

U.S. Department of
Homeland Security

United States
Coast Guard



Commander
United States Coast Guard
Sector San Juan

5 Calle La Puntilla
San Juan, PR 00901-1819
Phone: (787) 729-2300

BGM
9/26/18

16610
P 405-18
September 26, 2018

NFEnergia, LLC
Attn: Capt. Mark Lane
111 W. 19th Street, 8th Floor
New York, NY 10011

Dear Captain Lane:

This Letter of Recommendation (LOR) is issued pursuant to 33 C.F.R. § 127.009 and in response to the Letter of Intent submitted by your company on December 12, 2017, proposing to transport Liquefied Natural Gas (LNG) by ship to Wharves A and B in Puerto Nuevo, Puerto Rico. This LOR conveys the Coast Guard's recommendation that the waterways approaching and entering San Juan Harbor to Wharves A and B in Puerto Nuevo, Puerto Rico be considered suitable for LNG marine traffic. In addition to meeting the requirements of 33 C.F.R. § 127.009, this letter also fulfills the Coast Guard's commitment to provide information to your agency.

My recommendation on the suitability of these waterways is provided to assist your company in the proposal, planning, and execution of the concept of operations for your facility. Because certain sections of the LOR Analysis contain security related data that is "Security Sensitive Information" (SSI), two versions are enclosed. The first contains SSI. The second has all SSI redacted and is marked as such, indicating that it is releasable to the general public. This letter and redacted version of the accompanying analysis may be provided to other agencies as needed.

My staff will continue to monitor the progress of this project and will maintain communications with the project managers from your company and its partners. We are committed to ensure that all safety and security measures necessary to safeguard the public health and welfare, critical marine infrastructure and the marine environment are fully implemented and maintained.

If you have questions regarding this letter of recommendation, my point of contact is Lieutenant Commander Jose Rosario, who can be reached at (787) 289-2378 or Jose.M.Rosario@uscg.mil.

Sincerely,

A handwritten signature in blue ink, appearing to read "E.P. King".

E.P. King
Captain, U. S. Coast Guard
Captain of the Port

Enclosures: (1) Letter of Recommendation Analysis (Redacted)
(2) Letter of Recommendation Analysis (SSI)

Copy: Commander Coast Guard District 7 (dp)
Commander Atlantic Area (ap)

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Homeland Security

United States
Coast Guard



Captain of the Port
United States Coast Guard
Sector San Juan

5 Calle La Puntilla
San Juan, PR 00901-1819
Phone: (787) 729-2376
Fax: (787) 729-2377
e-mail: ssicc@uscg.mil

16600
P 419-18
26 Sep 18

MEMORANDUM

From: E. P. King, CAPT
CG SECTOR San Juan (s)

Reply to: LCDR Jose M. Rosario
Attn of: (787) 729-2374

To: Federal Energy Regulatory Commission (FERC)

Thru: CG D7(dpw)
CG-FAC-2

Subj: RECOMMENDATION OF WATERWAY SUITABILITY OF SAN JUAN HARBOR
FOR NFENERGIA, LLC PROPOSED OPERATIONS

Ref: (a) My memo 16600 dtd 23 Aug 18

1. Previously, in reference (a), I provided notice to FERC of the planned operations of NFEnnergia, LLC in San Juan Harbor. As part of this notice, I indicated my staff was analyzing the suitability of the waterway associated with these operations as required by 33 C.F.R. § 127.009. That analysis is now complete, and this Letter of Recommendation (LOR) conveys the Coast Guard's recommendation the waterways approaching and entering San Juan Harbor to Wharves A and B in Puerto Nuevo, Puerto Rico be considered suitable for LNG marine traffic. My recommendation is based on the review of the NFEnnergia, LLC's submitted Waterways Suitability Assessment, the follow-on Waterways Suitability Assessment, and the application of the factors listed factors listed in 33 C.F.R. § 127.007 and 33 C.F.R. § 127.009. The reasons supporting my recommendation are more thoroughly in the enclosed LOR Analysis (LOR-A). In addition to meeting the requirements of 33 C.F.R. § 127.009, this letter also fulfills the Coast Guard's commitment for providing information to your agency under the Interagency Agreement signed in February 2004.

2. On September 4, 2018, I completed a review of the WSA and the follow-on WSA for the proposed facilities, both temporary and permanent, submitted by NFEnnergia, LLC. This review was conducted following the guidance provided in U.S. Coast Guard Navigation and Vessel Inspection Circular (NVIC) 01-2011. The review focused on the navigation safety and maritime security aspects of LNG vessel transits along the affected waterways. My analysis included an assessment of the risks posed by these transits and possible management measures that could be imposed to mitigate these risks. During the review, I consulted with members from the Harbor Safety Committees, Area Maritime Security Committee, Puerto Rico government and industry partners. Notably, a two-day long workshop with port stakeholders was held by NFEnnergia, LLC and attended by my staff. During this process, I collected their input and recommendations relating to future operations and potential impacts to the waterways in San Juan Harbor. Following the formal consultation and validation of the WSA, my staff developed the enclosed LOR-A, which contains a detailed summary of the WSA review process that guided this recommendation. Because certain

Subj: RECOMMENDATION OF WATERWAY SUITABILITY OF
SAN JUAN HARBOR FOR NFENERGIA, LLC PROPOSED
OPERATIONS

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26 Sep 18

sections of the LOR-A contain security-related data that is "Sensitive Security Information" (SSI), two versions are enclosed. The first contains SSI. The second has all SSI redacted and is marked as such, to indicate that it is releasable to the general public.

