

133 FERC ¶ 61,220
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Marc Spitzer, Philip D. Moeller,
John R. Norris, and Cheryl A. LaFleur.

Texas Eastern Transmission, LP

Docket No. CP10-471-000

ORDER ISSUING CERTIFICATE

(Issued December 16, 2010)

1. On July 15, 2010, Texas Eastern Transmission, LP (Texas Eastern) filed an application in Docket No. CP10-471-000, pursuant to section 7(c) of the Natural Gas Act (NGA)¹ and Part 157 of the Commission's regulations,² requesting authorization to construct and operate pipeline lateral facilities to enable Texas Eastern to provide up to 112,000 dekatherms (Dth) per day of firm transportation service to KGen Hot Spring LLC's (KGen Hot Spring) Hot Spring Energy Facility located in Hot Spring County, Arkansas. Texas Eastern also seeks authorization to establish initial incremental recourse rates for firm and interruptible transportation service on the proposed lateral facilities.
2. For the reasons discussed below, we will authorize the requested certificate and approve the establishment of initial recourse rates for firm and interruptible transportation service on the proposed facilities, subject to the conditions of this order.

I. Background and Proposal

3. Texas Eastern is a natural gas company, as defined by section 2(6) of the NGA,³ engaged primarily in the business of transporting natural gas in interstate commerce and subject to the jurisdiction of the Commission. Texas Eastern states that it is an indirect, wholly-owned subsidiary of Spectra Energy Transmission, LLC, organized and existing under the laws of the State of Delaware, and that it operates natural gas facilities located

¹ 15 U.S.C. § 717f(c) (2006).

² 18 C.F.R. Part 157 (2010).

³ 15 U.S.C. § 717a(6) (2006).

in the States of Texas, Louisiana, Mississippi, Arkansas, Missouri, Tennessee, Illinois, Indiana, Kentucky, Ohio, Pennsylvania, and New Jersey.

4. Texas Eastern proposes to construct and operate approximately 8.4 miles of 16-inch diameter natural gas transmission pipeline, one new metering and regulating station, two pressure limiting devices, and related appurtenant and ancillary facilities to enable Texas Eastern to provide firm service to the Hot Spring Energy Facility (Hot Spring Lateral Project). The proposed Hot Spring Lateral Project will extend from an interconnection with Texas Eastern's mainline pipeline system to the Hot Spring Energy Facility in Hot Spring County, Arkansas. The Hot Spring Energy Facility is an approximately 620-megawatt natural gas-fired, combined cycle electric generating facility owned by KGen Hot Spring. The project will provide an alternative source of gas supply to the Hot Spring Energy Facility, which is currently served by CenterPoint Energy Gas Transmission Company (CenterPoint Energy) under a firm transportation agreement. Texas Eastern states that KGen Hot Spring requested an interconnection with Texas Eastern to provide an alternative natural gas supply source to the facility. Texas Eastern states that the Hot Spring Energy Facility will maintain the ability to receive natural gas from CenterPoint Energy, but will now also receive additional supplies of natural gas from Texas Eastern.

5. Texas Eastern proposes to establish an initial incremental recourse rate under its existing Rate Schedule MLS-1 for firm and interruptible transportation services provided on the Hot Spring Lateral Project.⁴ Texas Eastern states that it has entered into a precedent agreement with KGen Hot Spring which provides for up to 112,000 Dth per day of long-term firm lateral line transportation service on the project facilities for a primary term of twenty years under Rate Schedule MLS-1. Texas Eastern states that it and KGen Hot Spring will execute a negotiated rate agreement that will become effective on the service commencement date and will provide for a negotiated rate applicable to service under the lateral service agreement.

6. Texas Eastern states that the total cost of the project is approximately \$38,124,577. Texas Eastern states that KGen Hot Spring requests that the facilities be available by the start of the 2011 summer cooling season.

II. Notice and Interventions

7. Notice of Texas Eastern's application was published in the *Federal Register* on August 3, 2010 (75 Fed. Reg. 45,611) with comments and interventions due on or before August 17, 2010. Timely, unopposed motions to intervene were filed by KGen Hot

⁴ Rate Schedule MLS-1 sets forth the incremental recourse rates for several laterals on the Texas Eastern system.

