

into marine vessels for export. Specifically, the 2012 Order authorized Sabine Pass to construct and operate four LNG process trains in two stages (Trains 1 and 2 in Stage 1 and Trains 3 and 4 in Stage 2) with a total LNG production capacity of 16 million tons per year (mtpa), or 2.2 Billion cubic feet (Bcf) per day (approximately 4 mtpa per train).⁴ In 2013, the Commission authorized Sabine Pass to accelerate construction of Stage 2 to coincide with construction of Stage 1.⁵ Subsequently, in 2014, the Commission approved Sabine Pass's request to increase the authorized production capacity of the Liquefaction Project to approximately 20 mtpa, or 2.76 Bcf per day.⁶

3. The April 6 Order authorized Sabine Pass to construct and operate liquefaction Trains 5 and 6 of the Liquefaction Project adjacent to the Sabine Pass LNG Terminal and to expand Creole Trail's interstate pipeline facilities which transport domestic natural gas to the Sabine Pass LNG Terminal for export. The Liquefaction Expansion Project would increase the Liquefaction Project's total authorized production capacity from approximately 20 mtpa or 2.76 Bcf per day, to approximately 30 mtpa, or 4.14 Bcf per day. The authorized facilities include gas treatment facilities to remove and dispose of solids, carbon dioxide, sulfur, heavy hydrocarbons, water and mercury; waste heat recovery systems; and gas-fired compression for liquefaction and power generation. The Creole Trail Expansion Project, also authorized by the April 6 Order, partially loops Creole Trail's existing pipeline facilities in Zone 1 and includes in a new Zone 2 the construction of a 48.5-mile-long pipeline extension, a new gas-fired Mamou Compressor Station, and four laterals from the Mamou Compressor Station to points of interconnection with additional pipelines, i.e., Columbia Gulf Transmission Company, Pine Prairie Energy Center, ANR Pipeline Company, and Texas Gas Transmission, LLC.⁷

⁴ *Sabine Pass Liquefaction, LLC*, 139 FERC ¶ 61,039, *reh'g denied*, 140 FERC ¶ 61,076 (2012) (2012 Order).

⁵ *Sabine Pass Liquefaction, LLC*, 144 FERC ¶ 61,099 (2013). Sabine Pass plans to place Trains 1 and 2 into service in the second quarter 2015 and Trains 3 and 4 into service in early 2016.

⁶ *Sabine Pass Liquefaction, LLC*, 146 FERC ¶ 61,117, *reh'g denied*, 148 FERC ¶ 61,200 (2014).

⁷ Creole Trail also has interconnections with Texas Eastern Transmission, LP, Natural Gas Pipeline Company of America, Transcontinental Gas Pipe Line Company, LLC, Tennessee Gas Pipeline Company, Florida Gas Transmission Company, Trunkline Gas Company, and Bridgeline Holdings, LP.

4. The April 6 Order rejected Sierra Club's protests in its finding of no significant impact under the National Environmental Policy Act of 1969 (NEPA)⁸ and adoption of the conclusion of the Environmental Assessment (EA) that with implementation of appropriate mitigation the projects' environmental impacts are acceptable.⁹ The April 6 Order concluded that if constructed and operated in accordance with the applications and in compliance with the order's environmental conditions, the Commission's approval of both projects would not constitute a major federal action significantly affecting the quality of the human environment.

II. Request for Rehearing

5. Sierra Club contends that the April 6 Order violated NEPA by (1) failing to analyze the adverse environmental impacts from induced upstream gas production in the United States and from downstream end-use of LNG in importing nations as indirect effects of the project; (2) failing to consider the cumulative impacts of the project with other approved and pending LNG export projects; (3) failing to employ generally accepted methods for discussing the impacts of greenhouse gas emissions (GHG), such as the social cost of carbon and evaluating consistency with emission reduction targets; and (4) failing to prepare an Environmental Impact Statement (EIS) after the Commission's EA.

