South Coast
Air Quality Management District
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October 23, 2007

Docket Management Facility, US Department of Transportation
Docket Number USCG-2007-26844
West Building; Room W12-140
1200 New Jersey Avenue SE,
Washington, DC 20590-0001

Dear Sir or Madame:

**Notice of Intent to Prepare a Draft Environmental Impact Statement/Environmental Impact Report (Draft EIS/EIR) for the Woodside Natural Gas OceanWay Secure Energy Liquefied Natural Gas (LNG) Deepwater Port**

The South Coast Air Quality Management District (SCAQMD) appreciates the opportunity to comment on the above-mentioned document. The SCAQMD's comments are recommendations regarding the analysis of potential air quality impacts from the proposed project that should be included in the Draft EIS/EIR. Please send the SCAQMD a copy of the Draft EIS/EIR upon its completion. **In addition, please send with the draft EIS/EIR all appendices or technical documents related to the air quality analysis and electronic versions of all air quality modeling and health risk assessment files. Without all files and supporting air quality documentation, the SCAQMD will be unable to complete its review of the air quality analysis in a timely manner. Any delays in providing all supporting air quality documentation will require additional time for review beyond the end of the comment period.**

**Air Quality Analysis**

The SCAQMD adopted its California Environmental Quality Act (CEQA) Air Quality Handbook in 1993 to assist other public agencies with the preparation of air quality analyses. The Handbook and other air quality analysis methodologies recommended here are recommended for use in preparing both CEQA and National Environmental Policy Act (NEPA) documents. The SCAQMD recommends that the Lead Agencies use this Handbook as guidance when preparing its air quality analysis. Copies of the Handbook are available from the SCAQMD's Subscription Services Department by calling (909) 396-3720. Alternatively, the lead Agencies may wish to consider using the California Air Resources Board (CARB) approved URBEMIS 2007 Model. This model is available on the SCAQMD Website at: www.urbemis.com. Additional information that may assist with preparing the air quality analysis can be found at the following URL: http://www.aqmd.gov/ceqa/hdbk.html.

The Lead Agencies should identify any potential adverse air quality impacts that could occur from all phases of the project and all air pollutant sources related to the project. Air quality impacts from both construction (including demolition, if any) and operations should be calculated. Construction-related air quality impacts typically include, but are not limited to, emissions from the use of heavy-duty equipment from grading, earth-loading/unloading, paving, architectural coatings, off-road mobile sources (e.g., heavy-duty construction equipment) and on-road mobile sources (e.g., construction worker vehicle trips, material transport trips). Operation-related air quality impacts may include, but are not limited to, emissions from stationary sources (e.g., boilers), area sources (e.g., solvents and coatings), and vehicular trips (e.g., on- and off-road tailpipe emissions and entrained dust). Air quality impacts from indirect sources, that is, sources that generate or attract vehicular trips should be included in the analysis.

Since the proposed project includes delivery of liquefied natural gas (LNG) by marine vessel, the SCAQMD requests that the Lead Agencies calculate marine vessel emissions during any travel in California coastal waters. Off of Point Fermin in Los Angeles County California coastal waters extend out approximately 66 miles. You can consult the map of California coastal waters at the end of SCAQMD Rule 1142 or contact the California Air Resources Board for more information.

The SCAQMD has developed a methodology for calculating PM2.5 emissions from construction and operational activities and processes. In connection with developing PM2.5 calculation methodologies, the SCAQMD has also developed both regional and localized significance thresholds. The SCAQMD requests that the Lead Agencies quantify PM2.5 emissions and compare the results to the recommended PM2.5 significance thresholds. Guidance for calculating PM2.5 emissions and PM2.5 significance thresholds can be found at the following internet address: http://www.aqmd.gov/ceqa/handbook/PM2_5/PM2_5.html.

In addition to analyzing regional air quality impacts and using the SCAQMD's recommended significance thresholds (http://www.aqmd.gov/ceqa/handbook/signthres.doc), the SCAQMD also recommends calculating localized air quality impacts and comparing the results to localized significance thresholds (LSTs). LST's can be used in addition to the recommended regional significance thresholds as a second indication of air quality impacts when preparing a CEQA document. Therefore, when preparing the air quality analysis for the proposed project, it is recommended that the lead Agencies perform a localized significance analysis by either using the LSTs developed by the SCAQMD or performing dispersion modeling as necessary. Guidance for performing a localized air quality analysis can be found at http://www.aqmd.gov/ceqa/handbook/LST/LST.html.

It is recommended that lead agencies for projects generating or attracting vehicular trips, especially heavy-duty diesel-fueled vehicles, perform a mobile source health risk assessment. Guidance for performing a mobile source health risk assessment ("Health Risk Assessment Guidance for Analyzing Cancer Risk from Mobile Source Diesel Idling Emissions for CEQA Air Quality Analysis") can be found on the SCAQMD's CEQA web pages at the following internet address: http://www.aqmd.gov/ceqa/handbook/mobile_toxic/mobile_toxic.html. An analysis of all toxic air contaminant impacts due to the decommissioning or use of equipment potentially generating such air pollutants should also be included.

**Effects of Gas Quality on Emissions**

The SCAQMD has relied upon the use of clean natural gas, as a critical part of the overall strategy to control and reduce emissions from stationary, as well as mobile sources. Therefore the SCAQMD supports efforts to increase supplies of clean natural gas, including clean LNG, provided that safety, security, and environmental issues are addressed. However, any change to gas quality that causes emission increases is of great concern to the SCAQMD and could impede efforts to attain state and national ambient air quality standards for ozone and PM2.5.

