



**US Army Corps
of Engineers**
Fort Worth District

Public Notice

Applicant: Prism Gas Systems I, L.P

Permit Application No. : SWF-2009-00117

Date: August 6, 2009

The purpose of this public notice is to inform you of a proposal for work in which you might be interested. It is also to solicit your comments and information to better enable us to make a reasonable decision on factors affecting the public interest. We hope you will participate in this process.

Regulatory Program

Since its early history, the U.S. Army Corps of Engineers has played an important role in the development of the nation's water resources. Originally, this involved construction of harbor fortifications and coastal defenses. Later duties included the improvement of waterways to provide avenues of commerce. An important part of our mission today is the protection of the nation's waterways through the administration of the U.S. Army Corps of Engineers Regulatory Program.

Section 10

The U.S. Army Corps of Engineers is directed by Congress under Section 10 of the Rivers and Harbors of 1899 (33 USC 403) to regulate *all work or structures in or affecting the course, condition or capacity of navigable waters of the United States*. The intent of this law is to protect the navigable capacity of waters important to interstate commerce.

Section 404

The U.S. Army Corps of Engineers is directed by Congress under Section 404 of the Clean Water Act (33 USC 1344) to regulate the *discharge of dredged and fill material into all waters of the United States, including wetlands*. The intent of the law is to protect the nation's waters from the indiscriminate discharge of material capable of causing pollution and to restore and maintain their chemical, physical and biological integrity.

Contact

Name: Eric Dephouse

Phone Number: (817) 886-1820

JOINT PUBLIC NOTICE

U.S. ARMY CORPS OF ENGINEERS, FORT WORTH DISTRICT

AND

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

SUBJECT: Application for a Department of the Army Permit under Section 404 of the Clean Water Act (CWA) and for water quality certification under Section 401 of the CWA to discharge dredged and fill material into waters of the United States associated with a proposal by Prism Gas Systems I, L.P. to construct the Waskom Rail Yard in Harrison County, Texas.

APPLICANT: Prism Gas Systems I, L.P.
Mr. Bill Diehnelt
2350 Airport Freeway
Suite 505
Bedford, Texas 76022

APPLICATION NUMBER: SWF-2009-00117

DATE ISSUED: August 6, 2009

LOCATION: The proposed rail spurs, detention dam, haul roads, field office, loading platform, and storage tank area would be located within forested, scrub/shrub, and emergent wetlands located north of U.S. Highway 80 in Harrison County, Texas. The proposed project would be located approximately at UTM coordinates 398369.99 East and 3593996.24 North (Zone 15) on the Waskom, TX-LA 7.5-minute USGS quadrangle map in the USGS Hydrologic Unit 12010001.

OTHER AGENCY AUTHORIZATIONS: State Water Quality Certification

PROJECT DESCRIPTION: Prism Gas Systems I, L.P. proposes the discharge of dredged and fill material into approximately 3.79 acres of Waters of the United States to construct the Waskom Rail Yard project. The project involves five rail spurs off of an existing railroad, a detention dam, haul roads, field office, loading platform, and storage tank area to load and transport liquefied petroleum gas products on rail cars for various markets (see Sheets 1 – 8). Field delineations of the Waskom Rail Yard revealed jurisdictional wetlands within the project area. Based on the results of the delineations, the project would involve activities subject to the requirements of Section 404 of the Clean Water Act. Construction of the Waskom Rail Yard would permanently impact a total of 3.79 acres of wetlands, including 0.41 acre of emergent wetlands, 2.20 acres of scrub/shrub wetlands, and 1.18 acres of forested wetlands.

During project planning, the applicant considered alternatives to avoid adverse impacts to waters of the United States. Under the no action alternative, the proposed project would not be constructed, and Prism would transport natural gas from nearby facilities. All adverse environmental effects associated with the proposed project would be avoided. It is likely that if natural gas transportation associated with the proposed project does not occur, it would occur from other operators. Movement of the site is constrained by the limits of the existing railroad needed to transport the natural gas to markets in demand. The proposed site is located adjacent to an existing railroad which would be utilized. Relocation to another site would require Prism to construct a new railway, and to build the rail spurs which would result in overall increased wetland impacts associated with the project. Prism has considered constructing a larger site for the proposed project. The larger site would provide additional workspace during staging and loading. Prism has reduced the amount of rail spur lines to minimize adverse impacts to wetland areas. The current proposal represents the minimum size that would safely accommodate the requirements of the proposed project.

Dominant vegetation within the emergent wetlands includes common rush (*Juncus effusus*), bagpod (*Sesbania* sp.), southern dewberry (*Rubus trivialis*), loblolly pine (*Pinus taeda*) seedlings, rushes (*Juncus* sp.), panicgrass (*Panicum* sp.), dogfennel (*Eupatorium capillifolium*), eastern baccharis (*Baccharis halimifolia*), broomsedge bluestem (*Andropogon virginicus*), and rosettegrass (*Dichanthelium* sp.).

Dominant vegetation within the scrub/shrub wetlands includes eastern baccharis, rushes, black willow (*Salix nigra*) saplings, southern dewberry, dogfennel, sweetgum (*Liquidambar styraciflua*) saplings, and common rush. The scrub/shrub wetland community has been classified as medium quality based on the variety of species present and the relative predominance of early successional and shrub species. Based on species composition, the area is not functioning at or above what is typically associated with a high quality wetland.

Dominant vegetation within the forested wetlands includes sweetgum trees, loblolly pine seedlings, eastern baccharis, rushes, Japanese honeysuckle (*Lonicera japonica*), deciduous holly (*Ilex decidua*), southern dewberry, sugarberry (*Celtis laevigata*) trees, southern red oak (*Quercus falcata*) trees, dogfennel, black willow saplings, and cattails (*Typha* sp.). The forested wetland community has been classified as medium quality based on the variety of species present and the relative predominance of early successional and shrub species. Based on species composition, the area is not functioning at or above what is typically associated with a high quality wetland.