3. My recommendation of the suitability of these waterways is provided to assist you in your determination of whether the proposed facility should be commissioned. The information in the enclosed LOR-A may be used by you if you deem conditions are warranted in your Commission Order – if required. As with all issues related to waterway safety and security, I will assess each transit on a case by case basis to identify what, if any, safety and security measures are necessary to safeguard the public health and welfare, critical marine infrastructure and key resources, the port, the marine environment, and the vessel.

4. Should you have any questions or need additional information, please do not hesitate to contact my staff. My point of contact for this matter is LCDR Jose M. Rosario, who can be reached at Jose.M.Rosario@uscg.mil or 787-729-2374.

#

Enclosures: (1) Letter of Recommendation Analysis (SSI)
(2) Letter of Recommendation Analysis (Redacted)

Copy: Commander, Coast Guard District Seven (dp)
Commander, Atlantic Area (ap)
NFEnergia, LLC

U.S. Department of
Homeland Security

United States
Coast Guard



Commander
U.S. Coast Guard
Sector San Juan

5 Calle La Puntilla
San Juan, PR 00901-1819
Phone: (787) 729-2300

16610
P 404-18
September 26, 2018

Public Service Commission
Attn: President Luis D. Garcia-Fraga
PO Box 190870
San Juan, Puerto Rico 00919

Dear President Garcia-Fraga:

This Letter of Recommendation (LOR) is issued pursuant to 33 C.F.R. § 127.009 in response to the Letter of Intent submitted by NFEnergia, LLC on December 12, 2017 proposing to transport Liquefied Natural Gas (LNG) by ship to the Wharves A and B in Puerto Nuevo, San Juan, Puerto Rico. After reviewing the information in the applicant's Letter of Intent (LOI), the Waterway Suitability Assessment (WSA) materials submitted by your company, and applying the factors listed in 33 C.F.R. § 127.007 and 33 C.F.R. § 127.009, this LOR conveys the Coast Guard's recommendation that the waterways approaching and entering San Juan Harbor to Wharves A and B in Puerto Nuevo, Puerto Rico be considered suitable for LNG marine traffic. In addition to meeting the requirements of 33 C.F.R. § 127.009, this letter also fulfills the Coast Guard's commitment to provide information to your agency.

On September 4th, 2018, I completed a review of the WSA and the follow-on WSA for the proposed facilities, both temporary and permanent, submitted by NFEnergia, LLC. This review was conducted following the guidance provided in U.S. Coast Guard Navigation and Vessel Inspection Circular (NVIC) 01-2011. The review focused on the navigation safety and maritime security aspects of LNG vessel transits along the affected waterways. My analysis included an assessment of the risks posed by these transits and possible management measures that could be imposed to mitigate these risks. During the review, I consulted with members from the Harbor Safety Committees, Area Maritime Security Committee, Puerto Rico government and industry partners. Notably, a two-day long workshop with port stakeholders was held by NFEnergia, LLC and attended by my staff. During this process, I collected their input and recommendations relating to future operations and potential impacts to the waterways in San Juan Harbor. Following the formal consultation and validation of the WSA, my staff developed the attached LOR Analysis, which contains a detailed summary of the WSA review process that guided this favorable recommendation.

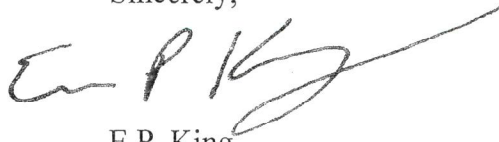
My recommendation of the suitability of these waterways is provided to assist you in your determination of whether the proposed facility should be commissioned. The information in the attached LOR Analysis may be used by you if you deem conditions are warranted in your Commission Order.

As with all issues related to waterway safety and security, my staff will continue to monitor the progress of this project and will maintain communications with the project managers from NFEnergia, LLC and its partners. We are sincerely committed to ensure that all safety and security measures necessary to safeguard the public health and welfare, critical marine infrastructure and the marine environment are fully implemented and maintained.

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If you have questions regarding this recommendation, my point of contact is LCDR Jose Rosario. He can be reached by telephone at (787) 289-2378 or by e-mail at Jose.M.Rosario@uscg.mil.

Sincerely,

A handwritten signature in black ink, appearing to read 'E.P. King', with a long horizontal flourish extending to the right.

E.P. King
Captain, U. S. Coast Guard
Captain of the Port

Enclosures: Letter of Recommendation Analysis (Redacted)

Copy: Commander Coast Guard District 7 (dp)
Commander Atlantic Area (ap)
NFEnergia, LLC