Spring, Consolidated Edison Company of New York, Inc., Orange and Rockland Utilities, Inc., and Philadelphia Gas Works.⁵ No protests or adverse comments were filed.

III. Discussion

8. Since the application pertains to facilities used for the transportation of natural gas in interstate commerce, the proposal is subject to the Commission's jurisdiction and the requirements of subsection (c) of section 7 of the NGA.⁶

A. Certificate Policy Statement

9. The Certificate Policy Statement⁷ provides guidance as to how we will evaluate proposals for certificating major new construction. The Certificate Policy Statement established criteria for determining whether there is a need for a proposed project and whether the proposed project will serve the public interest. The Certificate Policy Statement explains that in deciding whether to authorize the construction of major new pipeline facilities, the Commission balances the public benefits against the potential adverse consequences. The Commission's goal is to give appropriate consideration to the enhancement of competitive transportation alternatives, the possibility of overbuilding, subsidization by existing customers, the applicant's responsibility for unsubscribed capacity, the avoidance of unnecessary disruptions of the environment, and the unneeded exercise of eminent domain in evaluating new pipeline construction.

10. Under this policy, the threshold requirement for pipelines proposing new projects is that the pipeline must be prepared to financially support the project without relying on subsidization from existing customers. The next step is to determine whether the applicant has made efforts to eliminate or minimize any adverse effects the project might have on the applicant's existing customers, existing pipelines in the market and their captive customers, or landowners and communities affected by the route of the new pipeline. If residual adverse effects on these interest groups are identified after efforts have been made to minimize them, the Commission will evaluate the project by balancing the evidence of public benefits to be achieved against the residual adverse

⁵ Timely, unopposed motions to intervene are granted by operation of Rule 214 of the Commission's Rules of Practice and Procedure. 18 C.F.R. § 385.214 (2010).

⁶ 15 U.S.C. § 717f(c) (2006).

⁷ *Certification of New Interstate Natural Gas Pipeline Facilities*, 88 FERC ¶ 61,227 (1999), *order on clarification*, 90 FERC ¶ 61,128 (2000), *order on clarification*, 92 FERC ¶ 61,094 (2000) (Certificate Policy Statement).

effects. This is essentially an economic test. Only when the benefits outweigh the adverse effects on economic interests will the Commission proceed to complete the environmental analysis where other interests are considered.

11. As noted above, the threshold requirement is that the pipeline must be able to financially support the project without relying on subsidization from existing customers. Texas Eastern proposes to provide service on the Hot Spring Lateral Project at an incremental rate under its existing Rate Schedule MLS-1. Texas Eastern states that no mainline system costs have been assigned to Rate Schedule MLS-1 and none of the incremental cost of service of the new facilities is included in the Texas Eastern's system rates. Because rates under Rate Schedule MLS-1 are based on the incremental costs of providing service to shippers on new, lateral facilities, Texas Eastern's existing customers will not subsidize the Hot Spring Lateral Project. Further, Texas Eastern states that pursuant to the precedent agreement, KGen Hot Spring and Texas Eastern will enter into a service agreement under Rate Schedule MLS-1 for 112,000 Dth per day of firm transportation service on the project facilities for a primary term of 20 years.

12. The Hot Spring Lateral Project will not have an adverse effect on existing pipelines in the region or on their customers. The Hot Spring Energy Facility currently receives supplies of natural gas from CenterPoint Energy. At the request of KGen Hot Spring, Texas Eastern designed the Hot Spring Lateral Project to provide an alternative natural gas supply to the facility. Because KGen Hot Spring will maintain the ability to receive gas supply from CenterPoint Energy under a firm transportation agreement, the Hot Spring Lateral Project will not adversely impact CenterPoint Energy's existing service to the Hot Spring Energy Facility.⁸ The new facilities will increase KGen Hot Spring's transportation and supply options, providing it with increased flexibility and reliability, without adversely impacting any existing services or customers.

13. We also find the proposed facilities have been designed in a manner to minimize impacts on landowners and the environment. The proposed project parallels CenterPoint Energy's existing pipeline corridor over approximately 74 percent of its length, minimizing impacts on landowners and the environment.