To compensate for unavoidable permanent adverse impacts to waters of the United States, the applicant proposes to utilize credits from the Sabal Wetland Preserve Mitigation Bank to fulfill off-site mitigation requirements in accordance with the Compensatory Mitigation Rule (33 CFR Part 332). No on-site mitigation is proposed due to the lack of wetland mitigation opportunities. Credits from the Sabal Wetland Preserve Mitigation Bank will be calculated using permanent impact ratios based upon the type of credits available when the permit is issued.

PUBLIC INTEREST REVIEW FACTORS: This application will be reviewed in accordance with 33 CFR 320-332, the Regulatory Program of the U. S. Army Corps of Engineers (USACE), and

other pertinent laws, regulations, and executive orders. Our evaluation will also follow the guidelines published by the U. S. Environmental Protection Agency pursuant to Section 404(b)(1) of the CWA. The decision whether to issue a permit will be based on an evaluation of the probable impact, including cumulative impact, of the proposed activity on the public interest. That decision will reflect the national concerns for both protection and utilization of important resources. The benefits which reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered, including its cumulative effects. Among the factors addressed are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people.

The USACE is soliciting comments from the public; federal, state, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the USACE in determining whether to issue, issue with modifications, or conditions, or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

STATE WATER QUALITY CERTIFICATION: This project would result in a direct impact of greater than three acres of waters of the state or 1,500 linear feet of streams (or a combination of the two is above the threshold), and as such would not fulfill Tier I criteria for the project. Therefore, Texas Commission on Environmental Quality (TCEQ) certification is required. Concurrent with USACE processing of this Department of the Army application, the TCEQ is reviewing this application under Section 401 of the Clean Water Act, and Title 30, Texas Administrative Code Section 279.1 13 to determine if the work would comply with State water quality standards. By virtue of an agreement between the USACE and the TCEQ, this public notice is also issued for the purpose of advising all known interested persons that there is pending before the TCEQ a decision on water quality certification under such act. Any comments concerning this application may be submitted to the Texas Commission on Environmental Quality, 401 Coordinator, MSC-150, P.O. Box 13087, Austin, Texas 78711-3087. The public comment period extends 30 days from the date of publication of this notice. A copy of the public notice with a description of the work is made available for review in the TCEQ's Austin Office. The complete application may be reviewed in the USACE's office. The TCEQ may conduct a public meeting to consider all comments concerning water quality if requested in writing. A request for a public meeting must contain the following information: the name, mailing address, application number, or other recognizable reference to the application; a brief description of the interest of the requestor, or of persons represented by the requestor; and a brief description of how the application, if granted, would adversely affect such interest.

ENDANGERED AND THREATENED SPECIES: The USACE has reviewed the U.S. Fish and Wildlife Service's latest published version of endangered and threatened species to determine if any may occur in the project area. The proposed project would be located in Harrison County, where the bald eagle (*Haliaeetus leucocephalus*) and Louisiana black bear (*Ursus americanus luteolus*) are known to occur or may occur as migrants. The bald eagle has been delisted and is being monitored for five years and the Louisiana black bear is listed as a threatened species. Our initial review indicates that the proposed work would have no effect on federally listed endangered or threatened species.

NATIONAL REGISTER OF HISTORIC PLACES: The USACE has reviewed the latest complete published version of the National Register of Historic Places and found no listed properties to be in the project area. However, presently unknown scientific, archaeological, cultural or architectural data may be lost or destroyed by the proposed work under the requested permit.

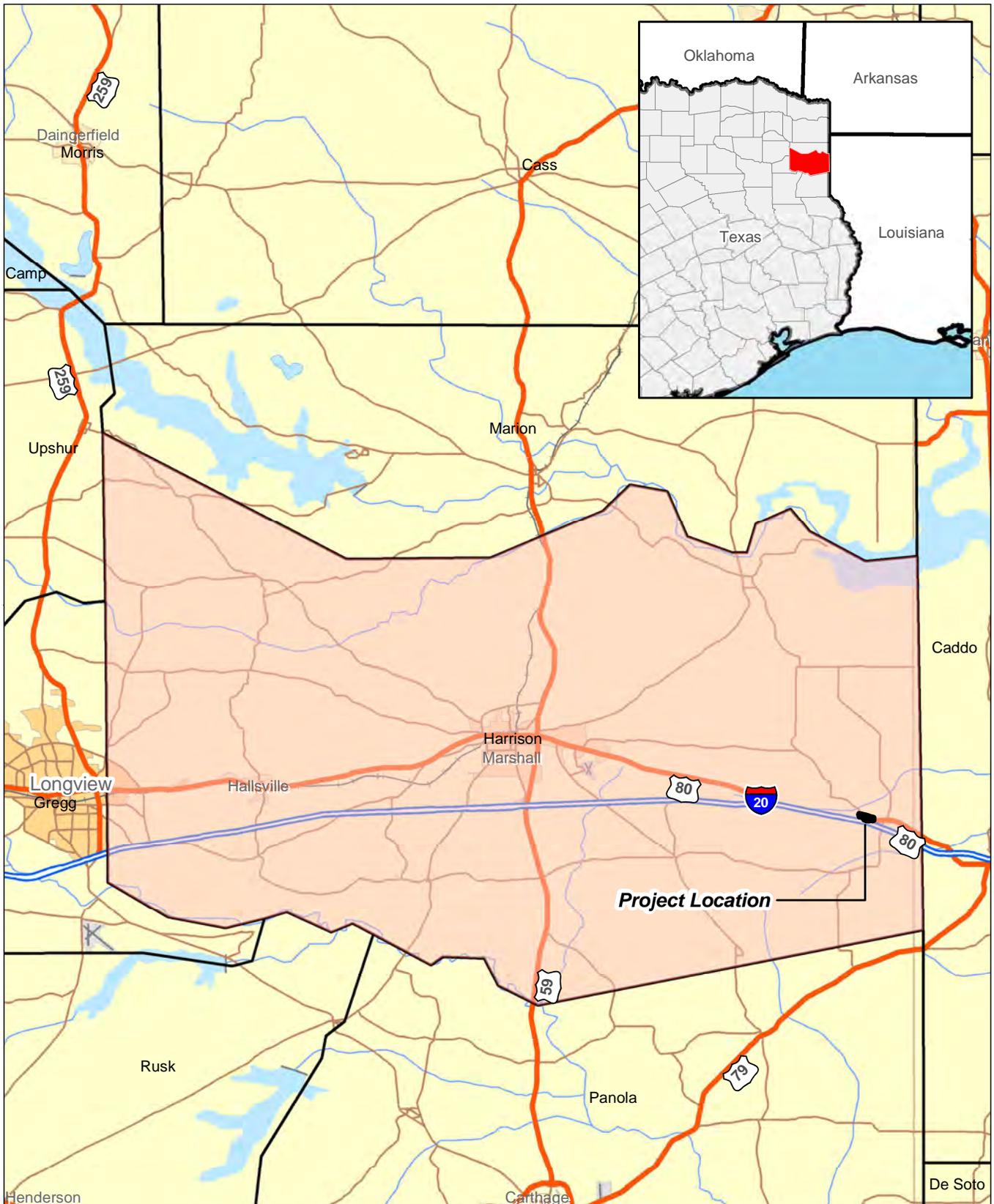
FLOODPLAIN MANAGEMENT: The USACE is sending a copy of this public notice to the local floodplain administrator. In accordance with 44 CFR part 60 (Flood Plain Management Regulations Criteria for Land Management and Use), the floodplain administrators of participating communities are required to review all proposed development to determine if a floodplain development permit is required and maintain records of such review.

