

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Certification of New Interstate Natural Gas  
Facilities**

**Docket No. PL18-1-000**

**COMMENTS OF THE CENTER FOR LIQUEFIED NATURAL GAS IN RESPONSE TO  
NOTICE OF INQUIRY**

Pursuant to the Commission’s Notice of Inquiry (“NOI”) in the referenced proceeding,<sup>1</sup> the Center for Liquefied Natural Gas (“CLNG”) respectfully submits the following comments in response to the Commission’s request to explore whether, and if so how, it should revise its approach under its currently effective Policy Statement on the certification of new natural gas transportation facilities to determine whether a proposed natural gas project is or will be required by the present or future public convenience and necessity. CLNG supports the Commission retaining its current policy statement for evaluating proposed pipeline projects and urges the Commission not to impose any additional hurdles to the pipeline certification process. CLNG also fully supports the comments of the Natural Gas Supply Association (NGSA) and endorses its arguments regarding retaining the Commission’s current policy statement.<sup>2</sup>

**I. Interest of CLNG**

The CLNG advocates for public policies that advance the use of liquefied natural gas (LNG) in the United States, and its export internationally. A committee of the NGSA, CLNG represents the full value chain, including LNG producers, shippers, terminal operators and developers, providing it with unique insight into the ways in which the vast potential of this abundant and versatile fuel can be fully realized.

**II. Comments**

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<sup>1</sup> *Interstate and Intrastate Natural Gas Pipelines; Rate Changes Relating to Federal Income Tax Rate*, 162 FERC ¶ 61,226 (2018) (“NOPR”).

<sup>2</sup> See *Comments of the Natural Gas Supply Association Under PL18-1-000*, Notice of Inquiry Regarding Certification of New Interstate Natural Gas Facilities, Docket No. PL18-1-000, July 25, 2018.

As NGSAs notes in its comments, the natural gas industry supports a dynamic market and serves many different customers, from power plants to industrial applications, as well as LNG terminals. Pipelines are the primary way that natural gas is moved to its various markets because pipelines provide the most efficient, safest, and reliable form of transport. The permitting process for a proposed pipeline is robust and the Policy Statement has, on balance, enabled adequate infrastructure under a dynamic and changing gas market. We believe the current Policy Statement works well: it is a flexible framework that has appropriately balanced the public benefit of a project against potential adverse impacts.

An LNG facility has the laborious, but necessary task of often needing to build a new pipeline to supply its LNG terminal in addition to building the LNG terminal itself. The process of building the necessary infrastructure for LNG terminals is already time-consuming, involving multiple agencies, inspections, reports, and state and federal approvals. Both the project developers and the Commission devote substantial time and resources in seeing a project through to its finish and we believe the Policy Statement in its current form achieves FERC's goal of "fostering competitive markets, protecting captive customers and avoiding unnecessary environmental and community impacts while serving increasing demands for natural gas."<sup>3</sup>

In the NOI, FERC is also exploring changes that would improve the transparency, timing and predictability of the Commission's permitting process. We agree that the Commission should consider improvements to the permitting process, particularly given the number of LNG facilities awaiting approval. FERC recently announced its upcoming memorandum of understanding with U.S. Pipeline and Hazardous Materials Safety Administration on collaborative procedures that should render a more timely and efficient review process for proposed LNG facilities. We are encouraged by FERC's efforts to streamline and better coordinate between agencies, which will help avoid any undue costs or delays to necessary projects.

CLNG also echoes the statements of the NGSAs in that we caution the Commission to be wary of suggestions that are intended to hinder the development of new infrastructure. Robust pipeline infrastructure allows customers both at home and abroad through LNG exports to take advantage of the many benefits natural gas offers. Domestic natural gas

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<sup>3</sup> FERC Policy Statement, Docket No. PL99-3-000, Page 13.

production creates jobs, tax revenue and environmental benefits. The current low-price environment, along with a strong supply picture for natural gas, suggests that we can take even greater advantage of the opportunities presented by increased use of natural gas here at home and extend those benefits to our allies abroad. However, growth in the U.S. LNG market requires sufficient infrastructure in place to bring supply to both domestic and global markets. Therefore, we urge the Commission, with the appropriate public input, to strengthen our nation's energy infrastructure so that we can continue to benefit from our natural gas abundance.

### **III. Conclusion**

For the reasons stated above, CLNG endorses the comments of NGSA and supports the Commission retaining its current Policy Statement for evaluating proposed pipeline projects.

Respectfully Submitted,



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