III. Discussion

A. Induced Natural Gas Production

1. Indirect Impacts¹⁰

6. Section 102 of NEPA requires federal agencies to prepare "a detailed statement . . . on the environmental impact" of any proposed major federal action "significantly affecting the quality of the human environment."¹¹ Agencies must also take a "hard look" at the environmental consequences of all of their actions.¹² To

⁸ 42 U.S.C. § 4321, *et seq.* (2012).

⁹ April 6 Order at PP 57-122.

¹⁰ This order uses the terms "impacts" and "effects" synonymously, as permitted by Council on Environmental Quality's (CEQ) NEPA regulations. *See* 40 C.F.R. § 1508.8(b) (2014).

¹¹ 42 U.S.C. § 4332(1)(C)(i) (2012).

¹² *Kleppe v. Sierra Club*, 427 U.S. 390, n.21 (1976) (*Kleppe*).

determine whether NEPA requires consideration of a particular effect, agencies must look at the relationship between that effect and the change in the physical environment caused by the major federal action at issue.¹³ The CEQ regulations require agencies to consider direct, indirect, and cumulative impacts.¹⁴

7. Indirect impacts, which may include growth-inducing effects, are “caused by the proposed action” and occur later in time or farther removed in distance than direct impacts, but are still “reasonably foreseeable.”¹⁵ NEPA requires a reasonably close causal relationship between the alleged cause and environmental effect.¹⁶ To determine whether an agency must consider a particular effect, courts “look to the underlying policies or legislative intent in order to draw a manageable line between those causal changes that may make an actor responsible for an effect and those that do not.”¹⁷

8. In addition to a causal relationship, the indirect effect must be reasonably foreseeable. An effect is “reasonably foreseeable” if it is “sufficiently likely to occur that a person of ordinary prudence would take it into account in reaching a decision.”¹⁸ NEPA requires “reasonable forecasting,” but an agency is not required “to engage in speculative analysis” or “to do the impractical, if not enough information is available to

¹³ *Metropolitan Edison Co. v. People Against Nuclear Energy*, 460 U.S. 766, 773 (1983) (*Metropolitan Edison*).

¹⁴ 40 C.F.R. § 1508.25 (2014).

¹⁵ *Corpus Christi Liquefaction, LLC*, 149 FERC ¶ 61,283, at P 119 (2014) (citing 40 C.F.R. § 1508.8(b) (2014)), *reh’g denied* 151 FERC ¶ 61,098, at PP 8-23 (2015) (*Corpus Christi*).

¹⁶ *Metropolitan Edison*, 460 U.S. at 774 and *Central New York Oil and Gas Co., LLC*, 137 FERC ¶ 61,121, at PP 81-101 (2011), *order on reh’g*, 138 FERC ¶ 61,104, at PP 33-49 (2012), *petition for review dismissed, sub nom. Coalition for Responsible Growth v. FERC*, 485 F. Appx. 472, 474-75 (2012) (upholding the Commission’s analysis of the development of Marcellus Shale natural gas reserves and its environmental impacts where the Commission reasonably concluded that the impacts of that development were not sufficiently causally-related to the projects to warrant a more in-depth analysis).

¹⁷ *Department of Transportation v. Public Citizen*, 541 U.S. 752, n.7 (2004) (*Dep’t of Transportation*).

¹⁸ *City of Shoreacres v. Waterworth*, 420 F.3d 440, 453 (5th Cir. 2005) (*City of Shoreacres*) and *Sierra Club v. Marsh*, 976 F.2d 763, 767 (1st Cir. 1992).

permit meaningful consideration.”¹⁹ The starting point of any NEPA analysis is a “rule of reason,” under which NEPA documents “need not address remote and highly speculative consequences.”²⁰ A future impact is not reasonably foreseeable when it could “conceivably” occur but “it is at least as likely” that it will not occur.²¹

a. Induced Production

9. Sierra Club contends that an indirect effect of the project will be an increase in gas production, whether used in the project or by other customers, causing, as further discussed in this order, increased GHGs and increased regional ozone levels. Sierra Club argues that the April 6 Order’s statement that additional shale gas production is not an “essential predicate” for the project²² is beside the point because the project will result in additional production that will be used by other gas customers if not used by the project.