SOLICITATION OF COMMENTS: The public notice is being distributed to all known interested persons in order to assist in developing fact upon which a decision by the USACE may be based. For accuracy and completeness of the record, all data in support of or in opposition to the proposed work should be submitted in writing setting forth sufficient detail to furnish a clear understanding of the reasons for support or opposition.

PUBLIC HEARING: Prior to the close of the comment period any person may make a written request for a public hearing setting forth the particular reasons for the request. The District Engineer will determine whether the issues raised are substantial and should be considered in his permit decision. If a public hearing is warranted, all known interested persons will be notified of the time, date, and location.

CLOSE OF COMMENT PERIOD: All comments pertaining to this Public Notice must reach this office on or before September 5, 2009 which is the close of the comment period. Extensions of the comment period may be granted for valid reasons provided a written request is received by the limiting date. If no comments are received by that date, it will be considered that there are no objections. Comments and requests for additional information should be submitted to Eric Dephouse; Regulatory Branch, CESWF-PER-R; U. S. Army Corps of Engineers; Post Office Box 17300; Fort Worth, Texas 76102-0300. You may visit the Regulatory Branch in Room 3A37 of the Federal Building at 819 Taylor Street in Fort Worth between 8:00 A.M. and 3:30 P.M., Monday through Friday. Telephone inquiries should be directed to (817) 886-1731. Please note that names and addresses of those who submit comments in response to this public notice may be made publicly available.

**DISTRICT ENGINEER
FORT WORTH DISTRICT
CORPS OF ENGINEERS**



Sheet 1
Vicinity Map of the Prism Gas Systems I, L.P.'s
Waskom Rail Yard in Harrison County, TX

