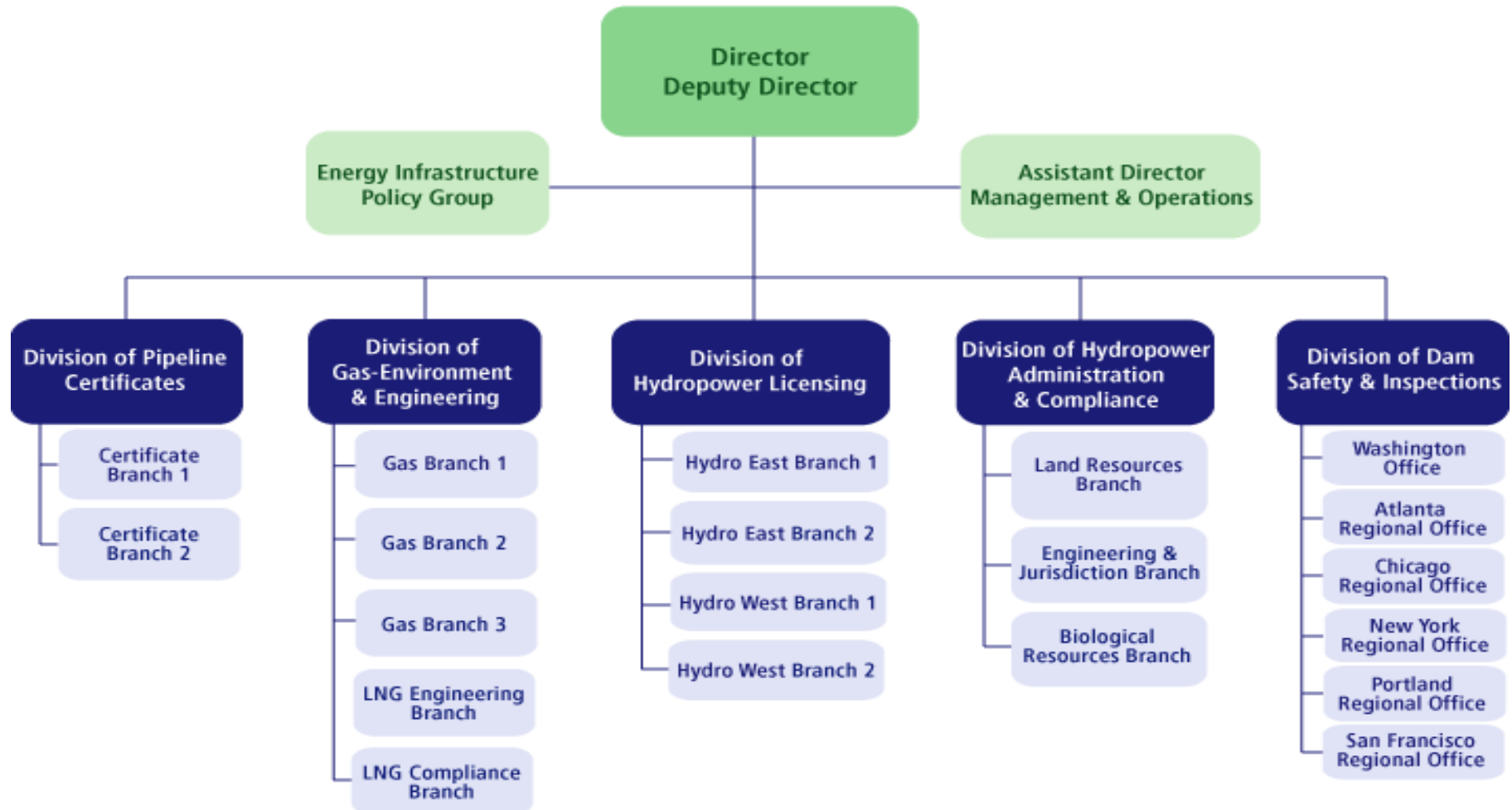




Office of Energy Projects

Office of Energy Projects (OEP)





Gas Pipeline Program

- Evaluate applications for facilities to import, export, transport, store or exchange natural gas
- Authorize the construction and operation of facilities for such services
- Approve abandonment of such facilities
- Conduct environmental reviews of proposals involving construction, modification, or abandonment
- Implement the "Pre-Filing Process"
- Conduct inspections of LNG facilities and pipeline construction