10. We disagree with Sierra Club’s interpretation of the scope of Commission review mandated by NEPA. The April 6 Order reasonably concluded that induced production is not an indirect effect of the project as contemplated by NEPA and the CEQ regulations.²³

11. As noted above, NEPA requires consideration of an indirect effect if there is a “reasonably close causal relationship between the environmental effect and the alleged cause.”²⁴ There is not the requisite reasonably close causal relationship between the impacts of future natural gas production and the Liquefaction Expansion Project. We note that the Commission has no jurisdiction over the production and development of domestic natural gas. Rather, production is regulated by state and local governments.²⁵

¹⁹ *Northern Plains Resources Council, Inc. v. Surface Transp. Board*, 668 F.3d 1067, 1078 (9th Cir. 2011) (*Northern Plains*).

²⁰ *Hammond v. Norton*, 370 F. Supp. 2d 226, 245-46 (D.D.C. 2005) (*Hammond*).

²¹ *Headwaters, Inc. v. Bureau of Land Mgmt., Medford Dist.*, 914 F.2d 1174, 1182 (9th Cir. 1990).

²² April 6 Order at P 90.

²³ *Id.* at P 91.

²⁴ *Dep’t of Transportation*, 541 U.S. at 770 (citing *Metropolitan Edison Co.*, 460 U.S. at 774).

²⁵ Under NEPA, where an agency has no ability to prevent a certain effect due to its limited statutory authority over the relevant actions, the agency cannot be considered a

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12. The April 6 Order noted that the project will receive natural gas through interconnections with many other natural gas pipelines.²⁶ Sierra Club does not identify any additional natural gas production attributable to the proposed project. Moreover, the pipelines which interconnect with this project span an area from Texas to Illinois to Pennsylvania, crossing both shale and conventional gas plays. The location and extent of potential subsequent production activity are thus unknown and are too speculative to be assumed for purposes of analyzing the impacts of such production in this proceeding. Accordingly, we cannot meaningfully estimate how much of the project's export volumes will come from current gas production or new production, or development or will be diverted from existing customers.

13. Sierra Club contends that "connecting domestic gas producers with global demand" which it alleges cannot occur without Commission approval of LNG export projects "will induce ... domestic gas production."²⁷ However, the fact remains that the Commission's action in authorizing specific facilities proposed in this proceeding is not the cause of any additional production for purposes of NEPA.²⁸ Moreover, as we explained in another proceeding, a number of factors, such as domestic natural gas prices and production costs drive new drilling.²⁹ Sierra Club has not provided any reason for us to reconsider our decision on this issue.

b. Reports and Studies

14. Sierra Club maintains that the April 6 Order does not acknowledge the utility of or indicate the deficiencies in forecasts, estimates, and models of export scenarios discussed in Sierra Club's cited reports³⁰ that, it asserts, demonstrate that increased domestic

legally relevant "cause" of the effect. *Dep't of Transportation*, 541 U.S. at 770 and *City of Shoreacres*, 420 F.3d at 452.

²⁶ April 6 Order at P 90.

²⁷ Request for Rehearing at 7.

²⁸ As described in the April 6 Order, the U.S. Department of Energy (DOE), not the Commission, approves or disapproves the export of the commodity natural gas.

²⁹ *Rockies Express Pipeline LLC*, 150 FERC ¶ 61,161, at P 39 (2015).

³⁰ U.S. DOE, *Final Addendum to Environmental Review Documents Concerning Exports of Natural Gas from the United States* (Aug. 15, 2014), available at <http://energy.gov/sites/prod/files/2014/08/f18/Addendum.pdf> (DOE Addendum); U.S. EIA, *Effect of Increased Natural Gas Exports on Domestic Energy Markets*, (Jan. 2012) available at http://www.eia.gov/analysis/requests/fe/pdf/fe_lng.pdf (EIA Export Study);

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natural gas production is an indirect effect of the export project. Sierra Club argues that the location and number of wells can be inferred from regional forecasts and average production and emission data.