14. We conclude that the Hot Spring Lateral Project will enable the Texas Eastern to meet KGen Hot Spring's service request and provide the Hot Spring Energy Facility with access to additional gas supplies with minimal adverse impacts on existing customers, other pipelines, landowners, or communities. Therefore, consistent with the Certificate Policy Statement and section 7(c) of the NGA, the Commission finds that approval of the

⁸ We note that CenterPoint Energy has not intervened or filed a comment in opposition to the proposed project.

Hot Spring Lateral is required by the public convenience and necessity, subject to the conditions discussed below.

B. Rate Analysis

15. The proposed initial recourse rates under Rate Schedule MLS-1 are based on an annual cost of service of \$8,775,239, reflecting a cost of facilities of \$38,124,577, an overall rate of return of 12.13 percent,⁹ and a depreciation rate of 5 percent, which is based on an assumed useful life of 20 years for the lateral line facilities. Texas Eastern designed its initial recourse reservation rates using billing determinants based on peak day design flow, shown in Exhibit P, Schedule 1, as opposed to the average day design of 112,000 Dth per day, shown in Exhibit I.

16. Texas Eastern proposes a Reservation Charge of \$6.113 per Dth, a Usage-2 Charge of \$0.2010 per Dth, and a Reservation Charge Adjustment of \$0.2010 per Dth for firm service. Texas Eastern proposes a Usage-1 Charge of \$0.2010 per Dth and a Usage-2 Charge of \$0.2010 per Dth for interruptible service. The Commission finds that the proposed initial incremental recourse rates are reasonable. The Commission directs Texas Eastern to file an actual tariff record at least 30 days and not more than 60 days prior to the commencement of service detailing the incremental rates as proposed.

17. Texas Eastern is proposing to enter into a negotiated rate agreement under Rate Schedule MLS-1 with KGen Hot Spring. The Commission's general practice is not to approve negotiated rates/non-conforming service agreements in a certificate order. Instead, Texas Eastern must file either its negotiated rate contracts or, if the negotiated rate agreements do not deviate from Texas Eastern's pro forma service agreement, numbered tariff records, at least 30 but not more than 60 days prior to the commencement of service consistent with the pipeline's tariff, the Commission's Alternative Rate Policy Statement¹⁰ and the Commission's decision in *NorAm Gas Transmission Company*.¹¹ Tariff records filed in compliance with this requirement must reflect the terms of the negotiated rate agreement, together with a statement that the agreement conforms in all

⁹ The rate of return was derived from Texas Eastern's cost of service settlement, as amended in Docket Nos. RP98-198-000, *et al.*, and approved by a letter order issued on August 28, 1998. See *Texas Eastern Transmission Corp.*, 84 FERC ¶ 61,200 (1998). An adjustment was made to reflect the current 35 percent federal income tax rate.

¹⁰ *Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines; Regulation of Negotiated Transportation Services of Natural Gas Pipelines*, 74 FERC ¶ 61,076, *order granting clarification*, 74 FERC ¶ 61,194.

¹¹ *NorAm Gas Transmission Co.*, 77 FERC ¶ 61,011 (1996).

material respects with the pipeline's pro forma service agreement. Texas Eastern is reminded that the tariff sheet summaries must fully describe the essential elements of the transaction, including the name of the shipper, the negotiated rate, the type of service, the receipt and delivery points applicable to the service and the volume of gas to be transported. Also, where the price term of the negotiated rate agreement is a formula, the formula should be fully set forth in the tariff record. Texas Eastern is also reminded that, in order to file a tariff sheet summary, they must certify that the agreement contains no deviation from the form of service agreement that goes beyond filling in the blank spaces or that affects the substantive rights of the parties in any way.¹²

18. Should the negotiated rate agreement contain non-conforming provisions, Texas Eastern must clearly delineate differences between its negotiated contractual terms and that of its form of service agreement in redline and strikeout. In addition, Texas Eastern must provide a detailed narrative outlining the terms of its negotiated contract, the manner in which such terms differ from its form of service agreement, the effect of such terms on the rights of the parties, and why such deviation does not present a risk of undue discrimination.¹³

19. Texas Eastern is required to maintain separate and identifiable accounts for any volumes transported, billing determinants, rate components, surcharges, and revenues associated with its negotiated rates for the project in sufficient detail so that they can be identified in Statements G, I, and J in any future NGA section 4 or 5 rate proceedings. When Texas Eastern files its negotiated rate agreement or tariff record under section 4 of the NGA, interested parties may protest if they believe the rates are discriminatory.

