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March 17, 2015

Jason M. Goldstein
Chief Operating Officer
Liberty Natural Gas, LLC
51 John F. Kennedy Pky., Suite 309
Short Hills, NJ 07078
Docket#: USCG-2013-0363

Dear Mr. Goldstein:

By notice provided in this letter, and for the reasons set forth below, the Coast Guard (USCG) and Maritime Administration (MARAD) have determined that in order to complete the Port Ambrose deepwater port application Final Environmental Impact Statement (Final EIS) and determination of financial responsibility within the statutory timeframe required by the Deepwater Port Act (DWPA) of 1974 (33 U.S.C. §§ 1501 - 1524), we must suspend the timeline ("stop clock") for processing this application.

The DWPA and its implementing regulations direct:

- A statutory timeline that requires public hearings in each adjacent coastal State to be concluded not later than 240 days after the Federal Register notice of the initial application has been published (33 C.F.R. § 148.276).¹
- Applicant assistance in gathering information necessary to the processing of its application (33 C.F.R. § 148.107).
- Compliance with the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. §§ 4321 – 4370f) (33 C.F.R. § 148.702).²
- A determination of an applicant's financial responsibility. (33 C.F.R. § 148.105).³

In response to public request, MARAD extended the Draft EIS public comment period, normally 45 days, to 90 days (80 FR 5883, February 3, 2015). The Draft EIS comment period concluded March 16, 2015.⁴

However, we still lack information necessary to complete development of the Final EIS and make a determination of financial responsibility. Therefore, for the reasons set forth below, the Coast Guard and MARAD have determined that another stop clock is required.

- During the Draft EIS public comment period, we received 827 docket postings which total over 10,000 public comments (including form letters and petition signatories). This number may

¹ The Port Ambrose Notice of Application was published on June 14, 2013. The clock was stopped for the first time on October 21, 2013 (day 129) to address data gaps and additional analysis (extended by letter correspondence of March 7, 2014). The clock restarted when the Federal Register Notice of Availability (NOA) of the Draft EIS published on December 16, 2014.

² Scoping meetings were conducted in New York and New Jersey on July 9 and 10, 2013. The Draft EIS published December 16, 2014 and public meetings were conducted in New York and New Jersey on January 7 and 8, 2015.

³ Letter from MARAD to Liberty Natural Gas dtd February 24, 2015 (see www.regulations.gov, Docket # USCG-2013-0363-1472).

⁴ March 16 was day 219 of the 240 day clock.

grow as comments continue to post, including Federal, State, and Local agency comments, , Due to the substantial public and governmental interest in this project, we have an affirmative obligation to ensure all reasonable comments are properly considered and responded to. It is our opinion that 21 days does not provide sufficient time to properly address these comments and incorporate them into the Final EIS. Also, even if 21 days were sufficient to process the comments, we must ensure the public has sufficient time to review the Final EIS prior scheduling of the final hearings.

- By notice of March 10, 2015, the U.S. Army Corps of Engineers now requires a fifteen foot pipeline burial depth through the Ambrose Anchorage Area versus the seven foot depth analyzed in the Draft EIS. Additional time is needed to assess the effect of this change and what, if any, data requirements will need to be provided in order to assess the environmental impact this new requirement may have.
- Information related to the Clean Air Act-General Conformity analysis is still being compiled and analyzed. It must be reviewed by the U.S. EPA and included in the Final EIS.
- Liberty's response to the MARAD letter of February 24, 2015 on financial responsibility data requirements is due March 30, 2015. While not part of the Final EIS, receipt of this information is critical in the overall application review and must be received and analyzed prior to the final hearings and issuance of the Maritime Administrator's Record of Decision.

This stop clock is effective from March 17, 2015 until such time as the USCG and MARAD receive the substantive data and the availability of the Final EIS/notice of Final License Hearing is noticed in the Federal Register.⁵ Please be advised that we may request additional information as our analysis continues. Every effort will be made to provide data requests to you as soon as possible to minimize the impact to the schedule. Our goal is to develop a Final EIS that satisfies both public and governmental agency requirements.

We appreciate Liberty's efforts in working with us to ensure that a technically sound Final EIS is completed and the public, the Governors of each adjacent coastal State and the Maritime Administrator have the information they need to make responsible judgments on the Port Ambrose application. If you have any questions, please contact Mr. Roddy Bachman, USCG, at (202) 372-1451; Roddy.C.Bachman@uscg.mil; or Mr. Wade Morefield, MARAD, at (202) 366-7026; Wade.Morefield@dot.gov.

Sincerely,



CURTIS E. BORLAND
Attorney Advisor
U.S. Coast Guard
By direction



YVETTE M. FIELDS
Director, Office of Deepwater
Ports Licensing and Offshore Activities
Maritime Administration

⁵ While Coast Guard regulations allow for setting a deadline to receive the information (see 33 C.F.R. § 148.107), we decline to do so in this case. It is our opinion that the public's interest is best served by ensuring we have received, analyzed, and incorporated all of the required environmental impact and financial responsibility information prior to publication of the Final EIS and scheduling of final license hearings.