15. The April 6 Order acknowledged Sierra Club's cited reports, but concluded that they "only provide generalized predictions regarding the potential location of any production which might be induced by exports."³¹ As noted, even if a causal relationship between our action and induced production were presumed, the potential impacts from any such induced production are not reasonably foreseeable because the Commission can only speculate as to where and when the additional production would occur and the extent and nature of the actual infrastructure (wells, pads, gathering lines, etc.) which would be necessary to support such production. Sierra Club's reliance on the referenced LNG export studies, which it contends would help the Commission forecast the amount or the location of production that would be induced by the proposed project, is misplaced. These studies provide only general economic analyses concluding that increased LNG exports may increase domestic natural gas production, but they do not provide specificity that would be needed to inform the Commission's decision here.

16. For example, the Energy Information Administration's (EIA) projections that increased exports will lead to increased domestic production and that 72 percent of the increase will come from shale gas, do not demonstrate that gas processed by any particular export facility will mirror the estimated percentages. Moreover, the EIA report includes the caveat that projections involving energy markets are "highly uncertain and subject to many events that cannot be foreseen, such as supply disruptions, policy changes, and technological breakthroughs."³²

17. Reliance on the 2011 Deloitte Report, referenced above, is similarly misplaced. As previously discussed by the Commission, this report focused primarily on the price impacts that LNG may have on the domestic U.S. gas market. The Deloitte Report also

NERA Economic Consulting, *Macroeconomic Impacts of LNG Exports from the United States* (2012); Deloitte, *Marketpoint, Made in America: The Economic Impact of LNG Exports from the United States* (2011) (Deloitte Report); ICF International, *U.S. LNG Exports: Impacts on Energy Markets and the Economy* (May 2013); Charles Ebinger, *et al.*, *Liquid Markets: Assessing the Case for U.S. Exports of Liquefied Natural Gas*, Brookings Institution (May 2012), available at <http://www.brookings.edu/research/reports/2012/05/02-lng-exports-ebinger>.

³¹ April 6 Order at P 91.

³² EIA *Export Study* at 3. See also *Freeport LNG Development, L.P.*, 149 FERC ¶ 61,119 (2014) (*Freeport LNG*).

forecast that the export of domestic gas will lead to increased production and that shale gas production, particularly in the Marcellus Shale and the Haynesville Shale, will grow and could eventually become the largest component of domestic gas supply.³³ However, the Deloitte Report, like the EIA report, does not attempt to identify specific locations where the additional gas production induced by exports will occur, or otherwise assist the Commission in reasonably assessing the potential environmental impacts from the production of gas that may be induced by the proposed project.³⁴

18. Sierra Club contends that the Commission should modify the models discussed in the reports Sierra Club filed to determine the magnitude of additional production. We do not believe it would be appropriate for the Commission to revise a model developed by others for a different purpose for use as a basis for conducting a project-focused NEPA analysis. Nor does NEPA impose such an obligation.

19. We also reject Sierra Club's assertion that EIA's National Energy Modeling System (NEMS) could be used to predict the location of induced production which might stem from the proposed project. NEMS is a modeling system that can be used to project the response of domestic energy markets to a wide variety of alternative assumptions and policies or policy initiatives, or to examine the impact of new energy programs and policies. However, it is not designed to predict or analyze the environmental impacts of specific infrastructure projects.³⁵ As to the referenced ICF International Study, it projects that increased LNG exports may lead to increased production in certain areas of the country,³⁶ but as the Commission has recently noted, it does not project that the source of gas processed by any particular export facility, such as the Liquefaction Expansion Project, will mirror the estimated percentages.³⁷

³³ Deloitte Report at 6.

³⁴ *Cheniere Creole Trail Pipeline, L.P.*, 142 FERC ¶ 61,137, at P 58 (2013).

