

Appendix B

Draft General Conformity Determination for the Cove Point Liquefaction Project

May 2014

Dominion Cove Point LNG, LP
Docket No. CP13-113-000

TABLE OF CONTENTS

Cove Point Liquefaction Project General Conformity Determination

		<u>Page</u>
1.0	INTRODUCTION.....	B-1
2.0	GENERAL CONFORMITY – REGULATORY BACKGROUND.....	B-1
2.1	General Conformity Requirements	B-2
2.2	General Conformity Process	B-2
3.0	GENERAL CONFORMITY APPLICABILITY	B-3
3.1	Emission Sources	B-4
4.0	GENERAL CONFORMITY.....	B-6
4.1	General Conformity Determination – Maryland.....	B-7
4.1.1	Consistency with Relevant Maryland SIP Requirements	B-7
4.1.2	Maryland SIP Budgets and Project Emission Offsets.....	B-8
4.1.3	Finding of Conformity – Maryland.....	B-10
4.2	General Conformity Determination – Virginia.....	B-10
4.2.1	Consistency with all Relevant Virginia SIP Requirements	B-10
4.2.2	Virginia SIP Budgets and Project Emission Offsets.....	B-11
4.2.3	Finding of Conformity – Virginia.....	B-13

LIST OF TABLES

Table 3-1	General Conformity Thresholds.....	B-3
Table 3.1-1	Construction and Non-Permitted Project Emissions Summary.....	B-5
Table 4.1.1-1	Control Measures in the Maryland SIP	B-7
Table 4.2.1-1	Control Measures in the Virginia SIP	B-10

1.0 INTRODUCTION

Dominion Cove Point LNG, LP (DCP) owns and operates a liquefied natural gas (LNG) import terminal, the Cove Point LNG Terminal (LNG Terminal), in Lusby, Calvert County, Maryland. DCP filed an application in April 2013 with the Federal Energy Regulatory Commission (FERC or Commission) to construct, modify, and operate facilities to liquefy and export LNG. The Project would involve installation of one LNG train with two natural gas fired turbines and expansion of existing DCP facilities to provide gas liquefaction and LNG export services to customers that would provide their own gas supply. Using facilities proposed as part of the Cove Point Liquefaction Project (Project), combined with existing facilities, DCP would provide a bi-directional service of receiving and regasification of imported LNG from LNG vessels (import service), and liquefaction of natural gas for loading onto LNG ships for export at the LNG Terminal (export service). DCP is requesting authorization to construct and operate liquefaction facilities with LNG production capacity of up to 5.75 million metric tons per annum (MTPA). DCP would construct the liquefaction facilities on 49 acres within the 131-acre fenced area of the LNG Terminal site. DCP would also use 96.9 acres of Offsite Area A as a temporary construction laydown/parking area, including temporary buildings and office trailers, and 5.9 acres of Offsite Area B as a temporary barge offloading area including a temporary pier (both areas within Calvert County, Maryland).

Natural gas would be delivered to the LNG Terminal via the existing Cove Point Pipeline. No modifications are needed to the underground pipeline. However, additional compression on the Cove Point Pipeline is required to deliver the inlet gas to the LNG Terminal. To accommodate the gas associated with the Project moving through the Cove Point Pipeline system, DCP proposes to install four new electric-driven compressor units and install and/or replace suction and discharge piping at the existing Pleasant Valley Compressor Station in Fairfax County, Virginia. DCP would also modify the Loudoun Meter and Regulating Station and use the Leesburg Compressor Station for construction laydown, parking, and staging all within Loudoun County, Virginia.

With the exception of some construction and operational marine vessel emissions, the entire proposed Project would occur in Calvert County, Maryland and Fairfax and Loudoun Counties, Virginia. All of these counties are within the Washington DC-MD-VA Ozone Nonattainment Area. Fairfax and Loudoun Counties are also designated nonattainment for the annual particulate matter less than 2.5 microns (PM_{2.5}) standard.

2.0 GENERAL CONFORMITY – REGULATORY BACKGROUND

The U.S. Environmental Protection Agency (EPA) promulgated the General Conformity Rule on November 30, 1993 to implement the conformity provision of Title I, section 176(c)(1) of the federal Clean Air Act (CAA). Section 176(c)(1) states that any department, agency, or instrumentality of the Federal Government shall not engage in, support in any way or provide financial assistance for, license or permit, or approve, any activity which does not conform to an approved CAA implementation plan. The General Conformity Rule is codified in Title 40 Code of Federal Regulations (CFR) Part 93, Subpart B, “Determining Conformity of General Federal Actions to State or Federal Implementation Plans.”