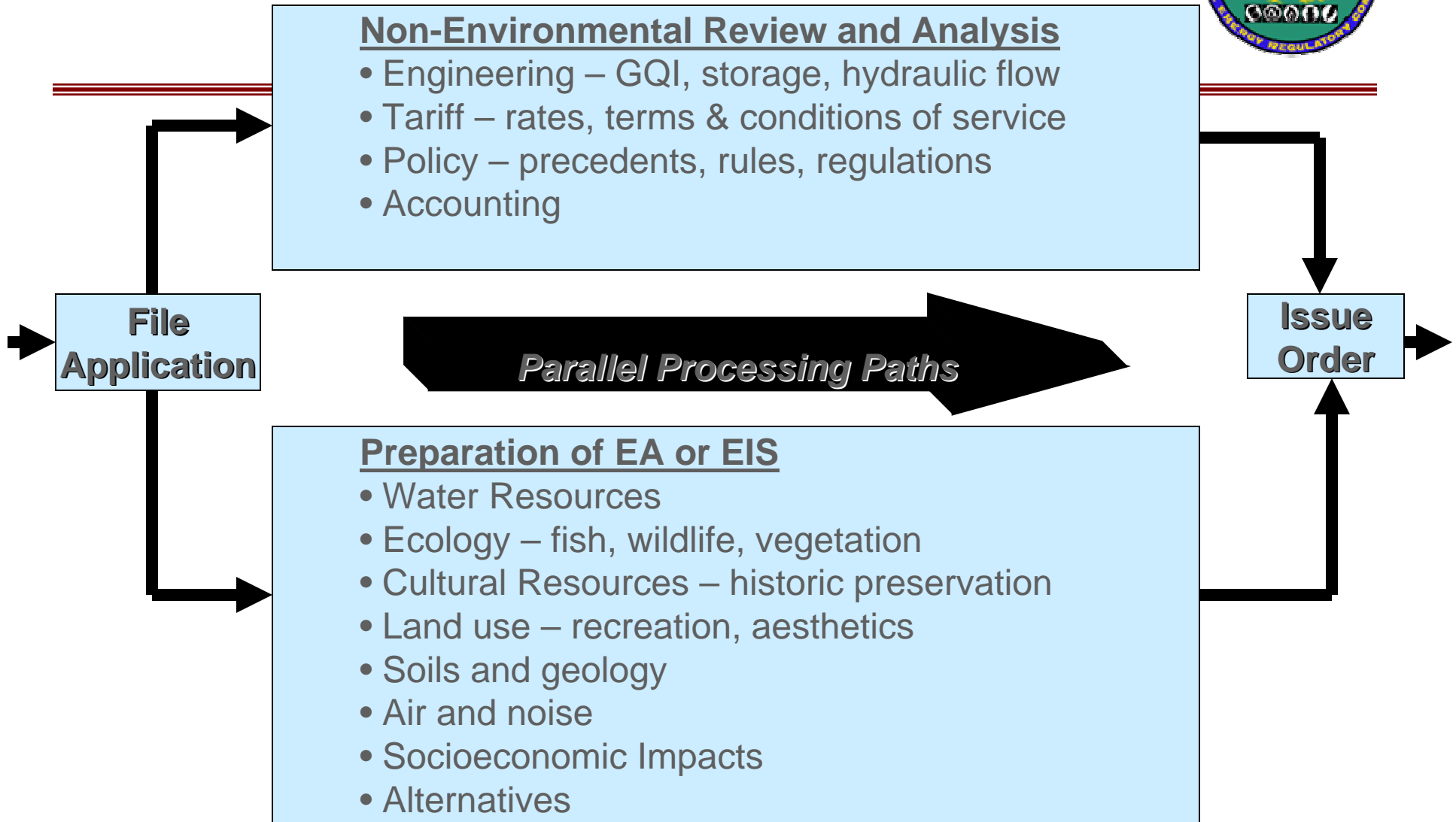
Natural Gas Act

The Natural Gas Act is the law that sets out FERC's areas of responsibilities:

- Section 1 – Identifies projects exempt from FERC jurisdiction
- Section 3 – Allows FERC to authorize import / export projects
- Section 7 – Allows FERC to authorize interstate pipeline projects (including storage) and grant eminent domain



Certificate Process





Environmental Review

- National Environmental Policy Act of 1969
- Council on Environmental Quality issued regulations for implementing NEPA
- Commission's implementing regulations



NEPA Overview

- Is the project categorically excluded?
 - Projects with little or no impact (e.g., sale of pipe or abandonment in place)
- Environmental Assessment or Environmental Impact Statement
 - Level of environmental impacts: significant (EIS) or less than significant (EA)
 - Applicant-proposed mitigation
 - Anticipated public controversy



Environmental Report

- Required for all 7(b) and 7(c) filings
- 18 CFR 380.12 establishes minimum filing requirements
 - Projects failing to meet requirements are subject to rejection
 - Applicants asked to use Staff's plans for erosion control and wetland and waterbody crossings
- Guidance Manual for Environmental Report Preparation provides more information
 - Free training classes offered

The Environmental Report (13 Resource Reports)



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- | | |
|--------------------------------|--|
| 1. General Project Description | 8. Land Use, Recreation, & Aesthetics |
| 2. Water Use & Quality | 9. Air & Noise Quality |
| 3. Fish, Wildlife & Vegetation | 10. Alternatives |
| 4. Cultural Resources | 11. Reliability & Safety |
| 5. Socioeconomics | 12. PCB Contamination (for pipelines only) |
| 6. Geological Resources | 13. LNG Engineering & Design Details |
| 7. Soils | |

Key Components of Site-Specific Project Review



- Environmental Review
 - Multi-disciplinary team
 - Combination of FERC staff and contractors
- Coordination with other permitting authorities, federal and state
- Public Involvement



Phases of Project Review

- Project Preparation
 - The applicant working on its own
- Pre-Filing
 - FERC staff working with the applicant and stakeholders before the filing of an application
- Application Review
 - FERC staff working with the applicant and stakeholders after the filing of an application
- Post-Authorization
 - FERC staff working with the applicant and stakeholders to ensure compliance with conditions to the FERC approval



The Pre-Filing Process

- Voluntary for pipelines, required for LNG facilities
- Used for projects requiring an EIS, or an EA where controversy is likely
- Normally requires the applicant to hire and fund a contractor to prepare EA/EIS
 - Staff selects contractor from list of three provided by the applicant
 - Contractor works solely under Staff's direction

Goals of the Pre-Filing Process



- Early identification and resolution of environmental issues
- More direct interaction between FERC staff and stakeholders
- Interactive, concurrent NEPA/permitting process, no shortcuts
- FERC staff are advocates of the Process, not the Project!
- Goal of “no surprises” when application is filed



Pre-Filing Requirements

- Project sponsor selects pipeline routes and begins surveys and studies
- Meet with staff regarding proposed project
- Submit draft RFP for 3rd-party contract and draft PF request for staff review
- File PF request
- Complete at least 6 months of PF review

FERC Staff Pre-Filing Activities



- Identify affected parties:
 - landowners
 - agencies
 - other stakeholders
- Facilitate identification of issues
- Identify study needs
- Facilitate resolution of issues
- Issue scoping notice
- Examine alternatives
- Arrange and attend site visits and meetings
- Initiate preparation of preliminary NEPA document
- Review draft resource reports

Public Involvement During Pre-Filing Review



The FERC Process

- Project Sponsor Sends Landowner Notification Package
- Issue Notice of Intent to Prepare the NEPA Document (i.e., scoping)
- Hold Scoping Meetings

Public Input

- Contact the project sponsor w/questions, concerns; contact FERC
- Send letters expressing concerns about environmental impact
- Attend scoping meetings

Public Involvement During Application Review



The FERC Process

- Issue Notice of the Application
- Issue Notice of Availability of the DEIS
- Hold Public Meetings on DEIS
- Issue a Commission Order

Public Input

- File an Intervention; register for e-subscription
- File comments on the adequacy of DEIS
- Attend public meetings to give comments on DEIS
- Interveners can file a request for rehearing of the Commission Order

Timelines: Traditional vs. Pre-Filing Process

