for TTY, contact (202) 502-8659. The eLibrary link on the FERC Internet website also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rulemakings.

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In addition, the Commission now offers a free service called eSubscription that allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. To register for this service, go to the eSubscription link on the FERC Internet website (<http://www.ferc.gov/docs-filing/esubscription.asp>).

Kimberly D. Bose,
Secretary