The General Conformity Rule applies to all federal actions occurring in non-attainment or maintenance areas. However, the General Conformity Rule excludes programs and projects that require funds or approval from the U.S. Department of Transportation, the Federal Highway Administration, the Federal Transit Administration, or the Metropolitan Planning Organization. In lieu of a conformity analysis, these latter types of programs and projects must comply with the Transportation Conformity Rule promulgated by EPA on November 24, 1993.

2.1 General Conformity Requirements

Conformity under Title I, section 176(c)(1) of the CAA, means to conform to an implementation plan's purpose of eliminating or reducing the severity and number of violations of the National Ambient Air Quality Standards (NAAQS) and achieving expeditious attainment of such standards. A proposed action or activity cannot:

- Cause or contribute to new violations of any NAAQS in any area;
- Increase the frequency or severity of any existing violation of any NAAQS in the area; or
- Delay timely attainment of any NAAQS, interim emission reductions, or other milestones in the area.

The General Conformity Rule allows for a conformity determination to be performed in coordination with and as part of the National Environmental Policy Act (NEPA) process, although this is not required. The General Conformity Rule applies to air pollutant emissions (direct and indirect) associated with "federal actions" as defined in 40 CFR 93.152 and ensures that the emissions do not contribute to air quality degradation or prevent the achievement of state and federal air quality goals. General Conformity, if applicable to the action, basically refers to the process to evaluate the action to determine and demonstrate that it satisfies the requirements of the approved state implementation plan (SIP). The purpose of the General Conformity Rule is to encourage federal agencies to consult with state and local air quality districts so that these regulatory entities are aware of the expected impacts of the federal action and ensure the action meets their SIP.

2.2 General Conformity Process

The General Conformity process for a proposed action involves two distinct steps: applicability analysis and conformity determination. The applicability analysis is an assessment of whether a proposed action is subject to the General Conformity Rule. If the General Conformity Rule is applicable for the proposed action, then a General Conformity Determination may be required. A General Conformity Determination is an assessment of whether the proposed action conforms to the applicable SIP.

An applicability analysis is required for any "federal action", as defined in 40 CFR 93.152, that is in a nonattainment or maintenance area and the emissions associated with the project may have the potential to exceed the rates listed specified in 40 CFR 93.153(b)(1) and (2). If emissions exceed these rates, then a General Conformity Determination is required. A "federal Action" is defined in 40 CFR 93.152 as *"any activity engaged in by a department, agency, or instrumentality of the federal government, or any activity that a department, agency or instrumentality of the federal government supports in any way, provides financial assistance for, licenses, permits, or approves, other than activities related to transportation plans, programs and projects developed, funded, or approved under Title 23 U.S.C. or the Federal transit Act (49 U.S.C. 1601 et seq.). Where the "federal action" is a permit, license, or other approval for some aspect of a non-federal undertaking, the relevant activity is the part, portion, or phase of the non-federal undertaking that requires the federal permit, license or approval."*

The General Conformity process does not include a review of new sources or existing source modifications that are subject to state or federal New Source Review permitting. Under the General Conformity Rule, these sources are presumed to comply with the SIP by completing the applicable air permitting process with the jurisdictional agency.

If a General Conformity Determination is required for the proposed action, then an evaluation must be performed to determine if the action conforms to the SIP. Where an action would exceed the applicability threshold in multiple states, or where the air quality control region (AQCR) encompasses multiple states, a General Conformity Determination is prepared and conformance documented for each state where the thresholds are exceeded. This may be performed in one document or separately for each state or AQCR.

The FERC is the lead agency responsible for authorizing applications to construct and operate onshore LNG export and interstate natural gas facilities. The Project is considered a “federal action” and the FERC is the lead agency responsible for making the General Conformity Determination. As required under General Conformity, an applicability analysis was performed for the Project to determine if the total direct and indirect emissions for criteria pollutants in non-attainment or maintenance areas exceeded the rates specified in 40 CFR 58.853(b)(1) and (2) and the results are presented in Section 3.0 below. The Project would exceed applicability thresholds and a General Conformity Determination is presented in Section 4.0, below.