C. Accounting Analysis

20. Texas Eastern proposes to capitalize a total allowance for funds used during construction (AFUDC) of \$1,888,223 as part of the Hot Spring Lateral Project. Texas Eastern represents that the amount of AFUDC included in the cost of the Hot Spring Lateral Project is in compliance with the Commission's new policy on AFUDC accruals.¹⁴ Texas Eastern states that it commenced accruing AFUDC in May 2010, and

¹² *Natural Gas Pipelines Negotiated Rate Policies and Practices, modification of negotiated rate policy*, 104 FERC ¶ 61,134, at P 32 (2003), *order on reh'g and clarification*, 114 FERC ¶ 61,042, *dismissing reh'g and denying clarification*, 114 FERC ¶ 61,304 (2006) (2003 Statement on Negotiated Rate Policy).

¹³ 2003 Statement on Negotiated Rate Policy, 104 FERC ¶ 61,134 at P 33.

¹⁴ Texas Eastern's application at 5.

affirms that it had begun to incur capital expenditures for the project at that time and that activities necessary to prepare the project for its intended use were in progress.

21. Consistent with the Commission's revised policy on the commencement of AFUDC as described in *Florida Gas Transmission Company LLC* and *Southern Natural Gas Company*,¹⁵ and based on its representations, we find that Texas Eastern's accrual of AFUDC for the Hot Spring Lateral Project appears to be consistent with the revised policy conditions.

D. Environmental Analysis

22. On August 18, 2010, we issued a *Notice of Intent to Prepare an Environmental Assessment for the Proposed Hot Spring Lateral Project and Request for Comments on Environmental Issues* (NOI) in CP10-471-000. The NOI was mailed to affected landowners; federal, state, and county agencies; Native American tribes; and libraries and newspapers in the project area. We received no comments in response to the NOI.

23. To satisfy the requirements of the National Environmental Policy Act of 1969,¹⁶ Commission staff prepared an environmental assessment (EA) for Texas Eastern's proposal which was placed into the public record on November 19, 2010. The EA addresses geology, soils, water resources, threatened and endangered species, land use, cultural resources, air quality and noise, cumulative impacts and alternatives.

24. Based on the discussion in the EA, we conclude that if constructed and operated in accordance with Texas Eastern's application and supplements, and in compliance with the environmental conditions set forth in the Appendix to this order, approval of this project would not constitute a major federal action significantly affecting the quality of the human environment.

25. Any state or local permits issued with respect to the jurisdictional facilities authorized herein must be consistent with the conditions of this certificate. The Commission encourages cooperation between interstate pipelines and local authorities. However, this does not mean that state and local agencies, through application of state or

¹⁵ *Florida Gas Transmission Co. LLC*, 130 FERC ¶ 61,194 (2010); *Southern Natural Gas Co.*, 130 FERC ¶ 61,193 (2010).

¹⁶ 42 U.S.C. §§ 4321-4370f (2006).

local laws, may prohibit or unreasonably delay the construction or operation of facilities approved by this Commission.¹⁷

26. At a hearing held on December 16, 2010, the Commission, on its own motion, received and made a part of the record all evidence, including the application and exhibits thereto, submitted in support of the authorization sought herein. Upon consideration of the record,

The Commission orders:

(A) In Docket No. CP10-471-000, a certificate of public convenience and necessity is issued to Texas Eastern under NGA section 7(c) authorizing the construction and operation of the project as described more fully in the application and in the body of this order.

(B) The certificate authority granted in Ordering Paragraph (A) is conditioned on:

(1) Texas Eastern's completion of the authorized construction of the proposed facilities and making them available for service within twelve months of issuance of this order pursuant to section 157.20(b) of the Commission's regulations;

(2) Texas Eastern's compliance with all applicable Commission regulations under the NGA including, but not limited to, Parts 154 and 284, and subsections (a), (c), (e), and (f) of section 157.20 of the regulations;

(3) Texas Eastern's compliance with the environmental conditions listed in the Appendix to this order.

(C) Texas Eastern's proposed incremental recourse rates under Rate Schedule MLS-1 are approved.

(D) Texas Eastern shall file an actual tariff record to implement its proposed rates at least 30 days and not more than 60 days before service commences.

