

124 FERC 61,284  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;  
Sudeen G. Kelly, Marc Spitzer,  
Philip D. Moeller, and Jon Wellinghoff.

North Baja Pipeline, LLC

Docket Nos. CP06-61-000  
CP01-23-003

ORDER VACATING CERTIFICATE AUTHORITY IN PART

(Issued September 24, 2008)

1. On June 25, 2008, North Baja Pipeline, LLC (North Baja) filed a motion to vacate part of the certificate authority granted by the Commission on October 2, 2007, for North Baja to modify and expand its existing pipeline system to facilitate the importation of natural gas from Mexico into California and Arizona. Specifically, North Baja seeks to vacate the portion of its certificate authority to construct and operate the IID Lateral in Imperial County, California. As discussed below, the Commission grants North Baja's motion to vacate the certificate authority related to the IID Lateral facilities.

**I. Background**

2. On October 2, 2007, in Docket No. CP06-61-000, the Commission issued a certificate of public convenience and necessity to North Baja under section 7(c) of the Natural Gas Act authorizing the construction of facilities to increase its pipeline capacity and to permit the northbound flow of gas.<sup>1</sup> Previously, North Baja's system had only been capable of transporting gas in a southerly direction for export to Mexico; however, the October 2007 certificate order authorized facilities making it possible for North Baja to reverse flow and transport regasified liquefied natural gas (LNG) imported from Mexico. The expanded system, once completed, will be capable of transporting 2,932,000 Dth of natural gas per day from Mexico in a northbound direction to California and Arizona markets.

3. As authorized by the certificate order, the expansion project includes the construction of the IID Lateral to serve the Imperial Irrigation District's El Centro Generating Facility in Imperial County, California. The IID Lateral, as proposed and

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<sup>1</sup> *North Baja Pipeline, LLC*, 121 FERC ¶ 61,010 (2007) (certificate order), *order denying reh'g and stay*, 123 FERC ¶ 61,073 (2008) (rehearing order). *See also North Baja Pipeline, LLC*, 117 FERC ¶ 61,022 (2006) (order setting forth preliminary determination on non-environmental issues).

authorized, would be a 45.7-mile, 16-inch diameter lateral pipeline extending from a point north of North Baja's Ogilby Meter Station westward through Imperial County to the Imperial Irrigation District's El Centro Generating Facility. The Imperial Irrigation District had executed a precedent agreement with North Baja for 110,000 Dth per day of firm incremental transportation capacity on the proposed IID Lateral for a term of 20 years.

## **II. Notice and Pleadings**

4. Public notice of North Baja's motion was published in the *Federal Register* on August 27, 2008.<sup>2</sup> Comments, protests, and motions to intervene were due by September 10, 2008. On September 9, 2008, intervenors Southern California Gas Company and San Diego Gas & Electric Company filed an answer in support of North Baja's motion.

## **III. Discussion**

5. In its instant motion, North Baja requests that the Commission vacate that portion of its certificate authority related to the IID Lateral facilities. North Baja is no longer planning to construct the IID Lateral due to the Imperial Irrigation District's termination of its service agreement.

6. The Commission grants North Baja's motion to vacate the certificate authority for the construction and operation of the IID Lateral facilities, since North Baja no longer intends to construct those facilities. Termination of the IID Lateral will have no rate implications because the costs of the IID Lateral were separately stated and were to be recovered through an incremental rate schedule.<sup>3</sup>

### The Commission orders:

The Commission grants North Baja's motion and vacates, in part, the certificate authority granted by the October 2, 2007 certificate order to eliminate the authorization for construction and operation of the IID Lateral.

By the Commission.

Kimberly D. Bose,  
Secretary.

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<sup>2</sup> 73 Fed. Reg. 50,609 (2008).

<sup>3</sup> See 117 FERC ¶ 61,022 at P 50 and 121 FERC ¶ 61,010 at P 27 and 30 and Ordering Paragraph (E).