3.0 GENERAL CONFORMITY APPLICABILITY

The General Conformity Rule applies only to actions in a nonattainment or maintenance area and the applicability thresholds apply for those portions of the project within that nonattainment area. The General Conformity applicability thresholds are based on the attainment classification for each pollutant. Table 3-1 provides a summary of the attainment status and applicability thresholds for the Project area (LNG terminal, Offsite Areas A and B, and pipeline facilities).

TABLE 3-1 General Conformity Thresholds				
Pollutant	Calvert County, MD		Fairfax and Loudoun Counties, VA	
	Status	Threshold (tons/year)	Status	Threshold (tons/year)
Particulate matter less than 10 microns	Attainment	NA	Attainment	NA
Particulate matter less than 2.5 microns (PM _{2.5})	Attainment	NA	Nonattainment (Annual only) ^a	100 PM _{2.5} 100 NOx 100 SO ₂
SO ₂	Attainment	NA	Attainment	NA
Nitrogen dioxide	Attainment	NA	Attainment	NA
Ozone	Nonattainment ^b	100 NOx 50 VOC	Nonattainment ^b	100 NOx 50 VOC
Carbon monoxide	Attainment	NA	Attainment	NA
Lead	Attainment	NA	Attainment	NA

^a NO_x and SO₂ are considered precursor pollutants to the formation of PM_{2.5} and have thresholds as well.

^b NO_x and VOC are considered precursor pollutants to the formation of ozone and have thresholds as well. The Washington, DC-MD-VA Ozone Nonattainment Area is also located within an ozone transport region, resulting in more stringent VOC thresholds.

All three Counties are within the Washington, DC-MD-VA Ozone Nonattainment Area.
Loudoun and Fairfax Counties are Washington, DC-MD-VA PM_{2.5} Nonattainment Area.

NA = not applicable

The marine vessel emissions were included for LNG carriers, and related support vessels, traveling through the Chesapeake Bay to and from the LNG terminal within Calvert and Saint Mary’s

Counties, Maryland. Calvert County is the only county currently designated non-attainment. Therefore, the marine vessel emissions that are included in this analysis for the Washington, DC-MD-VA Ozone Nonattainment Area are conservative. LNG carriers and support vessels would also pass through waters adjacent to counties in the Norfolk-Virginia Beach-New Port News (Hampton Roads) 8-hour ozone maintenance area, specifically Virginia Beach City, Poquoson City, and York Counties. These counties are part of a different air quality control region and need to be assessed separately from the Washington, DC-MD-VA Ozone Nonattainment Area. Based on experience with other National Environmental Policy Act (NEPA) analyses and General Conformity Applicability analyses, the LNG carrier and support vessel transit emissions in the Virginia maintenance counties are not expected to exceed the general conformity applicability thresholds.¹ Therefore, these emissions are not included in the detailed general conformity applicability analysis.

3.1 Emission Sources

Project emissions sources that are subject to the General Conformity Applicability Analysis include the following:

Construction Emissions

- Barges – Emissions from the transport of equipment and materials to the Project.
- Construction equipment – Emissions from air compressors, backhoes, cranes, and other construction equipment.
- On-road vehicles – Emissions from commuter buses, passenger vehicles, and diesel and gasoline trucks.
- Off-road construction vehicle traffic – Emissions from commuter buses, dump trucks, light/medium duty trucks, and water/fuel trucks.
- Marine construction vessels – Emissions from offshore construction equipment (e.g., survey boats, barges, cranes, and tugboats).
- Earthmoving activities – Emissions resulting from bulldozing, grading, and land disturbance.
- Construction storage piles – Particulate matter emissions from active storage piles that would be used during construction.

Non-Permitted Operational Emissions

- New Employees Commuting – Vehicle emissions from an increase in the number of DCP employees commuting to the facility.

¹ Based on the Sparrows Point LNG Terminal and Pipeline Project (Docket Nos. CP07-62-000 and CP07-63-000), the marine vessel emissions from 180 LNG carriers passing through these same counties were estimated at 39.4 tons per year (TPY) NO_x and 1.1 TPY VOC. The proposed Project would involve less than half as many carriers. The applicability thresholds are 100 TPY NO_x and 50 TPY VOC.

- Waste Haulers – Truck emissions from the increase in waste hauling trucks needed for the site.
- Marine Vessels – Emissions from the LNG export activities, including LNG carriers and supporting marine vessels, such as tugboats and security vessels. The estimated emissions are based on 85 LNG export carriers per year, one security boat per LNG export carrier, and three tugs per LNG export carrier.

