

**FINDING OF NO SIGNIFICANT IMPACT
FOR THE TRAIN 4 PROJECT AT THE FREEPORT LNG TERMINAL REGARDING
THE APPLICATION OF FREEPORT LNG EXPANSION, L.P. AND FLNG
LIQUEFACTION 4, LLC REQUESTING DEPARTMENT OF ENERGY
AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS FROM
THE TRAIN 4 PROJECT TO NON-FREE TRADE AGREEMENT NATIONS**

AGENCY: U.S. Department of Energy, Office of Fossil Energy

ACTION: Finding of No Significant Impact (FONSI)

SUMMARY: Pursuant to section 1501.6 of the regulations of the Council on Environmental Quality (CEQ), 40 C.F.R. § 1501.6, the U.S. Department of Energy (DOE) participated as a cooperating agency with the Federal Energy Regulatory Commission (FERC) in preparation of an environmental assessment (EA) that analyzed the potential environmental impacts associated with an application submitted to FERC by Freeport LNG Development, L.P. and FLNG Liquefaction 4, LLC. The FERC application sought authorization to site, construct, and operate additional liquefied natural gas (LNG) export facilities at the existing Freeport LNG Terminal (Terminal) on Quintana Island, near Freeport, Texas (Train 4 or Train 4 Project). Freeport LNG Expansion, L.P. and FLNG Liquefaction 4, LLC (collectively, FLEX4) filed a related application with DOE requesting authority to export domestically produced LNG from Train 4 of the Terminal to non-free trade agreement countries.

SUPPLEMENTARY INFORMATION: On June 29, 2017, Freeport LNG Development, L.P. and FLNG Liquefaction 4, LLC filed an application with FERC in Docket No. CP17-470-000 under section 3(a) of the Natural Gas Act (NGA), 15 U.S.C. § 717b(a), and the procedures of Part 153 of FERC's regulations seeking authority to expand existing facilities at the Terminal by siting, constructing, and operating the proposed Train 4 Project. The Train 4 Project would increase the Terminal's capability to liquefy natural gas for export by 5.1 million metric tons per annum (mtpa) of LNG, which DOE finds is equivalent to approximately 262.8 billion cubic feet (Bcf) per year of natural gas (0.72 Bcf per day (Bcf/d)).

FLEX4's affiliates (Freeport LNG Development, L.P.; FLNG Liquefaction, LLC; FLNG Liquefaction 2, LLC; and FLNG Liquefaction 3, LLC) are currently constructing a liquefaction and export facility at the Terminal, as well as a pretreatment facility and an associated feed gas pipeline (Liquefaction Project). Trains 1 through 3 of the Liquefaction Project have already received approvals by both FERC and DOE under the NGA. The Train 4 Project will be constructed as an expansion of the Terminal and will be located entirely within the Terminal's footprint.

On March 6, 2018, FLEX4 filed an application (the Application)¹ with DOE's Office of Fossil Energy (DOE/FE) in FE Docket No. 18-26-LNG. FLEX4 seeks authorization to export domestically produced LNG from the Train 4 Project in a volume equivalent to 0.72 Bcf/d of

¹ Freeport LNG Expansion, L.P. and FLNG Liquefaction 4, LLC, Application for Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations, FE Docket No. 18-26-LNG (Mar. 6, 2018).

natural gas, for a term of 20 years. The Application requests authority to export the LNG to any country with which the United States does not have a free trade agreement (FTA) requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (non-FTA countries).

The purpose and need for DOE action is to comply with section 3(a) of the NGA, which requires DOE to issue an order granting an application for authority to export natural gas unless, after opportunity for hearing, it finds that the proposed export will not be consistent with the public interest.

FERC prepared an EA for the Project, which it released for comment in November 2018 and finalized in its Order Granting Authorization Under Section 3 of the Natural Gas Act, issued on May 17, 2019 (167 FERC ¶ 61,155) (FERC Order). The FERC Order granted Freeport LNG Development, L.P. and FLNG Liquefaction 4, LLC's application to construct and operate the Train 4 Project subject to appropriate mitigating measures set forth as an appendix to the Order.

Previously, on August 15, 2014, DOE/FE published the *Addendum to Environmental Review Documents Concerning Exports of Natural Gas from the United States* (79 FR 48132). Although not required by NEPA, DOE/FE prepared the Addendum in an effort to be responsive to the public and to provide the best information available on a subject that had been raised by commenters in LNG export application dockets. The Addendum addresses unconventional natural gas production in the nation as a whole. It does not attempt to identify or characterize the incremental environmental impacts that would result from LNG exports to non-FTA countries.

Adoption: All discussion and analyses related to the potential impacts of a grant of the Application are contained within the EA prepared by FERC, “Environmental Assessment for the Freeport LNG Train 4 Project”²—which is adopted herein (DOE/EA-2105) and incorporated by reference—as well as in the FERC Order. The EA examined potential impacts in the following areas: geology; soil resources; water resources; vegetation; wildlife; threatened, endangered, and other special status species; land use; socioeconomics; cultural resources; reliability and safety; air quality; noise; and cumulative impacts. The EA concluded, and FERC agreed, that with appropriate mitigating measures, the Train 4 Project would not constitute a major federal action significantly affecting the quality of the human environment. DOE also considered the Addendum.

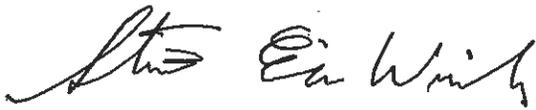
DETERMINATION: On the basis of the EA, the Addendum, and the FERC Order, DOE has determined that granting FLEX4's Application to export LNG from the Train 4 Project, subject to the environmental conditions adopted in the FERC Order, will not have a significant effect on the human environment. The preparation of an environmental impact statement, therefore, is not required, and DOE is issuing this Finding of No Significant Impact.

This FONSI will be available on the DOE/FE website at: <https://www.energy.gov/fe/freeport-lng-expansion-lp-and-flng-liquefaction-4-llc-dkt-no-18-26-lng>. The EA and FONSI will also be

² Federal Energy Regulatory Comm'n, Environmental Assessment for the Freeport LNG Train 4 Project (Freeport LNG Development, L.P. and FLNG Liquefaction 4, LLC), Docket No. CP17-470-000 (Nov. 2, 2018), available at: <https://www.ferc.gov/industries/gas/enviro/eis/2018/CP17-470-EA.pdf?csrc=8492601825945519458>.

available at: <https://www.energy.gov/nepa/ea-2105-freeport-lng-train-4-project-brazoria-county-texas>.

Signed in Vancouver, Canada, on May 28, 2019.

A handwritten signature in black ink, appearing to read "Steve Eric Winberg". The signature is written in a cursive style with a horizontal line underneath the name.

Steven Eric Winberg
Assistant Secretary
Office of Fossil Energy
U.S. Department of Energy