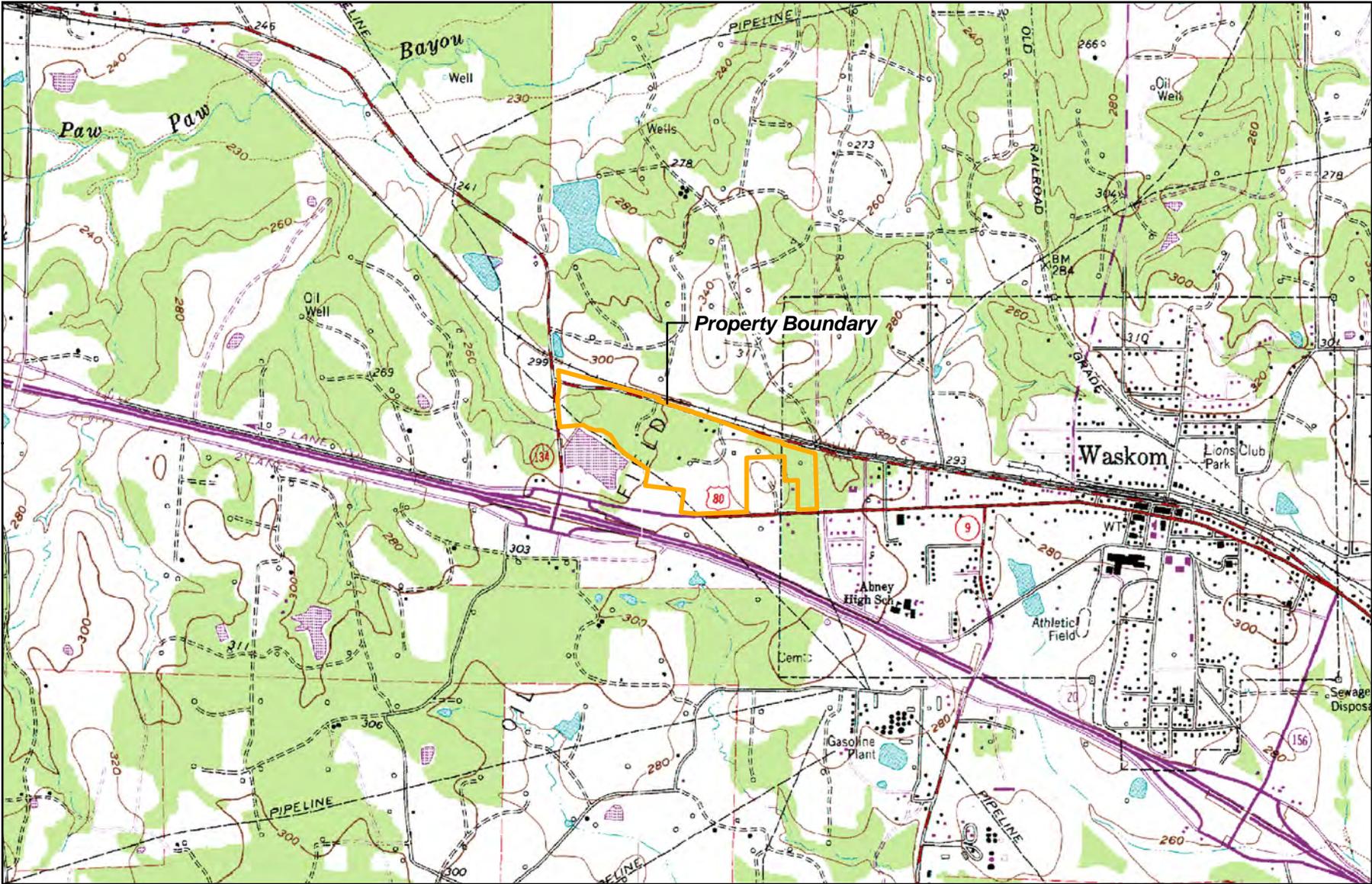


1501 Bill Owens Parkway
 Longview, TX 75604
 Phone: (903) 297-4673
 Fax: (903) 297-4675

Prism Gas Systems I, L.P.

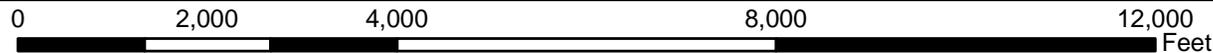
USACE Project Number:
 SWF-2009-00117

Date: 06/04/2009



Sheet 2

Topographic Features of the Prism Gas Systems I, L.P.'s
Waskom Rail Yard in Harrison County, TX



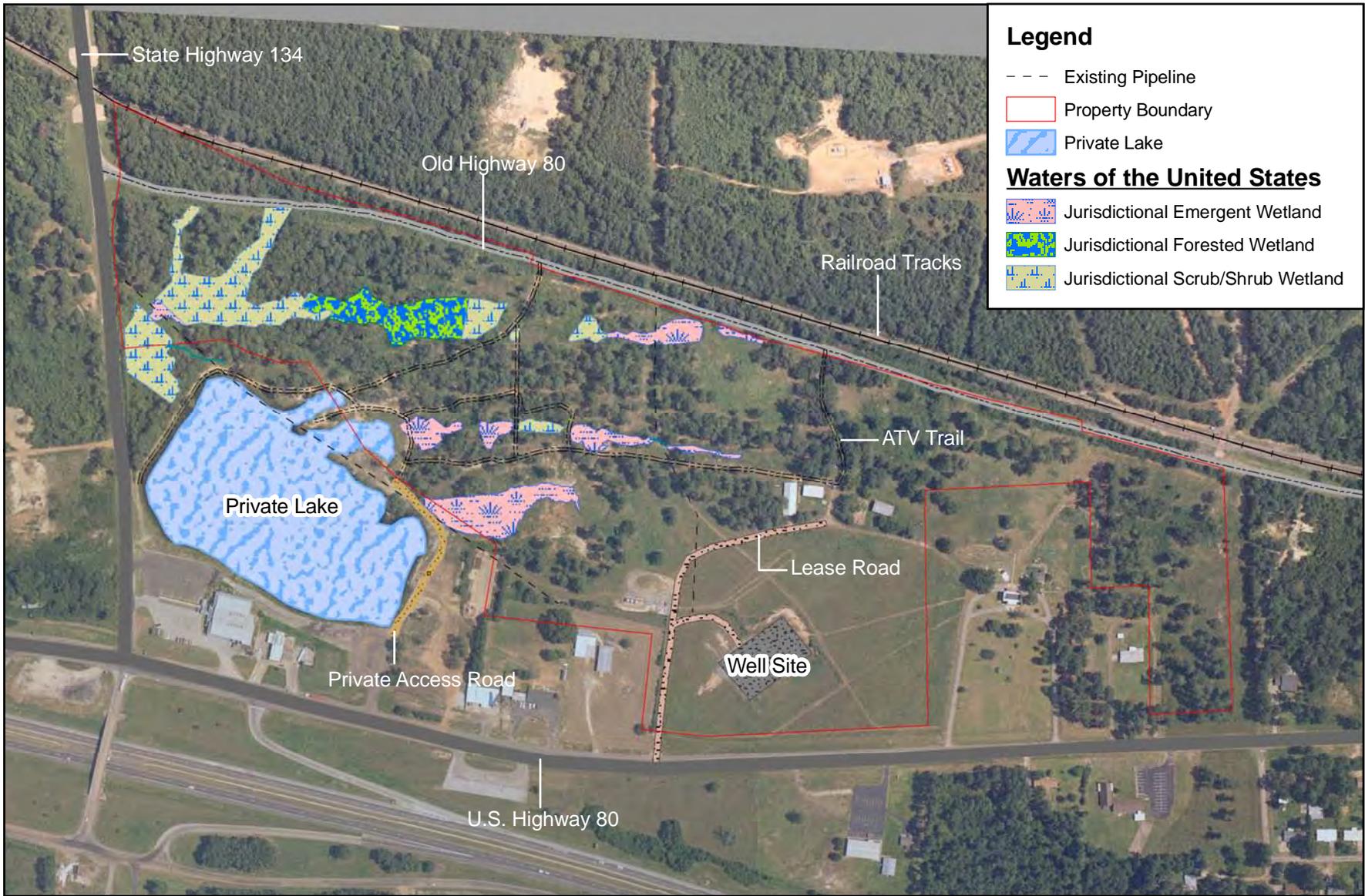
1501 Bill Owens Parkway
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Prism Gas Systems I, L.P.