³⁵ EIA, *Overview of the National Energy Modeling System*, available at <http://www.eia.gov/oiaf/aeo/overview/index.html>.

³⁶ ICF INTERNATIONAL, *U.S. LNG Exports: State-Level Impacts on Energy Markets and the Economy* (Nov. 13, 2013), at 14-15, available at <http://www.api.org/~media/Files/Policy/LNG-Exports/API-State-Level-LNG-Export-Report-by-ICF.pdf>.

³⁷ *Corpus Christi*, 151 FERC ¶ 61,098 at P 15.

20. Sierra Club contends the DOE Addendum recognizes that the effects of GHG³⁸ emissions and climate change are not limited to a specific geographic location and concludes that the Commission is required to consider the indirect effect of increased GHG emissions caused by additional gas production induced by the proposed project. We disagree.

21. First, we have found that increased natural gas production is not an indirect effect of the proposed project as contemplated by NEPA or the CEQ regulations. Second, the DOE Addendum is limited to general estimates about the environmental impacts associated with natural gas production with respect to DOE's authorization of LNG exports. The DOE Addendum notes the difficulties in analyzing the specific environmental impacts of additional natural gas production:

By including this discussion of natural gas production activities, DOE is going beyond what NEPA requires. While DOE has made broad projections about the types of resources from which additional production may come, DOE cannot meaningfully estimate where, when, or by what method any additional natural gas would be produced. Therefore, DOE cannot meaningfully analyze the specific environmental impacts of such production, which are nearly all local or regional in nature. . . . As DOE explained in *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 2961-A (Aug. 7, 2012), lacking an understanding of where and when additional gas production will arise, the environmental impacts resulting from production activity induced by LNG exports to non-Free Trade Agreement countries are not “reasonably foreseeable” within the meaning of the [CEQ's] NEPA regulations.³⁹

22. DOE's Addendum also observed that “[w]ith the exception of [GHGs] and climate change, potential impacts of expanded natural gas production and transport would be on a local or regional level.”⁴⁰ While GHGs, regardless of where they originate, affect global GHG concentrations in the atmosphere, the Commission's responsibility under NEPA

³⁸ Greenhouse gases, as recognized by the Environmental Protection Agency (EPA), include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

³⁹ DOE Addendum at 2 (August 2014).

⁴⁰ *Id.* For example, local and regional impacts would result from the project's land use and water requirements and the country-to-country impacts of climate change from global GHG emissions.

focuses on local or regional environmental impacts attributable to the project.⁴¹ This methodology is consistent with CEQ's GHG guidance. Further, the net change in global emissions is dependent on the fuels that increased natural gas production may replace. While Sierra Club asserts that the project will induce production and cause air pollution regionally from such production, for the reasons discussed above, these impacts, if any, are distant from the project, are not effects of the project, and are, therefore, not within our NEPA review responsibilities.

23. Thus, we find the studies cited by Sierra Club are unpersuasive. The studies set forth general economic projections with respect to LNG exports in the United States but do not assist us in reasonably estimating how much of the Liquefaction Expansion project's export volumes will come from current versus future natural gas production, or where and when the assumed future production may specifically be located and take place, much less in identifying any associated environmental impacts of such production. While Sierra Club argues that the Liquefaction Expansion Project will result in additional production somewhere in the United States, we cannot base our public interest findings on "conjecture and generalization," because that approach is not "within the rule of reason."⁴²

24. Sierra Club contends that the Commission has not taken a hard look at the upstream impacts of induced gas production on "regional" ozone levels.⁴³ The April 6 Order adopted the EA's conclusion that modeling studies that considered ozone levels at 65 monitors throughout Louisiana and the Houston/Galveston/Brazoria area showed increases in ozone levels at only 6 of the 65 monitors, all of which are located in Texas and that in Louisiana ozone levels would not increase at the monitoring stations.⁴⁴ The April 6 Order accepted the EA's conclusion that the direct "impacts on ozone levels from the SPLE Project would not be significant."⁴⁵

⁴¹ CEQ, *Revised Draft Guidance for Federal Departments and Agencies on Consideration of Greenhouse Gas Emissions and the Effects of Climate Change in NEPA Reviews* (2014), 79 Fed. Reg. 77,802, at 77,829, 1/3 (Dec. 24, 2014) (*Revised Draft GHG Guidance*).