¹⁷ See, e.g., *Schneidewind v. ANR Pipeline Co.*, 485 U.S. 293 (1988); *National Fuel Gas Supply v. Public Service Commission*, 894 F.2d 571 (2d Cir. 1990); and *Iroquois Gas Transmission System, L.P., et al.*, 52 FERC ¶ 61,091 (1990) and 59 FERC ¶ 61,094 (1992).

(E) Texas Eastern shall file either its negotiated rate agreement with KGen Hot Spring or tariff records describing the transaction, at least 30 days and not more than 60 days prior to the commencement of service on the project for each shipper paying a negotiated rate.

(F) Texas Eastern is directed to disclose all consideration linked to the agreements, and to maintain separate and identifiable accounts for volumes transported, billing determinants, rate components, surcharges, and revenues associated with its negotiated rates in sufficient detail so that they can be identified in Statements G, I, and J in any future NGA section 4 or 5 rate case.

(G) Texas Eastern must execute a contract(s) for the level of firm service and terms of service represented in the precedent agreement with KGen Hot Spring prior to commencing construction.

(H) Texas Eastern and its representations made with respect to AFUDC accruals are subject to audit to determine whether they are in compliance with the revised policy and related Commission rules and regulations.

(I) Texas Eastern shall notify the Commission's environmental staff by telephone, e-mail, and/or facsimile of any environmental noncompliance identified by other federal, state, or local agencies on the same day that such agency notifies Texas Eastern. Texas Eastern shall file written confirmation of such notification with the Secretary of the Commission within 24 hours.

By the Commission.

Kimberly D. Bose,
Secretary.

Appendix

Environmental Conditions

As recommended in the EA, this authorization includes the following conditions:

1. Texas Eastern shall follow the construction procedures and mitigation measures described in its applications and supplements (including responses to staff information requests), and as identified in the EA, unless modified by the Order. Texas Eastern must:
 - a. request any modification to these procedures, measures, or conditions in a filing with the Secretary;
 - b. justify each modification relative to site-specific conditions;
 - c. explain how that modification provides an equal or greater level of environmental protection than the original measure; and
 - d. receive approval in writing from the Director of OEP **before using that modification.**
2. The Director of OEP has delegated authority to take whatever steps are necessary to ensure the protection of all environmental resources during construction and operation of the Hot Spring Lateral Project. This authority shall allow:
 - a. the modification of conditions of the Order; and
 - b. the design and implementation of any additional measures deemed necessary (including stop work authority) to assure continued compliance with the intent of the environmental conditions as well as the avoidance or mitigation of adverse environmental impact resulting from project construction and operation.
3. **Prior to any construction**, Texas Eastern shall file an affirmative statement, certified by a senior company official, that all company personnel, environmental inspectors, and contractor personnel will be informed of the environmental inspector's authority and have been or will be trained on the implementation of the environmental mitigation measures appropriate to their jobs before becoming involved with construction and restoration activities.
4. The authorized facility locations shall be as shown in the EA, as supplemented by filed alignment sheets, and shall include all of the staff's recommended facility locations identified in the EA. **As soon as they are available, and before the start of construction**, Texas Eastern shall file any revised detailed survey alignment maps/sheets at a scale not smaller than 1:6,000 with station positions for all facilities approved by the Order. All requests for modifications of

environmental conditions of the Order or site-specific clearances must be written and must reference locations designated on these alignment maps/sheets.

Texas Eastern's exercise of eminent domain authority granted under Natural Gas Act (NGA) section 7(h) in any condemnation proceedings related to the Order must be consistent with these authorized facilities and locations. Texas Eastern's right of eminent domain granted under NGA section 7(h) does not authorize it to increase the size of its natural gas pipeline to accommodate future needs or to acquire a right-of-way for a pipeline to transport a commodity other than natural gas.

