



DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket Number MARAD-2023-0119]

Deepwater Port License Application: Grand Isle LNG Operating Company, LLC;

Notice of Application

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice.

SUMMARY: The Maritime Administration (MARAD) and the U.S. Coast Guard (USCG) announce that they have received an application from Grand Isle LNG Operating Company, LLC (Applicant) for the licensing of a deepwater port and that the application for the Grand Isle LNG Export Deepwater Port Development Project contains information sufficient to commence processing. This notice summarizes the Applicant's project plans and the procedures that will be considered during the application review process.

DATES: The Deepwater Port Act of 1974, as amended, (the Act) requires at least one public hearing on this application to be held in the designated Adjacent Coastal State(s) (ACS) 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(s).

ADDRESSES: You may submit comments identified by DOT Docket Number MARAD-2023-0119 by any one of the following methods:

- *Federal eRulemaking Portal:* Go to <https://www.regulations.gov>. Search MARAD-2023-0119 and follow the instructions for submitting comments.
- *Mail or Hand Delivery:* The Docket Management Facility is in the West Building, Ground Floor of the U.S. Department of Transportation. The Docket Management Facility location address is U.S. Department of Transportation, 1200 New Jersey

Avenue SE, West Building, Room W12-140, Washington, DC 20590, Docket Number MARAD-2023-0119. Call 202-493-0402 to determine facility hours prior to hand delivery.

Note: If you mail or hand-deliver your comments, we recommend that you include your name and a mailing address, an email address, and/or a telephone number on a cover page, so that we can contact you if we have questions regarding your submission.

Instructions: All submissions received must include the agency name and specific docket number. All comments received will be posted without change to the docket at www.regulations.gov, including any personal information provided.

For assistance please contact either the Maritime Administration via email at Deepwater.Ports@dot.gov, or the U.S. Coast Guard via email at DeepwaterPorts@uscg.mil. Include “MARAD-2023-0119” in the subject line of the message. This email will not be relied on for the intake of comments for this deepwater port license application. To submit written comments and other material submissions, please follow the directions above. Please do not submit written comments or other materials to the email addresses in this section. Improperly submitted comments interfere with MARAD and USCG’s ability to help others seeking assistance with comment submission or public meeting attendance.

SUPPLEMENTARY INFORMATION:

Receipt of Application

On June 1, 2023, MARAD and USCG received an application from the Applicant for all Federal authorizations required for a license to own, construct, and operate a deepwater port for the export of liquefied natural gas (LNG) as authorized by the Act and implemented under 33 Code of Federal Regulations (CFR) Parts 148, 149, and 150. After a coordinated completeness review by MARAD, USCG, and other cooperating Federal agencies, the application is deemed complete and contains information sufficient to

initiate processing.

Background

The Act defines a deepwater port as any fixed or floating manmade structure other than a vessel, or any group of such structures, that are 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. A deepwater port includes 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 to the extent they are located seaward of the high-water mark.

The Secretary of Transportation delegated to the Maritime Administrator authorities related to licensing deepwater ports (49 CFR § 1.93(h)). Statutory and regulatory requirements for processing applications and 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 the USCG, working in cooperation with other involved Federal agencies and departments, shall comply with the requirements of the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321 *et seq.*). The U.S. Environmental Protection Agency (EPA), the U.S. Army Corps of Engineers (USACE), the National Oceanic and Atmospheric Administration (NOAA), the Bureau of Ocean Energy Management (BOEM), the Bureau of Safety and Environmental Enforcement (BSEE), and the Pipeline and Hazardous Materials Safety Administration (PHMSA), among others, participate in the processing of deepwater port applications and assist in the NEPA process as described in 40 CFR § 1501.8. Each agency may participate in scoping and/or other public meeting(s) and may

incorporate the MARAD/USCG environmental impact review for purposes of their jurisdictional permitting processes, to the extent applicable. Comments related to this deepwater port application addressed to the EPA, USACE, or other federal agencies should note the federal docket number, MARAD-2023-0119. Each comment will be incorporated into the U.S. Department of Transportation docket and substantive comments will be considered as the environmental impact analysis is developed to ensure consistency with the NEPA process. All connected actions, permits, approvals, and authorizations will be considered during the processing of the Grand Isle LNG Export Deepwater Port Development Project deepwater port license application.

MARAD, in issuing this Notice of Application pursuant to 33 U.S.C. 1504(c), must designate as an ACS 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 nautical miles of any such proposed deepwater port (see 33 U.S.C. 1508(a)(1)). Pursuant to the criteria provided in the Act, Louisiana is the designated ACS for this application. Other states may request from the Maritime Administrator designation as an ACS in accordance with 33 U.S.C. 1508(a)(2).

The Act directs that at least one public hearing take place in each ACS, in this case, Louisiana. Additional public meetings may be conducted to solicit comments for the environmental analysis to include public scoping meetings, or meetings to discuss the Draft and Final Environmental Impact Statement documents prepared in accordance with NEPA.

MARAD, in coordination with the 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 impact review. The Maritime Administrator's decision, and other key documents, will be filed in the public docket for the application at docket number MARAD-2023-0119.