The emissions from these sources were calculated using the expected equipment counts and equipment utilizations along with emission factors from various EPA guidance documents and modeling software.²

These Project emissions are summarized in table 3.1-1 and compared to the general conformity applicability thresholds.

Year	Ozone Nonattainment Area ^a		PM _{2.5} Nonattainment Area ^b		
	Emissions (tons/year)		Emissions (tons/year)		
	NO _x	VOC	NO _x	SO ₂	PM _{2.5}
2014	171.13	15.38	0.00	0.00	0.00
2015	326.94	35.00	0.00	0.00	0.00
2016	230.91	32.80	20.61	0.79	5.82
2017 – Construction	123.14	16.43	0.82	0.03	0.66
2017 – Operation (non-permitted) – LNG Terminal	77.23	2.29	0.00	0.00	0.00
2017 (Total)	200.37	18.72	0.82	0.03	0.66
2018 & Beyond (Operational – LNG Terminal)	77.23	2.29	0.00	0.00	0.00
Conformity Applicability Threshold	100	50	100	100	100

^a Emissions are summarized for activities that would occur in Calvert County, MD and Loudoun and Fairfax Counties, VA (Ozone Nonattainment Area).

^b Emissions are provided only for the activities that would occur in Loudoun and Fairfax Counties (PM_{2.5} Nonattainment Area).

Project construction would occur in 2014 – 2017. Construction would be completed in 2017 and operation would begin. Only the LNG Terminal would have any notable non-permitted operational emissions (marine vessels, employee commuter vehicle traffic, and waste haul truck traffic).

NO_x = nitrogen oxides
SO₂ = sulfur dioxide
VOC = volatile organic compounds
PM_{2.5} = particulate matter less than 2.5 microns

The emissions in table 3.1-1 include all nitrogen oxides (NO_x) and VOC that would occur in the Washington DC-MD-VA Ozone Nonattainment Area (Calvert County, Maryland; Loudoun and Fairfax Counties, Virginia). Also included in table 3.1-1 are the NO_x, sulfur dioxide (SO₂) and PM_{2.5} emissions for those activities that would occur in the Washington, DC-VA-MD PM_{2.5} Nonattainment Area (Loudoun and Fairfax Counties, Virginia). As shown in table 3.1-1, the estimated direct and indirect NO_x emissions could exceed the applicability thresholds for 2014 through 2017. It is also conservatively

² Detailed information on calculation methodology for each emission source is available on the FERC website, <http://www.ferc.gov>, using the "elibrary" link and the project docket number CP13-113.

assumed that in 2017, an entire year of marine vessel emissions (due to LNG operations) would occur in addition to the construction emissions.

Because the emissions from the Project would exceed the applicability threshold for NO_x, a general conformity determination must be completed to assess the Project's NO_x emissions conformance to the approved SIP(s) for years 2014 through 2017. These emissions are referred to within this determination as the "General Conformity Project emissions."

Multi-year projects of this scale often encounter schedule modifications. It is possible that construction emissions from one year would shift to another. As discussed below, DCP would offset its maximum year projected emissions for all years. This would account for any schedule adjustment that may result in greater emissions than originally projected in earlier years. The General Conformity Rule also provides for a reassessment if the final General Conformity Determination becomes outdated or if emissions are significantly greater than originally anticipated.

4.0 GENERAL CONFORMITY

A SIP is completed by each jurisdictional agency tasked with implementing the CAA. For SIP matters relating specifically to the Washington DC-MD-VA Nonattainment Area, the District of Columbia, Maryland, and Virginia have formed the Metropolitan Washington Air Quality Committee (MWAQC) to generate the SIP measures for the area that are then incorporated into each state's/territory's SIP. The measures in the SIPs are implemented by the Maryland Department of the Environment (MDE) in Maryland and the Virginia Department of Environmental Quality (VDEQ) in Virginia; including those measures in the Washington DC Area. Therefore, the Project emission summarized above must comply with the Washington DC Area SIP submittals as well as other NO_x SIP submittals for Maryland or Virginia that may apply.