⁴² 40 C.F.R. § 1502.22(b)4 (2014).

⁴³ Ozone results from nitrogen oxides and volatile organic compounds (VOCs). The EPA does not consider ozone to be a GHG pollutant, and ozone is thus excluded from the project's GHG estimates of emissions.

⁴⁴ April 6 Order at P 87 and EA at 82 and 106.

⁴⁵ EA at 106.

25. Texas and Louisiana are divided into 15 individual air quality control regions.⁴⁶ It is speculative to project a particular air quality control region where additional ozone impacts could occur without knowing the specific region in which additional production would occur. Therefore, the EA did not attempt to predict the adverse environmental impacts associated with induced production because, as discussed above and in the April 6 Order, impacts associated with additional production are neither caused by the project or reasonably foreseeable as contemplated by CEQ regulations.

c. Judicial Precedent

26. Sierra Club cites three cases in support of its general contention that the impacts of induced gas production are caused by LNG exports in the context of indirect effects. First, Sierra Club cites *High Country Conservation Advocates v. U.S. Forest Service*.⁴⁷ That case involved three agency decisions that together authorized on-the-ground coal exploration activities in a road-less area of public lands. As pertinent to this proceeding, the U.S. Forest Service (Forest Service) issued a rule which, among other things, allowed road construction related to coal mining in previously road-less areas. One of the explicit purposes of the rule was “to facilitate coal mining and exploration in the North Fork Valley.”⁴⁸ The rule did not directly authorize such activities, as individual projects still would have to undergo site-specific environmental analysis and approval. The court nevertheless faulted the Forest Service for failing to analyze GHG emissions associated with the production and combustion of the coal.⁴⁹

27. We find the situation in *High Country* distinguishable from the facts in this proceeding. The Forest Service’s action in *High Country* was explicitly intended to facilitate additional coal production. As discussed above, our approval of the Liquefaction Expansion Project is not causally related to any additional natural gas production. Moreover, whereas the region of potential additional coal development in *High Country* was relatively limited and defined, any induced gas which might be processed by the Liquefaction Expansion Project could come from shale or conventional gas plays located anywhere in the eastern half of the United States. In addition, the coal development activities in *High Country* would be subject to the jurisdiction of the

⁴⁶ EPA, *Federal Air Quality Control Regions*, January, 1972.

⁴⁷ *High Country Conservation Advocates v. U.S. Forest Service*, 52 F. Supp. 3d 1174 (D. Colo. 2014) (*High Country*).

⁴⁸ *Id.* at 1184.

⁴⁹ *Id.* at 1196-98.

agencies involved in that proceeding. In contrast, the production of natural gas is subject to state and local, as opposed to federal, regulation.

28. Sierra Club also cites *Mid States Coalition for Progress v. Surface Transportation Board*,⁵⁰ which involved the Surface Transportation Board's (Board) review of a railroad company's proposal to construct 280 miles of new railroad and upgrade 600 miles of existing railroad to reach the coal mines in Wyoming's Powder River Basin. Petitioners maintained that the Board failed to consider the effects on air quality that an increase in supply of low-sulfur coal to power plants via the railroad lines would produce. The court held that the Board was required under NEPA to examine the effects that may occur as a result of the reasonably foreseeable increase in coal consumption.⁵¹ Further, the court found significant that the Board stated, during the scoping process, that it would evaluate the effects of induced coal consumption but had "failed to deliver on this promise" in the project's draft and final EISs.⁵² The court concluded that the Board had "completely ignored the effects of increased coal consumption,"⁵³ instead of complying with CEQ procedures for situations when there is incomplete or unavailable information. In response to arguments that the effects of increased coal consumption could not be analyzed because the Board could not identify where coal-fired power plants would be built or how much coal would be burned, the court stated that when the nature of the effect was reasonably foreseeable but the extent of the effect was not, an agency cannot simply ignore the effect, but rather, must comply with CEQ procedures for situations in which there is incomplete or unavailable information.⁵⁴

