

140 FERC ¶ 61,010
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
Cheryl A. LaFleur, and Tony T. Clark.

Cameron LNG, LLC

Docket No. CP06-422-000

ORDER VACATING AUTHORIZATION TO CONSTRUCT FACILITIES
UNDER SECTION 3 OF THE NATURAL GAS ACT

(Issued July 6, 2012)

1. On January 18, 2007, the Commission authorized Cameron LNG, LLC (Cameron) under section 3(a) of the Natural Gas Act (NGA) and Part 153 of the Commission's regulations to expand its existing liquefied natural gas (LNG) import terminal near Hackberry, Louisiana.¹ The Expansion Order authorized Cameron, *inter alia*, to construct a fourth LNG storage tank and various other facilities² to increase both the LNG storage capacity of the terminal and the authorized natural gas send-out rate of the terminal from 1.5 to 2.65 billion cubic feet (Bcf) of natural gas per day.³

2. The Expansion Order required Cameron to place the authorized facilities into service within four years of the date of the final order. On December 21, 2010, the Commission's Office of Energy Projects (OEP) granted Cameron a one-year extension of time, until and including January 18, 2012, to construct and make the authorized facilities available for service. Cameron has not begun construction of the authorized facilities. Since the extended deadline for the in-service date expired six months ago, the

¹ *Cameron LNG, LLC*, 118 FERC ¶ 61,019 (2007) (Expansion Order).

² See Expansion Order, 118 FERC ¶ 61,019 at P 14 for a description of the proposed facilities.

³ The Expansion Order also authorized Cameron to increase the send-out rate of the base LNG terminal on an interim basis from 1.5 to 1.8 Bcf of natural gas per day during construction of the expansion facilities, simultaneously unload LNG from the terminal's two berths, increase the LNG unloading rate at each berth from 12,000 cubic meters per hour to 17,500 cubic meters per hour if only one ship is unloaded at a time, and modify its British thermal unit (Btu) facilities to produce and inject inert gas into send-out natural gas as an optional method of controlling its Btu content.

Commission will vacate Cameron's authorization to construct the unbuilt LNG terminal expansion facilities.⁴

3. Cameron has implemented some of the authorizations granted by the Expansion Order that did not involve the construction of facilities, such as the authorization to increase the natural gas send-out rate on an interim basis to 1.8 Bcf,⁵ and the authorization to simultaneously unload LNG from the two berths.⁶ Therefore, the Commission is vacating only Cameron's section 3 authorization to construct the still unbuilt expansion facilities, and not the operational authorizations granted by the Expansion Order that Cameron has already effectuated at the LNG terminal.

The Commission orders:

The authorization issued to Cameron in the Expansion Order to construct facilities under section 3 of the NGA is vacated, as described in more detail above.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁴ The Commission notes that Cameron has again included construction of a fourth storage tank as part of its proposed LNG Liquefaction Project in Docket No. PF12-13-000. Should Cameron ultimately file an application for authority to construct that project, the Commission will base its determination as to whether to authorize construction of any additional storage tank based upon the record developed in that proceeding.

⁵ In *Cameron LNG, LLC*, 120 FERC ¶ 61,028 (2007), the Commission amended the Expansion Order to permit Cameron to increase the authorized terminal send-out rate to up to 1.8 Bcf of natural gas per day before, rather than during, the construction of any of the expansion facilities, subject to certain conditions imposed by the Expansion Order.

⁶ By letter order dated August 19, 2009, in Docket Nos. CP02-378-000, CP02-378-002, CP02-378-004, and CP06-422-000, OEP approved Cameron's request to proceed with simultaneous ship unloading from two berths, since the base terminal was capable of accommodating simultaneous unloading by utilizing existing equipment, permits, and plans.