



NEWS

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Natural Gas and LNG Suppliers Sound a Warning on Feasibility and Consequences of Expansion of FERC Review Requirements Resulting Infrastructure Delays Create Risk to Clean Power Plan Compliance

(Washington, D.C.) – In comments filed today at the Federal Energy Regulatory Commission (FERC), the Natural Gas Supply Association (NGSA) and the Center for Liquefied Natural Gas (CLNG) warned that broadening the Commission's consideration of natural gas project impacts would not serve the National Environmental Policy Act's (NEPA) goals and purpose. In addition, the associations said such an expansion risks hindering the development of the natural gas infrastructure needed to ensure compliance with clean air goals. FERC had requested public feedback on its "*Draft Guidance Manual for Environmental Report Preparation*."

In their comments, NGSA and CLNG wrote that "The *Draft Guidance* should not be used as a mechanism to impose requirements beyond FERC's current regulations," noting that straying from current regulations imposes a uniform burden on every project to provide information that may not be within its proper scope or contribute meaningfully to the environmental review. NGSA and CLNG agreed with FERC's statement that the *Draft Guidance* is not an appropriate vehicle for changes to federal regulations, and explained that broadening the requirements risks significant delays in building essential natural gas infrastructure.

Charlie Riedl, executive director, CLNG said, "We urge FERC to move away from any proposed one-size-fits-all approach in the *Draft Guidance* and hold true to its existing flexible approach that acknowledges that the information required to develop a complete application for one project may not be the same as that needed for another." FERC's existing flexible approach is aligned with the agency's own regulations as well as CEQ regulations.

NGSA and CLNG pointed out that, "FERC repeatedly has held ... that it is not consistent with the legal precedent interpreting the Council on Environmental Quality regulations and NEPA requirements to determine that the alleged impacts of natural gas production automatically are direct or indirect effects of the permitting of FERC-regulated natural gas infrastructure projects."

Patricia Jagtiani, executive vice president, NGSA said, "FERC's existing project review process is already extensive and thorough. It is quite simply inconsistent with the goals of NEPA to include unquantifiable or speculative impacts since it does not provide decision-makers and the public with truly meaningful information for their review."

For example, NGSA and CLNG explained, the alleged impacts of upstream production cannot be considered a consequence of pipeline construction because interstate pipelines follow production, they do not induce production. Furthermore, NGSA and CLNG agreed with FERC that natural gas molecules from many different production sources move through interstate pipelines, rendering any attempt to tie a pipeline to a specific source speculative at best.

The complete NGSA/CLNG filing on the FERC *Draft Guidance* can be found at this link.

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The Natural Gas Supply Association (NGSA) represents integrated and independent companies that supply natural gas. Established in 1965, NGSA encourages the use of natural gas within a balanced national energy policy, and promotes the benefits of competitive markets, thus encouraging increased supply and the reliable and efficient delivery of natural gas to U.S. customers. For more information, please visit www.ngsa.org and www.ngsa.org.

The Center for Liquefied Natural Gas (CLNG) is a trade association of LNG producers, shippers, terminal operators and developers, and energy trade associations. CLNG is a clearinghouse of educational and technical information. It also facilitates rational issue discussion and the development of public policies that support LNG's contribution toward economic growth in the United States. For more information, please visit www.lngfacts.org.