29. In *Mid States*, it was acknowledged that the rail proposal would increase the long-term demand for coal. Here, it is uncertain whether the proposed project would increase long-term demand for natural gas. The proposed volume of LNG to be exported from the Sabine Pass's facilities with six LNG trains (4.14 Bcf per day) is only 5.8 percent of the daily natural gas production in the United States, based on 2014 production levels (71

⁵⁰ 345 F.3d 520 (8th Cir. 2003) (*Mid States*).

⁵¹ *Id.* at 550.

⁵² *Id.*

⁵³ *Id.*

⁵⁴ *Id.* at 549-50. CEQ regulations detail the procedures an agency must follow if it lacks adequate information to evaluate "reasonably foreseeable significant adverse effects" while preparing an EIS, 40 C.F.R. § 1502.22 (2014), but no EIS was prepared in this *Sabine Pass* proceeding.

Bcf per day).⁵⁵ It represents an even smaller percentage of production in the global natural gas market in which it will be competing.⁵⁶ Moreover, in the absence of this project, countries seeking to import natural gas will likely continue to negotiate and find natural gas supplies. Therefore, end-use consumption of natural gas will likely occur regardless of whether the project is approved.

30. Sierra Club relies on *City of Davis, California v. Coleman* in which the court remanded proceedings for an injunction with instructions to prepare an EIS to consider a road interchange project's growth-inducing effects, such as increased population, traffic, pollution, and demand for services in or near the city, from increased highway access for future industrial development.⁵⁷ The court stated that given studies in the record that showed a declining municipal water table, shortage of housing, and increasing population, it was not reasonable to conclude "without further study, that the environmental impact of the proposed interchange will be insignificant."⁵⁸ The studies the court referenced related to local indirect impacts on a near-by municipality from an interchange designed to facilitate industrial and residential growth in an agricultural area. The studies found that the ripple effects from the interchange project in *City of Davis* are "significant" because there were readily identifiable and provable short and long-term environmental impacts from the project.

31. As discussed in the April 6 Order and above, we reject Sierra Club's assertion that there is a sufficient causal connection between the Sabine Pass/Creole Trail projects and additional production of natural gas to compel us to analyze the potential impacts of such production in connection with these projects. The impacts Sierra Club argues we should analyze are neither readily identifiable nor provable. Further, unlike the agency in the *City of Davis*, we have analyzed the projects' potential impacts on lands contiguous to the project and find that the Liquefaction and Creole Trail Expansion Projects before us will have no unacceptable environmental impacts on resources in the area. The EA analyzed such local impacts and found that they did not have a significant effect on land

⁵⁵ EIA, *Natural Gas Monthly* (Feb. 2015), available at <http://www.eia.gov/naturalgas/monthly>.

⁵⁶ *Cf. Sierra Club v. Clinton*, 746 F. Supp. 2d 1025, 1046 (D. Minn. 2010) (finding that the volume of crude oil proposed to be transported is not reasonably foreseeable to increase overall crude oil consumption in the United States because the volume proposed to be transported only amounts to three percent of the daily amount of crude oil processed in the United States).

⁵⁷ 521 F.2d 661, 674-76 (9th Cir. 1975) (*City of Davis*).

