

DEPARTMENT OF THE ARMY JACKSONVILLE DISTRICT CORPS OF ENGINEERS P.O. Box 4970 JACKSONVILLE, FLORIDA 32232-0019

LARS IT

DEC 23 2010

Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

Dear Mrs. Bose:

RE: Via Verde Natural Gas Pipe Line SAJ-2010-02881

The US Army Corps of Engineers (USACE) has received a permit application submitted by PREPA. The applicant proposes to construct and install a 24-inch diameter steel natural gas (NG) pipeline approximately 92 miles long with a construction right-of way (ROW) of 150 feet wide, that traverses the island of Puerto Rico from the EcoEléctrica Liquid Natural Gas Terminal in the municipality of Peñuelas, to the Cambalache Thermoelectric Power Plant in the municipality of Arecibo, then east to the Palo Seco power plant facility in the municipalities of Toa Baja and San Juan. The total project area is about 1,672 acres and the pipeline will traverse 235 rivers and wetlands, covering 369 acres of jurisdictional Waters of the United States. A copy of the public notice for this proposal is enclosed.

In accordance with the National Environmental Policy Act (NEPA) and our environmental policies and procedures, an environmental document will be prepared to document the evaluation of alternatives, including the no action and public involvement. The majority of the potential environmental impacts of the proposed project are within the jurisdiction of the USACE. The USACE is taking the lead for NEPA review, as well as to any consultation required under ESA, EFH, and Sec 106 of the NHPA.

We hereby extend an invitation to become a cooperating agency with the USACE in the development of the NEPA document for the proposed project in accordance to 40CFR1501.6 of the Council on Environmental Quality's regulations for the implementation of procedural provision of NEPA. Pursuant to NEPA Sec. 1501, cooperating agencies are responsible for identifying as early as practicable any issues of concern regarding the project's potential environmental or socioeconomic impacts that could substantially delay or prevent an agency from granting a permit or other approval that is needed for the project. We suggest that your agency's role in the development of this project should include the following activities as they relate to your area of expertise:

- 1. Provide meaningful and early input on agency concerns.
- 2. Participate in monthly coordination meetings, quarterly interdisciplinary team meetings, and joint field reviews, as appropriate.
- 3. Timely review and comment on pre-draft and pre-final NEPA documents to reflect views and concerns of your agency on the adequacy of the document, alternatives considered, and the anticipated impacts and mitigation.

Please provide a written response indicating your acceptance or denial of this invitation no later than 30 days from the receipt of this letter. If you accept, please identify the appropriate contact person within your organization for future coordination. If your agency declines, the response should state the reason(s) for declining the invitation. Federal agency that chooses to decline the invitation to be a cooperating agency must specifically state in its response that it:

- Has no jurisdiction or authority with respect to the project;
- Has no expertise or information relevant to the project; and
- Does not intend to submit comments on the project.

If you have any questions or would like to discuss the project or our agencies' respective roles in more detail, please contact Mr. Edgar W. Garcia, Project Manager, at 787-729-6905, extension 3059. Thank you for your cooperation and interest in this project.

Sincerely,

Donald W. Kinard

Chief, Regulatory Division

Encl

cc: FWS NMFS - ESA NMFS - EFH SHPO EPA