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Base Map: USGS 7.5 Minute Topographic Maps
Waskom, TX-LA (Pho. Rev. 1969 and 1978)

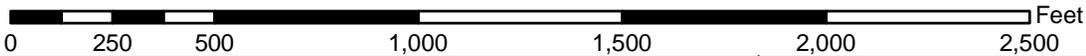


Legend

- - - Existing Pipeline
 - [Red Outline] Property Boundary
 - [Blue Hatched] Private Lake
- Waters of the United States**
- [Pink Hatched] Jurisdictional Emergent Wetland
 - [Green/Yellow Hatched] Jurisdictional Forested Wetland
 - [Blue/Yellow Hatched] Jurisdictional Scrub/Shrub Wetland



Sheet 3
 Aerial Map for the Prism Gas Systems I, L.P.'s
 Waskom Rail Yard in Harrison County, TX



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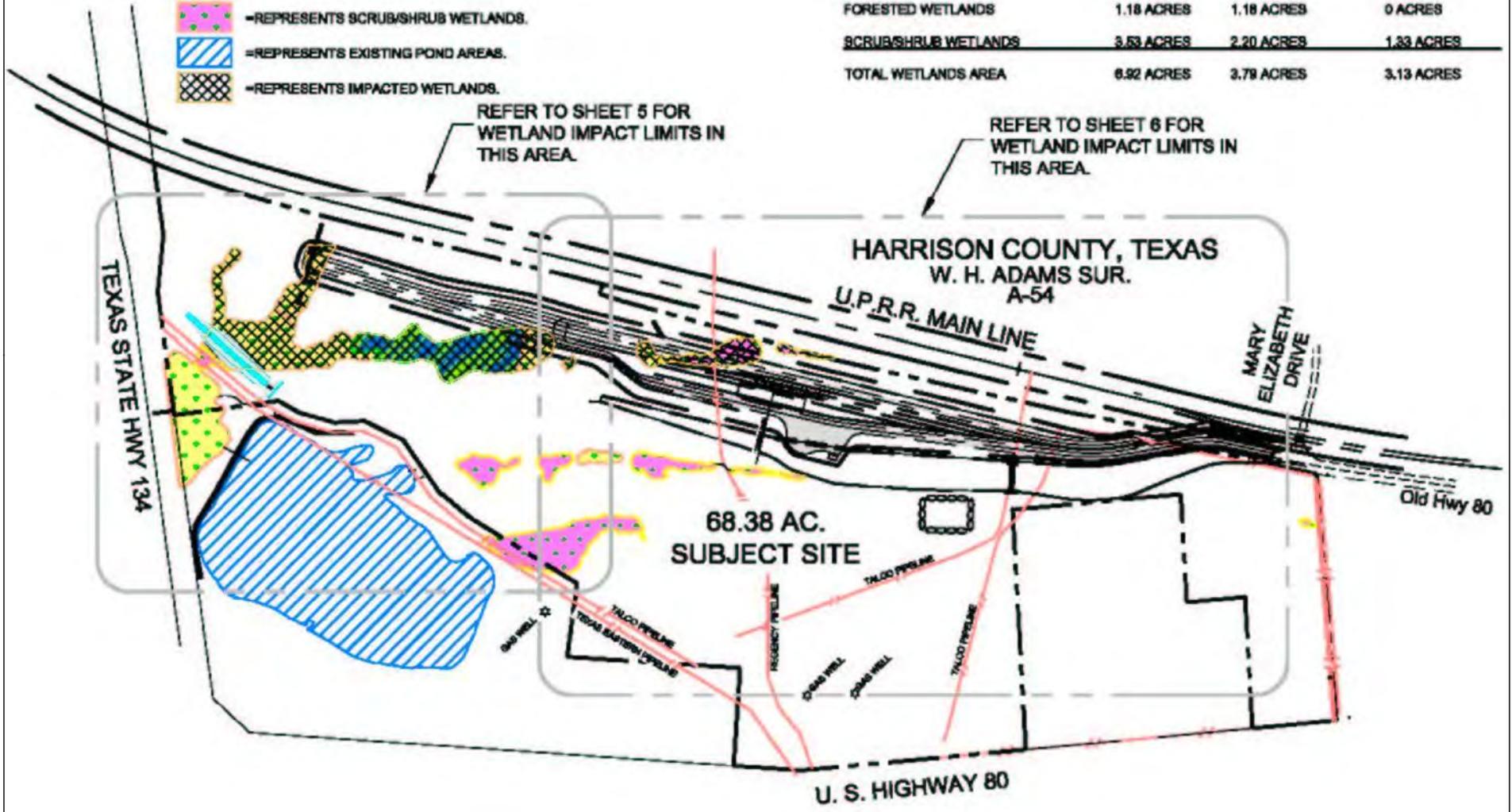
RMC Surveying
 2008 Aerial Photo

WETLANDS LEGEND

-  = REPRESENTS EMERGENT WETLANDS.
-  = REPRESENTS FORESTED WETLANDS.
-  = REPRESENTS SCRUB/SHRUB WETLANDS.
-  = REPRESENTS EXISTING POND AREAS.
-  = REPRESENTS IMPACTED WETLANDS.

WETLANDS INVENTORY & IMPACT

	EXISTING	IMPACTED	NON-IMPACTED
EMERGENT WETLANDS	2.21 ACRES	0.41 ACRES	1.80 ACRES
FORESTED WETLANDS	1.18 ACRES	1.18 ACRES	0 ACRES
SCRUB/SHRUB WETLANDS	3.53 ACRES	2.20 ACRES	1.33 ACRES
TOTAL WETLANDS AREA	6.92 ACRES	3.79 ACRES	3.13 ACRES



Sheet 4
Overall Site Plan of the Prism Gas Systems I, L.P.'s
Waskom Rail Yard in Harrison County, TX