The Act imposes a strict timeline for processing an application. When MARAD and USCG determine that an application is complete (i.e., contains information sufficient to commence processing), the Act directs that all public hearings on the application be concluded within 240 days from the date the Notice of Application is published.

Within 45 days after the final hearing, the Governor of the ACS, in this case, the Governor of Louisiana, may notify MARAD of approval, approval with conditions, or disapproval of the application. If such approval, approval with conditions, or disapproval is not provided to the Maritime Administrator by that time, approval shall be conclusively presumed. MARAD may not issue a license without the explicit or presumptive approval of the Governor of the ACS. During this 45-day period, the Governor 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 the Governor of the ACS until commencement of the 45-day period after the final public hearing for the Final Environmental Impact Statement is completed. 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 a 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, in coordination with other agencies as appropriate, would review and approve the deepwater port's engineering, design, and construction; operations and 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, the installation of pipelines and other structures may require permits under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act, which are administered by the 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

The application proposes the ownership, construction, operation, and eventual decommissioning of the Grand Isle LNG Export Deepwater Port Development Project deepwater port (“DWP”) to be located approximately 11.3 nautical miles (13 statute miles, or 20.9 kilometers) offshore Plaquemines Parish, Louisiana. The project would involve the installation of two nominal 2.1 MTPA liquefaction systems installed in the West Delta Outer Continental Shelf Lease Block 35 (WD-35), in approximately 68 to 72 feet of water. The proposed Grand Isle LNG Export Deepwater Port Development Project DWP would export liquefied natural gas (LNG) up to 4.2 million metric tons per annum (MMTPA).

The proposed Grand Isle LNG Export Deepwater Port Development Project DWP would consist of fixed and floating components. These components would include eight (8) platforms, two (2) floating storage units (FSUs), and three (3) interconnecting lateral pipelines for feed gas supply. The eight platforms would include two (2) gas treatment platforms; two (2) LNG liquefaction platforms; two (2) LNG loading platforms; one (1) accommodations platform; and one (1) thermal oxidizer platform. Each platform would be connected via a series of eight (8) linking bridges; the two FSUs would be connected using two (2) telescopic gangways.

The LNG would be loaded onto standard LNG carriers with nominal cargo

capacities between 125,000 and 180,000 cubic meters (m³) (average expected size is 155,000 m³) for the export of LNG, including to Free Trade Agreement (FTA) and non-FTA nations.

The project would be completed in two phases. Phase 1 construction would include five (5) platforms (a gas treatment platform, an LNG liquefaction platform, an LNG loading platform, the accommodations platform, and the thermal oxidizer platform), one (1) FSU, and interconnect lateral pipelines. Phase 1 would produce 2.1 MMTPA of LNG. Phase 2 construction would be expected to begin one year after the beginning of Phase 1 construction. Phase 2 would include the remaining three (3) platforms (a gas treatment platform, an LNG liquefaction platform, and an LNG loading platform) and an additional FSU. Phase 2 would increase the production of the project to 4.2 MMTPA of LNG.

The feed gas supply to the project would be transported via three (3) new pipeline laterals. A new 24-inch-diameter lateral, 1.11 statute miles (1.79 kilometers) in length, would tie-in to the existing Kinetica Partners existing 24-inch (61-centimeter) pipeline. A new 20-inch lateral, 0.43 statute mile (0.69 kilometer) in length, would tie-in to the existing 20-inch (51-centimeter) Kinetica Partners pipeline. Finally, a new 20-inch-diameter lateral, 4.75 statute miles (7.64 kilometers) in length, would tie-in to the existing 18-inch (46-centimeter) High Point Gas Transmission pipeline.

The fabrication and assembly yards for the DWP's fixed components would be located in south Louisiana. One (1) purpose-built transport barge and three (3) project-specific tugs would also be built in south Louisiana. The two (2) FSUs proposed for the project would be repurposed LNG carriers. These would be converted to FSUs in a shipyard located in Europe or Asia.

The onshore components would consist of leasing an existing receiving area/warehouse with an onsite office. These components would be located at one of the

existing fabrication yards in Louisiana.

For Phases 1 and 2, platform and pile fabrication and assembly would be contracted to various existing fabrication yards in south Louisiana with the capacity to build and load out up to a 10,000-short-ton deck. Most of the major equipment (e.g., generators, cranes, gas compressors, and gas treating equipment) would be purchased, fabricated, and assembled at vendor suppliers and then shipped pre-commissioned and ready to install on each of the platform topsides.

The living quarters and helideck that are part of the accommodations platform would be prefabricated and shipped separately. The selected contractor would install the prefabricated quarters onto the accommodations platform deck at the onshore fabrication yard. The piles and risers would be fabricated at a fabrication yard in the south Louisiana region. Subsea assemblies would be fabricated and tested at a fabrication yard.

The purpose-built transport barge and the three project-specific tugs would be built in a south Louisiana shipyard. The tugs and barge would be used during both installation phases of the DWP.

Privacy Act

Anyone can search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). For information on DOT's compliance with the Privacy Act, please visit <https://www.transportation.gov/privacy>.

(Authority: 33 U.S.C. 1501, et seq.; 49 CFR 1.93(h))

By Order of the Maritime Administrator.

T. Mitchell Hudson, Jr.,

Secretary, Maritime Administration.

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