The potentially applicable requirements were determined through a review of the following SIP documents:

- Plan to Improve Air Quality in the Washington, DC-MD-VA Region, SIP for 8-Hour Ozone Standard, May 23, 2007, MWAQC.
- Maryland State Implementation Plan for CAA Section 110(a)(2) for Nitrogen Dioxide and Section 128 for all National Ambient Air Quality Standards, December 21, 2012, MDE.
- Baltimore Nonattainment Area 8-hour Ozone State Implementation Plan and Base Year Inventory, June 15, 2007, MDE.
- Washington DC-MD-VA 1997 PM_{2.5} Maintenance Plan and Redesignation Request, May 22, 2013, MWAQC.

The list above includes two Washington DC Area SIP documents and two State of Maryland SIP documents. The VDEQ does not maintain SIP document postings. A search of the EPA Region III SIP Index³ did not show any other approved SIP documents that may apply to the construction emissions from the Loudoun and Pleasant Valley facilities. Barges would originate from Fairless Hills, Pennsylvania; Baltimore, Maryland; and Corpus Christi, Texas. As such, barge emissions would primarily occur in

³ <http://yosemite.epa.gov/r3/r3sips.nsf/SIPIndex!OpenForm&Start=1&Count=1000&Expand=5.1&Seq=4>

other air quality control regions, but the barge emissions were quantified and determined to be well below the general conformity threshold for these other AQCRs. Therefore, they were not analyzed any further in this General Conformity Determination.

4.1 General Conformity Determination – Maryland

With the exception of barges delivering equipment for the Liquefaction Facilities, all of the emissions from the Liquefaction Facilities construction are expected to occur in Maryland. The criteria for determining conformity are provided in 40 CFR 93.158. An action would be determined to conform for a specific pollutant if it meets the requirements of 40 CFR 93.158(c) and any of the applicable requirements in 40 CFR 93.158(a)(1) through (5). Section 40 CFR 93.158(c) requires the total of direct and indirect emissions from the action be in compliance with all relevant requirements and milestones contained in the applicable SIP. Section 40 CFR 93.158(a)(1) through (5) provide a number of pollutant- and state-specific options for demonstrating conformity. The demonstration of compliance with the Maryland SIP requirements, in accordance with 40 CFR 93.158(c), is provided in Section 4.1.1 of this document, and an analysis of the options the Project would use to demonstrate conformity under 40 CFR 93.158(a) is documented in Section 4.1.2.

4.1.1 Consistency with Relevant Maryland SIP Requirements

The NO_x emission control measures and regulations included in the Maryland SIP that may potentially apply to the Liquefaction Facilities and related activities are listed in table 4.1.1-1.

Emission Control Measures	Type	Potential Applicability to the Liquefaction Facilities and Related Activities
Seasonal Open Burning Restrictions	Local	Open Burning During Construction
EPA Non-road Diesel Engines Rule	Federal	Diesel powered construction equipment greater than 50 horsepower
Emissions Standards for Large Spark Ignition Engines	Federal	Industrial spark-ignition engines rated over 19 kilowatts
Reformulated Gasoline for Off-Road Applications	State	Gasoline construction equipment
Enhanced Inspections/Maintenance	Federal	Delivery and commuter vehicles
Federal Tier 1 and 2 Vehicle Standards	Federal	Delivery and commuter vehicles
National Low Emission Vehicle Standards	Federal	Delivery and commuter vehicles
Heavy Duty Diesel Engine Rule	Federal	Construction and Heavy Duty On-Road Vehicles
California Low Emission Vehicle	State	Delivery and commuter vehicles

Several of the regulations identified in table 4.1.1-1 would indirectly affect the emissions from the proposed Project through implementation of new standards for manufacturers (such as reformulated fuel and engines). Construction equipment and delivery/commuter vehicles would be powered by engines that are subject to these programs. Implementation and compliance with these programs would be required by the manufacturers and refiners; not DCP. Therefore, it is assumed that the Project would be in compliance with these regulations. There is also a requirement in the MWAQC 8-hour ozone SIP to restrict open burning at the local level. DCP has committed not to conduct open burning during construction. Therefore, the Project meets the requirements of 40 CFR 93.158(c) for complying with all relevant requirements and milestones contained in the applicable SIP.