Scale: 1" = 500 ft



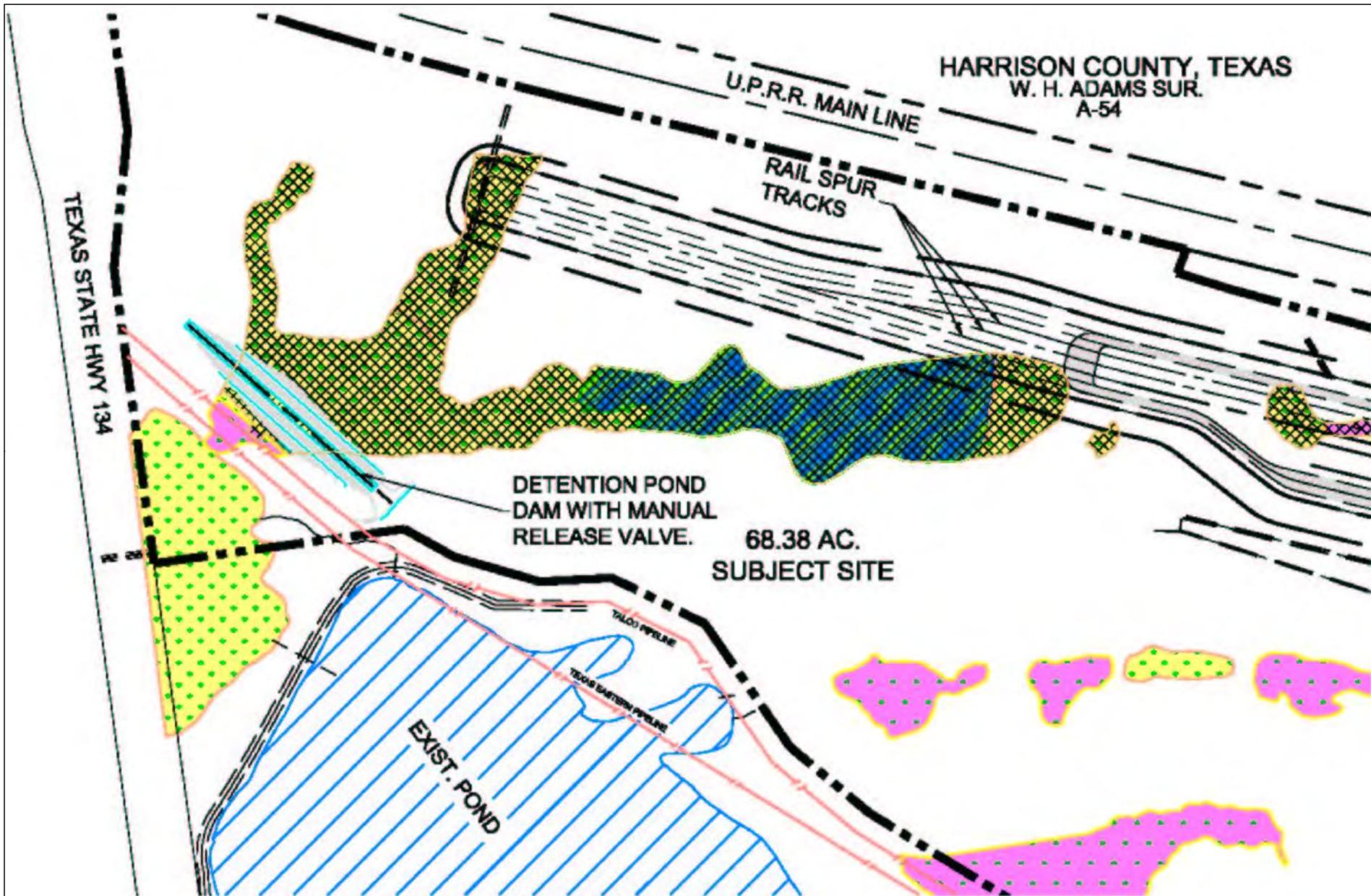
1501 Bill Owens Parkway
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Prism Gas Services I, L.P.

USACE Project Number: SWF-2009-00117

Date: 06/04/2009

Coordinate System: Lat/Long NAD27
Units: Deg, Min, Sec



Sheet 5
Site Plan of the Prism Gas Systems I, L.P.'s
Waskom Rail Yard in Harrison County, TX