5. Texas Eastern shall file detailed alignment maps/sheets and aerial photographs at a scale not smaller than 1:6,000 identifying all route realignments or facility relocations, and staging areas, pipe storage yards, new access roads, and other areas that would be used or disturbed and have not been previously identified in filings. Approval for each of these areas must be explicitly requested in writing. For each area, the request must include a description of the existing land use/cover type, and documentation of landowner approval, whether any cultural resources or federally listed threatened or endangered species would be affected, and whether any other environmentally sensitive areas are within or abutting the area. All areas shall be clearly identified on the maps/sheets/aerial photographs. Each area must be approved in writing by the Director of OEP **before construction in or near that area.**

This requirement does not apply to route variations required herein or extra workspace allowed by Texas Eastern's Upland Erosion Control, Revegetation, and Maintenance Plan, minor field realignments per landowner needs and requirements which do not affect other landowners or sensitive environmental areas such as wetlands. Examples of alterations requiring approval include all route realignments and facility location changes resulting from:

- a. implementation of cultural resources mitigation measures;
 - b. implementation of endangered, threatened, or special concern species mitigation measures;
 - c. recommendations by state regulatory authorities; and
 - d. agreements with individual landowners that affect other landowners or could affect sensitive environmental areas.
6. **Within 60 days of the acceptance of the Certificate and before construction begins**, Texas Eastern shall file an Implementation Plan for review and written approval by the Director of OEP. Texas Eastern must file revisions to the plan as schedules change. The plan shall identify:

- a. how Texas Eastern will implement the construction procedures and mitigation measures described in its application and supplements (including responses to staff data requests), identified in the EA, and required by the Order;
 - b. how Texas Eastern will incorporate these requirements into the contract bid documents, construction contracts (especially penalty clauses and specifications), and construction drawings so that the mitigation required at each site is clear to onsite construction and inspection personnel;
 - c. the number of EIs assigned per spread, and how the company will ensure that sufficient personnel are available to implement the environmental mitigation;
 - d. company personnel, including EIs and contractors, who will receive copies of the appropriate material;
 - e. the location and dates of the environmental compliance training and instructions Texas Eastern will give to all personnel involved with construction and restoration (initial and refresher training as the Project progresses and personnel change), with the opportunity for OEP staff to participate in the training session(s);
 - f. the company personnel (if known) and specific portion of Texas Eastern's organization having responsibility for compliance;
 - g. the procedures (including use of contract penalties) Texas Eastern will follow if noncompliance occurs; and
 - h. for each discrete facility, a Gantt or PERT chart (or similar project scheduling diagram), and dates for:
 - i. the completion of all required surveys and reports;
 - ii. the environmental compliance training of onsite personnel;
 - ii. the start of construction; and
 - iv. the start and completion of restoration.
7. Beginning with the filing of its Implementation Plan, Texas Eastern shall file updated status reports on a **biweekly** basis **until all construction and restoration activities are complete**. On request, these status reports will also be provided to other federal and state agencies with permitting responsibilities. Status reports shall include:
- a. an update on Texas Eastern's efforts to obtain the necessary federal authorizations;
 - b. the construction status of each spread, work planned for the following reporting period, and any schedule changes for stream crossings or work in other environmentally-sensitive areas;
 - c. a listing of all problems encountered and each instance of noncompliance observed by the EIs during the reporting period (both for the conditions imposed by the Commission and any environmental conditions/permit

- d. requirements imposed by other federal, state, or local agencies);
 - d. a description of the corrective actions implemented in response to all instances of noncompliance, and their cost;
 - e. the effectiveness of all corrective actions implemented;
 - f. a description of any landowner/resident complaints which may relate to compliance with the requirements of the Order, and the measures taken to satisfy their concerns; and
 - g. copies of any correspondence received by Texas Eastern from other federal, state, or local permitting agencies concerning instances of noncompliance, and Texas Eastern's response.
8. **Prior to receiving written authorization from the Director of OEP to commence construction of any project facilities**, Texas Eastern shall file with the Secretary documentation that it has received all authorizations required under federal law (or evidence of waiver thereof).
9. Texas Eastern must receive written authorization from the Director of OEP before commencing service of the project. Such authorization will only be granted following a determination that rehabilitation and restoration of the right-of-way and other areas affected by the project are proceeding satisfactorily.
10. **Within 30 days of placing the certificated facilities in service**, Texas Eastern shall file an affirmative statement, certified by a senior company official:
- a. that the facilities have been constructed /installed in compliance with all applicable conditions, and that continuing activities will be consistent with all applicable conditions; or
 - b. identifying which of the certificate conditions Texas Eastern has complied with or will comply with. This statement shall also identify any areas affected by the project where compliance measures were not properly implemented, if not previously identified in filed status reports, and the reason for noncompliance.