4.1.2 Maryland SIP Budgets and Project Emission Offsets

In addition to complying with the control measures and regulations relied upon in the applicable SIP, 40 CFR 93.158(a) of the General Conformity Rule requires that the project comply with one of the following:

- 40 CFR 93.158(a)(1) – *For any criteria pollutant or precursor, the total of direct and indirect emissions from the action are specifically identified and accounted for in the applicable SIP’s attainment or maintenance demonstration or reasonable further progress milestone or in a facility-wide emission budget included in a SIP in accordance with 40 CFR 93.161.;*

Annual emissions from LNG import vessels were included in the 2002 and 2009 SIP baseline emission inventories. These are operational emissions from sources not subject to stationary source permitting. However, the Maryland SIP budgets do not specifically include the General Conformity Project emissions (i.e., emissions from construction, LNG export vessels, and associated LNG export support vessels). Therefore, this conformity option is not applicable.

- 40 CFR 93.158(a)(2) - *For precursors of ozone, nitrogen dioxide, or Particulate Matter, the total of direct and indirect emissions from the action are fully offset within the same nonattainment or maintenance area (or nearby area of equal or higher classification provided the emissions from that area contribute to the violations, or have contributed to violations in the past, in the area with the Federal action) through a revision to the applicable SIP or similar enforceable measure that effects emissions reductions so that there is no net increase in emissions of that pollutant.*

Similar to this conformity option, the Maryland Nonattainment New Source Review (NNSR) program (COMAR 26.11.17) requires that new major stationary sources or major modifications completely offset the proposed Project NO_x emissions. These offsets may be obtained through the purchase of emission reduction credits (ERC) from the MDE ERC program. The ERCs are credits generated by local air emissions sources that have made an enforceable, permanent, and quantifiable emission reduction. DCP has already stated in supplemental information filed with the Commission, that DCP has purchased sufficient NO_x ERCs to meet the General Conformity regulation. These ERCs are from sources within the Washington DC-MD-VA Air Quality Control Region including Essroc Cement Corporation.

Because this is the method of conformance selected, DCP must demonstrate that it has purchased these offsets and that MDE finds their use acceptable under General Conformity. Therefore, the Environmental Assessment for this Project includes a recommendation that prior to any construction, DCP is required to provide documentation demonstrating that it has purchased sufficient offsets under General Conformity and DCP is required to provide a letter from MDE indicating the ERCs are acceptable.

- 40 CFR 93.158(a)(3) - *For any directly-emitted criteria pollutant, the total of direct and indirect emissions from the action meets the requirements:*
 - *(i) Specified in paragraph (b) of this section based on areawide air quality modeling analysis and local air quality modeling analysis; or*

- *(ii) Meet the requirements of paragraph (a)(5) of this section and, for local air quality modeling analysis the requirement of paragraph (b) of this section.*

The NO_x General Conformity Project emissions would be emitted as ozone or particulate matter precursor pollutants. Therefore, this conformity option is not applicable.

- 40 CFR 93.158(a)(4) - *For carbon monoxide or directly emitted particulate matter:*
 - *(i) Where the State agency primarily responsible for the applicable SIP determines that an areawide air quality modeling analysis is not needed, the total of direct and indirect emissions from the action meet the requirements specified in paragraph (b) of this section, based on local air quality modeling analysis; or*
 - *(ii) Where the State agency primarily responsible for the applicable SIP determines that an areawide air quality modeling analysis is appropriate and that a local air quality modeling analysis is not needed, the total of direct and indirect emissions from the action meet the requirements specified in paragraph (b) of this section, based on areawide modeling, or meet the requirements of paragraph (a)(5) of this section.*

This conformity option is not applicable because the only General Conformity Project emissions are NO_x, as ozone and particulate matter precursor emissions.

- 40 CFR 93.158(a)(5) - *For ozone or nitrogen dioxide, and for purposes of paragraphs (a)(3)(ii) and (a)(4)(ii) of this section, each portion of the action or the action as a whole meets any of the following requirements:*
 - *(i) Where EPA has approved a revision to the applicable implementation plan after the area was designated as nonattainment and the State or Tribe makes a determination as provided in paragraph (a)(5)(i)(A) of this section or where the State or Tribe makes a commitment as provided in paragraph (a)(5)(i)(B) of this section;*
 - *(ii) The action (or portion thereof), as determined by the MPO, is specifically included in a current transportation plan and transportation improvement program which have been found to conform to the applicable SIP under 40 CFR part 51, subpart T, or 40 CFR part 93, subpart A;*
 - *(iii) The action (or portion thereof) fully offsets its emissions within the same nonattainment or maintenance area (or nearby area of equal or higher classification provided the emissions from that area contribute to the violations, or have contributed to violation in the past, in the area with the Federal action) through a revision to the applicable SIP or an equally enforceable measure that effects emissions reductions equal to or greater than the total of direct and indirect emissions from the action so that there is no net increase in emissions of that pollutant;*
 - *(iv) Where EPA has not approved a revision to the relevant SIP since the area was designated or reclassified, the total of direct and indirect emissions from the action for the future years (described in §93.159(d)) do not increase emissions with respect to the baseline emissions:*