Scale: 1" = 200 ft



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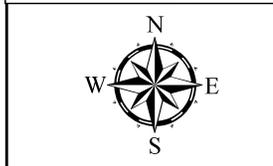
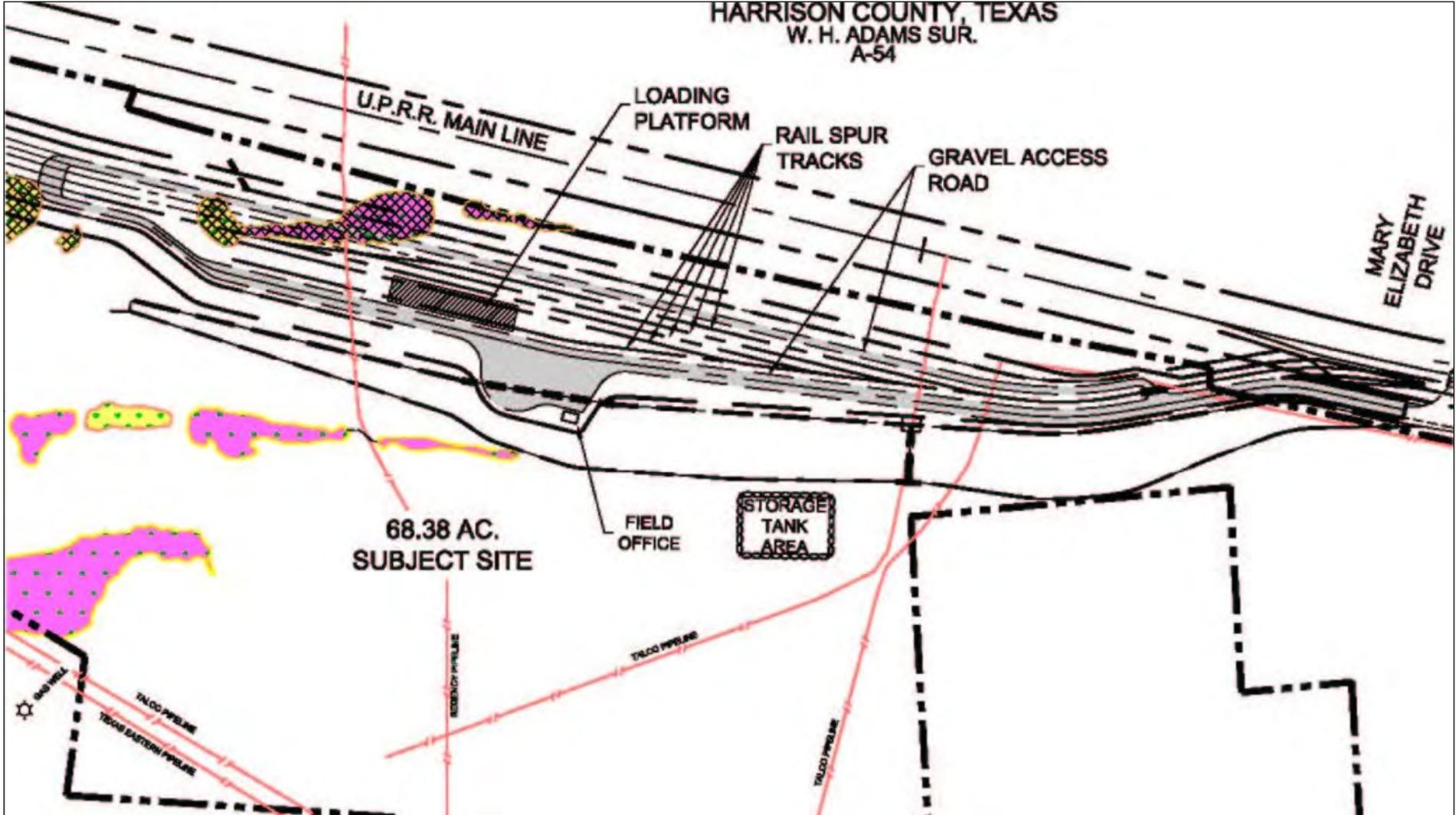
Prism Gas Services I, L.P.

USACE Project Number: SWF-2009-00117

Date: 06/04/2009

Coordinate System: Lat/Long NAD27
Units: Deg, Min, Sec

HARRISON COUNTY, TEXAS
W. H. ADAMS SUR.
A-54



Sheet 6
Site Plan of the Prism Gas Systems I, L.P.'s
Waskom Rail Yard in Harrison County, TX

Scale: 1" = 250 ft



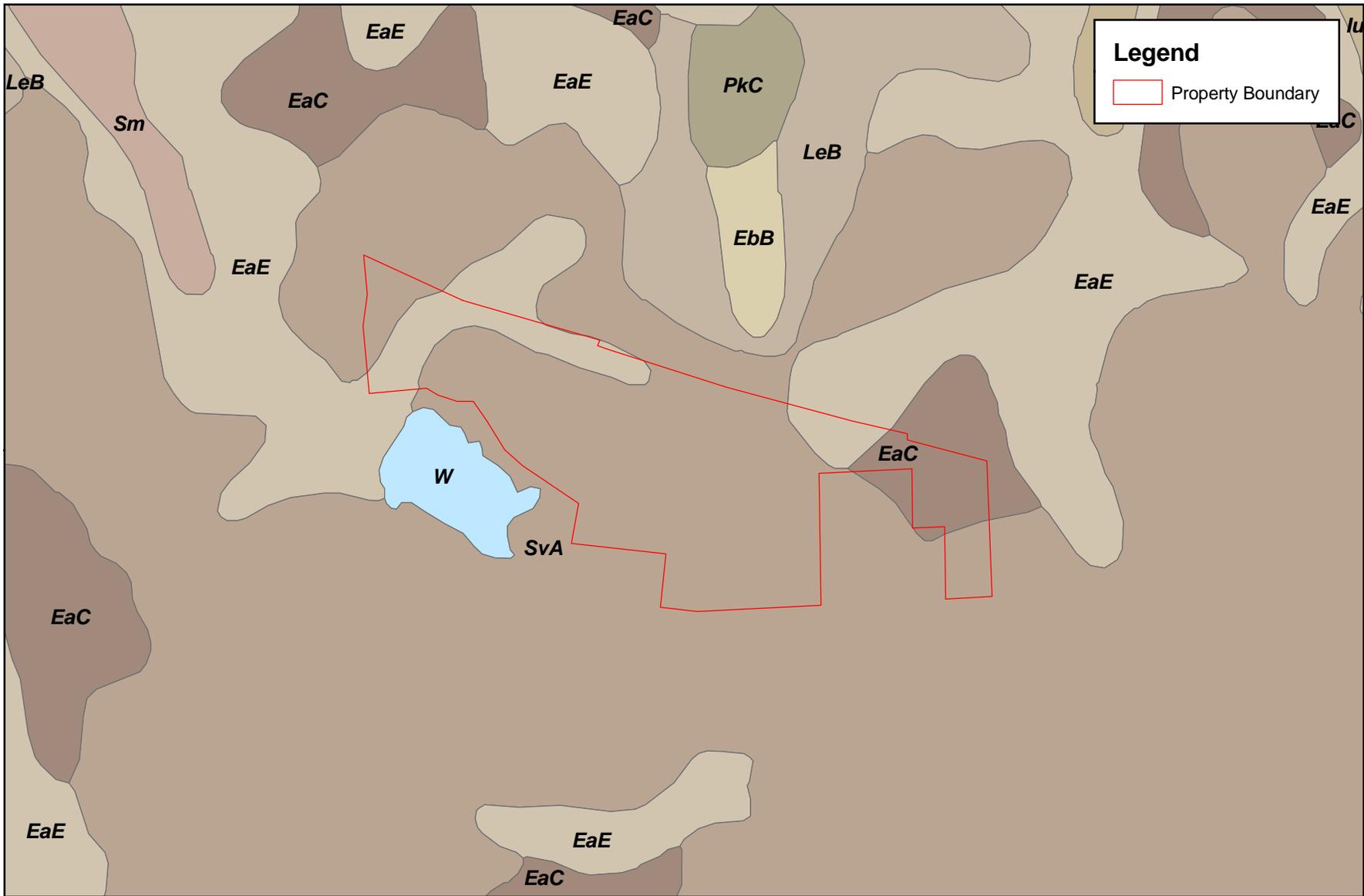
1501 Bill Owens Parkway
Longview, TX 75604
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Fax: (903) 297-4675

Prism Gas Services I, L.P.

