

U.S. Department of
Homeland Security

United States
Coast Guard



Commandant
United States Coast Guard

Commandant (CG-OES-4)
Attn: Deepwater Ports Standards Div.
U.S. Coast Guard STOP 7509
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Washington, DC 20593-7509
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16113

Jason M. Goldstein
Chief Operating Officer
Liberty Natural Gas, LLC
51 John F. Kennedy Pky., Suite 309
Short Hills, NJ 07078

MAR 07 2014

Subject: Port Ambrose DWP Application Timeline Suspension Continuation
Docket#: USCG-2013-0363

Dear Mr. Goldstein:

An applicant for a license under the Deepwater Port Act (DWPA) of 1974 (33 U.S.C. § 1501 *et seq.*) is required to assist us in gathering information necessary to the processing of its application (see e.g., 33 C.F.R. § 148.107). In a letter from the U.S. Coast Guard (Coast Guard) and the Maritime Administration (MARAD) dated October 21, 2013, we suspended the timeline for processing the Liberty Natural Gas LLC (Liberty), Port Ambrose deepwater port license application for a period of 90 calendar days. Our reasons for suspending the timeline are set forth in the original letter (enclosed), but one of the main factors was to provide you with sufficient time to respond to the list of initial data gaps and matters identified by the public during the scoping period. We determined this information, among other things, was necessary for us to continue processing the application.

The period of suspension ended on January 18, 2014 and did not count against the date prescribed by the time limits set forth in 33 U.S.C. § 1504(g) and § 1504(i)(4) of the DWPA. However, we are still lacking information necessary to complete development of the Environmental Impact Statement (EIS) as required by the National Environmental Policy Act and the DWPA. For the reasons set forth below, the Coast Guard and MARAD have determined that in order to complete the EIS, we must again suspend the timeline for processing the license application. This suspension is effective retroactively to January 19, 2014 and will continue in force until such time as the Coast Guard receives the substantive data identified below and the Draft EIS is noticed in the Federal Register for public comment.

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 the appropriate information into the Draft EIS before it is published in the Federal Register.

MAR 07 2014

Subj: Port Ambrose Timeline Suspension

Our goal is to ensure ALL environmental impacts associated with the proposed Port Ambrose deepwater port are fully considered in the Draft EIS and presented to the Public for consideration before the next round of public meetings is scheduled. However, that is not to say that you may delay your response to a properly received and understood request for additional data. Our team expects timely responses to the below list and any further requests for necessary information. If, in our collective opinion, your responses are unreasonably delayed, we will take the appropriate action we deem necessary to further the application process.

As of the date of this letter, we require you to provide information identified in the Information Data Request Matrices concerning:

Turbidity modeling;
Noise modeling;
Prevention of Significant Deterioration (PSD) Permit application (Air);
Clarification of pipeline burial requirements through the Ambrose General Anchorage Area;
Shore facility(ies) use during construction operations;
Ichthyoplankton Entrainment Assessment (Received Friday, January 31, 2014 – Under review)

Additionally, we recently concluded our Phase I Risk Assessment workshop jointly hosted by the Port Ambrose application processing team and Coast Guard Sector New York. As with other deepwater port applications, this workshop helped us to identify hazards which may be associated with the construction and operation of the proposed Port Ambrose deepwater port. Under our supervision, AcuTech (third party risk assessment contractor) is currently preparing the Phase I risk assessment report which includes hazard identification and liquefied natural gas release modeling. This report will contain information that we feel is important for the public's consideration; our intention is to include it as an appendix to the Draft EIS. As such, it would be premature to continue the timeline until we receive the report, analyze its contents, and incorporate it into the safety information sections of the Draft EIS.

Please be advised that we may request additional information as our analysis continues. Every effort will be made to provide any additional data requests to you as soon as possible to minimize the impact to the schedule. Our goal is to develop an EIS that will satisfy public and agency requirements.

We appreciate Liberty's efforts in working with us to ensure that a technically sound EIS is completed. If you have any questions, please contact Mr. Roddy Bachman, Coast Guard, at (202) 372-1451; Roddy.C.Bachman@uscg.mil; or Ms. Yvette Fields, MARAD, at (202) 366-0926; Yvette.Fields@dot.gov. Please be advised the Coast Guard's mailing address has changed. All future correspondence to the Coast Guard should be sent to:

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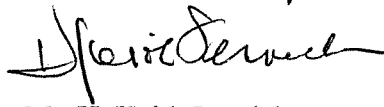
Subj: Port Ambrose Timeline Suspension

MAR 07 2014

Sincerely,



C. E. Borland
Acting Chief
Deepwater Ports Standards Division
U.S. Coast Guard
By direction



Mr. H. Keith Lesnick
Associate Administrator for
Intermodal System Development
Maritime Administration

Encl: Coast Guard and MARAD Joint Letter of October 21, 2013

cc: Docket # USCG-2013-0363
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