- (v) *Where the action involves regional water and/or wastewater projects, such projects are sized to meet only the needs of population projections that are in the applicable SIP.*

Sections 93.158(a)(5)(i), (ii), (iv), and (v) are not applicable to the Project. Section 93.158(a)(5)(iii) is identical to Section 93.158(a)(2). Therefore, this conformity option is not applicable.

4.1.3 Finding of Conformity – Maryland

DCP has entered into contractual agreements and purchased all offsets required for construction of the Project. In addition, we included a recommendation for any order Granting Authority and issuing Certificate (Order) approving this Project that prior to the Commission granting any construction, DCP must provide a record of NO_x offsets obtained and demonstrate that this amount is equal to the amount required under the final General Conformity Determination. DCP must also obtain and submit a letter from MDE concurring that the offset requirement has been met. This recommendation ensures that no emissions would occur from the Project before offsets are obtained and that once offsets are obtained, any emissions from the Project would be completely offset and cause a net reduction in emissions within the nonattainment area. In addition, DCP has provided information to demonstrate that sufficient offsets are available to it to completely offset NO_x emissions from the Project, and FERC staff have determined that offsetting is a viable approach to demonstration conformance.

We have determined that the Project will achieve conformity in Maryland through compliance with 40 CFR 93.158(a)(2) and 40 CFR 93.158(c).

4.2 General Conformity Determination – Virginia

Emissions from construction in Loudoun and Fairfax Counties, Virginia would occur in 2016 and 2017. The NO_x emissions from these activities would be subject to the general conformity determination requirements, as codified in 40 CFR 93.185(a) and (c) and discussed in Section 4.0 above.

4.2.1 Consistency with all Relevant Virginia SIP Requirements

The emission control measures and regulations that have been included in the Virginia SIP that may potentially apply to the Project are summarized in table 4.2.1-1.

Emission Control Measures	Type	Potential Applicability to the Liquefaction Facilities and Related Activities
Seasonal Open Burning Restrictions	Local	Open Burning During Construction
EPA Non-road Diesel Engines Rule	Federal	Diesel powered construction equipment greater than 50 horsepower
Emissions Standards for Large Spark Ignition Engines	Federal	Industrial spark-ignition engines rated over 19 kilowatts
Reformulated Gasoline for Off-Road Applications	State	Gasoline construction equipment
Enhanced Inspections/Maintenance	Federal	Delivery and commuter vehicles
Federal Tier 1 and 2 Vehicle Standards	Federal	Delivery and commuter vehicles
National Low Emission Vehicle Standards	Federal	Delivery and commuter vehicles
Heavy Duty Diesel Engine Rule	Federal	Construction and Heavy Duty On-Road Vehicles

Several of the regulations identified in table 4.2.1-1 would indirectly affect the emissions from the proposed Project through implementation of new standards for manufacturers (such as reformulated fuel and engines). Construction equipment and delivery/commuter vehicles would be powered by engines that are subject to these programs. Implementation and compliance with these programs would be required by the manufacturers and refiners; not DCP. Therefore, it is assumed that the Project would be in compliance with these regulations. There is also a requirement in the MWAQC 8-hour ozone SIP to restrict open burning at the local level. DCP has committed not to conduct open burning during construction. Therefore, the Project meets the requirements of 40 CFR 93.158(c) for complying with all relevant requirements and milestones contained in the applicable SIP.

4.2.2 Virginia SIP Budgets and Project Emission Offsets

In addition to complying with the control measures and regulations relied upon in the applicable SIP, 40 CFR 93.158(a) of the General Conformity Rule requires that the project comply with one of the following:

- 40 CFR 93.158(a)(1) – *For any criteria pollutant or precursor, the total of direct and indirect emissions from the action are specifically identified and accounted for in the applicable SIP’s attainment or maintenance demonstration or reasonable further progress milestone or in a facility-wide emission budget included in a SIP in accordance with 40 CFR 93.161.*

The Virginia SIP budgets do not specifically include the emissions from the subject Project emissions.