USACE Project Number: SWF-2009-00117

Date: 06/04/2009

Coordinate System: Lat/Long NAD27
Units: Deg, Min, Sec

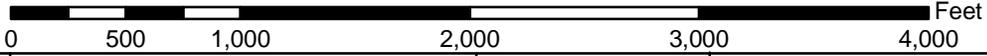


Legend

 Property Boundary



Sheet 7
 Mapped Soil Units for the Prism Gas Systems I, L.P.'s
 Waskom Rail Yard in Harrison County, TX



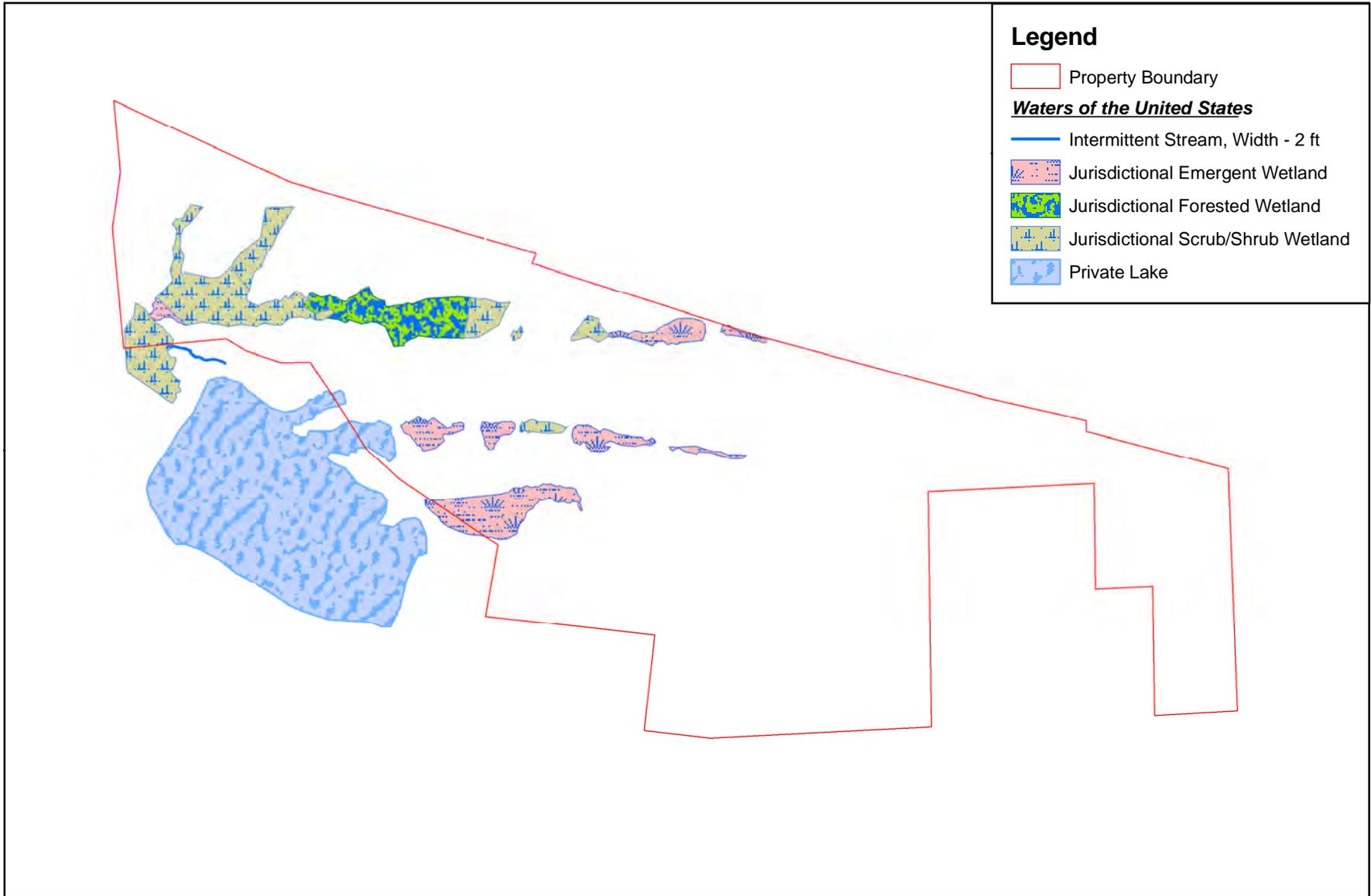
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Prism Gas Systems I, L.P.

USACE Project Number: SWF-2009-00117

Date: 06/04/2009

Base Map: NRCS Datagateway Website:
 Soils Map for Harrison County, TX

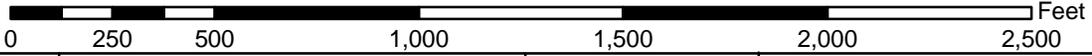


Legend

-  Property Boundary
- Waters of the United States***
-  Intermittent Stream, Width - 2 ft
-  Jurisdictional Emergent Wetland
-  Jurisdictional Forested Wetland
-  Jurisdictional Scrub/Shrub Wetland
-  Private Lake



Sheet 8
 Waters of the United States Map for the Prism Gas Systems I, L.P.'s
 Waskom Rail Yard in Harrison County, TX



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Prism Gas Systems I, L.P.

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Date: 06/04/2009

Coordinate Sys: UTM NAD 27 ZONE 15N
 Units: Deg, Min, Sec