The Natural Gas Council[1] found that the Wobbe Index (or Wobbe Number) of natural gas was one of the most important factors that affects emissions of natural gas fired combustion equipment. Reports of testing by SCG of residential and commercial gas equipment gas equipment are found at http://www.socalgas.com/business/gasquality/. The graphs of NOx emissions versus higher heating value and NOx versus Wobbe Index (WI) at http://www.socalgas.com/business/gasquality/docs/App_G%20_NOxEmissionReports.pdf show that many of the devices tested were very sensitive to WI, with NOx emissions increasing linearly with WI. The units with newer low-NOx burners were generally the most sensitive. Attachment A of the SCG report includes graphs of the sensitive equipment.

A more recent report on heavy-duty vehicles using Detroit Diesel compressed natural gas engines, which are commonly found in the SCAQMD's jurisdiction, is also found on the SCG website at

[1] White Paper on Natural Gas Interchangeability and Non-Combustion End Use, NGC+ Interchangeability Work Group, February 28, 2005

http://www.socalgas.com/business/gasquality/docs/Legacy_DD_report.pdf. The report wasn't written in a manner that readily shows the relationship between WI and NOx, so two graphs of the data have been prepared that clearly show that NOx increases linearly with WI (Figures 1 and 2).

Figure 1

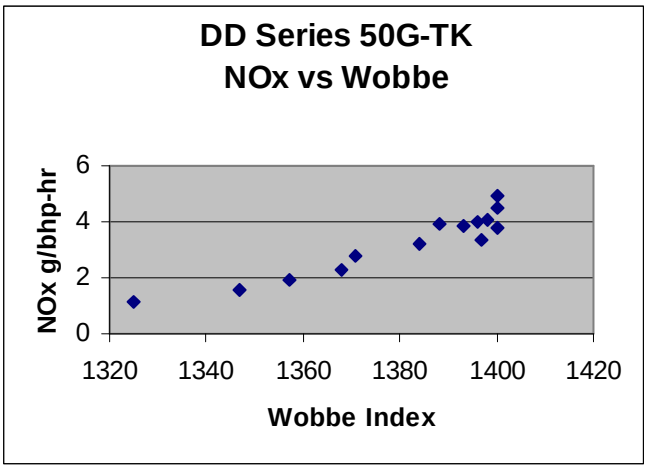
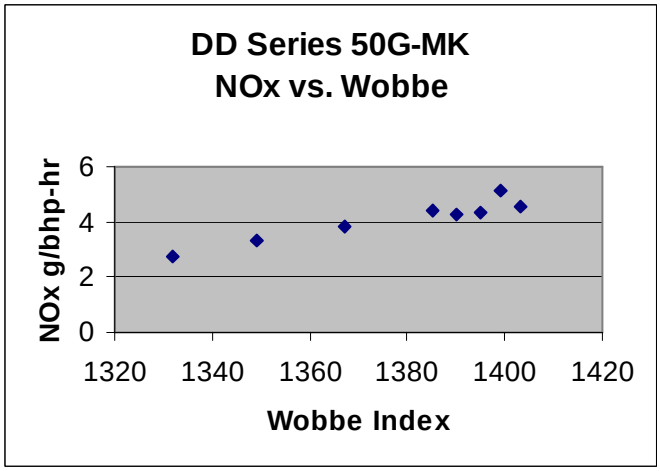



Figure 2




To minimize the effects of hot gas, SCAQMD has recommended to the California Public Utilities Commission and proponents of other potential LNG import projects that the WI of large new sources of natural gas be limited to 1360 Btu/scf.

**Mitigation Measures**

In the event that the project generates significant adverse air quality impacts, CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized during project construction and operation to minimize or eliminate significant adverse air quality impacts. To assist the Lead Agencies with identifying possible mitigation measures for the project, please refer to Chapter 11 of the SCAQMD CEQA Air Quality Handbook for sample air quality mitigation measures. Additional mitigation measures can be found on the SCAQMD's CEQA web pages at the following internet address: www.aqmd.gov/ceqa/handbook/mitigation/MM_intro.html Additionally, SCAQMD's Rule 403 – Fugitive Dust, and the Implementation Handbook contain numerous measures for controlling construction-related emissions that should be considered for use as CEQA mitigation if not otherwise required. Other measures to reduce air quality impacts from land use projects can be found in the SCAQMD's Guidance Document for Addressing Air Quality Issues in General Plans and Local Planning. This document can be found at the following internet address: http://www.aqmd.gov/prdas/aqguide/aqguide.html. In addition, guidance on sitting incompatible land

uses can be found in the California Air Resources Board's Air Quality and Land Use Handbook: A Community Perspective, which can be found at the following internet address: http://www.arb.ca.gov/ch/handbook.pdf. Pursuant to state CEQA Guidelines §15126.4 (a)(1)(D), any impacts resulting from mitigation measures must also be discussed.

**Data Sources**

SCAQMD rules and relevant air quality reports and data are available by calling the SCAQMD's Public Information Center at (909) 396-2039. Much of the information available through the Public Information Center is also available via the SCAQMD's World Wide Web Homepage (http://www.aqmd.gov).

The SCAQMD is willing to work with the Lead Agencies to ensure that project-related emissions are accurately identified, categorized, and evaluated. Please feel free to call me (909) 396-3054 if you have any questions regarding this letter.

Sincerely,

Steve Smith

Steve Smith, Ph.D.
Program Supervisor, CEQA Section
Planning, Rule Development and Area Sources

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