- 40 CFR 93.158(a)(2) - *For precursors of ozone, nitrogen dioxide, or Particulate Matter, the total of direct and indirect emissions from the action are fully offset within the same nonattainment or maintenance area (or nearby area of equal or higher classification provided the emissions from that area contribute to the violations, or have contributed to violations in the past, in the area with the Federal action) through a revision to the applicable SIP or similar enforceable measure that effects emissions reductions so that there is no net increase in emissions of that pollutant.*

As noted above in section 4.1.2, the ERCs that DCP plans to purchase would be sufficient to completely offset the General Conformity Project emissions (including the NO_x emission related to the construction of the Loudoun and Pleasant Valley facilities), thereby meeting 40 CFR 93.158 (a)(2) of the general conformity regulations.

- 40 CFR 93.158(a)(3) - *For any directly-emitted criteria pollutant, the total of direct and indirect emissions from the action meets the requirements:*
 - *(i) Specified in paragraph (b) of this section based on areawide air quality modeling analysis and local air quality modeling analysis; or*
 - *(ii) Meet the requirement of paragraph (a)(5) of this section and, for local air quality modeling analysis the requirement of paragraph (b) of this section.*

The NO_x General Conformity Project emissions would be emitted as ozone or particulate matter precursor pollutants. Therefore, this conformity option is not applicable.

- 40 CFR 93.158(a)(4) - *For carbon monoxide or directly emitted particulate matter:*

- *(i) Where the State agency primarily responsible for the applicable SIP determines that an areawide air quality modeling analysis is not needed, the total of direct and indirect emissions from the action meet the requirements specified in paragraph (b) of this section, based on local air quality modeling analysis; or*
- *(ii) Where the State agency primarily responsible for the applicable SIP determines that an areawide air quality modeling analysis is appropriate and that a local air quality modeling analysis is not needed, the total of direct and indirect emissions from the action meet the requirements specified in paragraph (b) of this section, based on areawide modeling, or meet the requirements of paragraph (a)(5) of this section.*

This conformity option is not applicable because the only General Conformity Project emissions are NO_x, as ozone and particulate matter precursor emissions.

- 40 CFR 93.158(a)(5) - *For ozone or nitrogen dioxide, and for purposes of paragraphs (a)(3)(ii) and (a)(4)(ii) of this section, each portion of the action or the action as a whole meets any of the following requirements:*
 - *(i) Where EPA has approved a revision to the applicable implementation plan after the area was designated as nonattainment and the State or Tribe makes a determination as provided in paragraph (a)(5)(i)(A) of this section or where the State or Tribe makes a commitment as provided in paragraph (a)(5)(i)(B) of this section;*
 - *(ii) The action (or portion thereof), as determined by the MPO, is specifically included in a current transportation plan and transportation improvement program which have been found to conform to the applicable SIP under 40 CFR part 51, subpart T, or 40 CFR part 93, subpart A;*
 - *(iii) The action (or portion thereof) fully offsets its emissions within the same nonattainment or maintenance area (or nearby area of equal or higher classification provided the emissions from that area contribute to the violations, or have contributed to violation in the past, in the area with the Federal action) through a revision to the applicable SIP or an equally enforceable measure that effects emissions reductions equal to or greater than the total of direct and indirect emissions from the action so that there is no net increase in emissions of that pollutant;*
 - *(iv) Where EPA has not approved a revision to the relevant SIP since the area was designated or reclassified, the total of direct and indirect emissions from the action for the future years (described in §93.159(d)) do not increase emissions with respect to the baseline emissions:*
 - *(v) Where the action involves regional water and/or wastewater projects, such projects are sized to meet only the needs of population projections that are in the applicable SIP.*

Sections 93.158(a)(5)(i), (ii), (iv), and (v) are not applicable to the Project. Section 93.158(a)(5)(iii) is identical to Section 93.158(a)(2). Therefore, this conformity option is not applicable.

4.2.3 Finding of Conformity – Virginia

As noted in Section 4.1.3, the General Conformity Project emissions will be completely offset at a ratio of at least 1 to 1, thereby meeting the requirement of 40 CFR 93.158(a)(2). In addition, the General Conformity Project emissions would be consistent with the applicable SIP requirements, thereby meeting the requirements of 40 CFR 93.128(c). Therefore, we have determined that the Project will conform to the Virginia SIP and meet the requirements of the General Conformity Rule. However, DCP must also obtain and submit a letter from VDEQ concurring that the offset requirement has been met.