⁵⁸ *Id.* at 675.

requirements;⁵⁹ geology and soils;⁶⁰ water resources, fisheries, and wetlands;⁶¹ vegetation and wildlife;⁶² land use, recreation, and visual resources;⁶³ socio-economic considerations;⁶⁴ cultural resources;⁶⁵ air quality and noise impacts;⁶⁶ reliability and safety of facilities;⁶⁷ and cumulative impacts on environmental resources.⁶⁸

d. Natural Gas Prices and Coal Use

32. Sierra Club contends that the April 6 Order erroneously failed to consider the project's effects on natural gas prices and increased coal use. Sierra Club argues the Commission should consider: (1) the extent to which LNG exports increase domestic gas prices; (2) whether gas price increases increase domestic use of coal for electricity generation; (3) whether the decrease, if any, in domestic gas consumption in response to exports and export-driven price increases primarily occur in the electric sector, with producers replacing some gas-fired electric generation with coal; and (4) the extent to which the shift from gas to coal-fired electric generation result in emissions impacts.

33. As the April 6 Order explained, DOE has retained the authority under the NGA to approve or disapprove the export of the commodity natural gas. The consideration of potential impacts associated with the export of the commodity, including impacts associated with any resultant increase in domestic coal use, is outside the scope of the Commission's delegated authority.⁶⁹ While the Sierra Club implies that the Commission

⁵⁹ EA at 19.

⁶⁰ *Id.* at 25-29.

⁶¹ *Id.* at 33-45.

⁶² *Id.* at 47-53.

⁶³ *Id.* at 55-63.

⁶⁴ *Id.* at 65-75.

⁶⁵ *Id.* at 77-79.

⁶⁶ *Id.* at 80-116.

⁶⁷ *Id.* at 119-160.

⁶⁸ *Id.* at 161-168.

⁶⁹ April 6 Order at PP 26-29.

reads its NGA section 3 authority over facilities too narrowly so as to exclude market, pricing, and economic impacts, we believe our interpretation of the statute and DOE's delegation of authority to the Commission as applying only to the siting and the operation of the facilities necessary to accomplish an export and not to the project's economic effects of the commodity export itself to be reasonable. Accordingly, we will not attempt to undertake an analysis of any potential impacts of changes in electricity generation which might result from the export of the natural gas to be processed by the project.

34. Moreover, the level of analysis sought by Sierra Club is neither contemplated nor required by courts⁷⁰ or the CEQ regulations.⁷¹ As noted in the April 6 Order, the DOE Addendum relied upon by Sierra Club states that the environmental impacts resulting from gas production activity induced by LNG exports to non-Free Trade Agreement countries are not "reasonably foreseeable" within the meaning of the CEQ's NEPA regulations.⁷² Here, too, the project's potential economic effects on natural gas prices, coal use, and possible fuel-switching are also not reasonably foreseeable indirect effects of the project. In *Corpus Christi*, as to the same point, the Commission stated that Sierra Club had offered no evidence to indicate that a potential increase of domestic gas prices or a potential power sector shift from gas to coal would be caused by or are reasonably foreseeable effects of the project being considered there.⁷³ EIA's Annual Energy Outlook 2014 stated that the future of coal-fired generating capacity is dependent on a number of factors, such as the implementation of EPA's Mercury and Air Toxics Standards for Power Plants and actions to cut GHG emissions.⁷⁴ We find it more plausible that these factors would play a greater role in any decision by the domestic power sector to shift from natural gas to coal as a base fuel.

e. **Life-Cycle Analysis**

35. Sierra Club contends that the April 6 Order failed to take a hard look at the possibility that importing countries in Europe or Asia will use more natural gas if they are able to import LNG from the United States, including transportation-related GHG

⁷⁰ *Hammond*, 370 F. Supp. 2d at 245-46.

⁷¹ *Freeport LNG*, 149 FERC ¶ 61,119 at PP 53-54 (2014).

⁷² April 6 Order at P 94.

⁷³ *Corpus Christi*, 151 FERC ¶ 61,098 at P 33.

⁷⁴ EIA, *Annual Energy Outlook 2014* at MT-32 and MT-33, available at [http://www.eia.gov/forecasts/aeo/pdf/0383\(2014\).pdf](http://www.eia.gov/forecasts/aeo/pdf/0383(2014).pdf).

emissions over the project's life-cycle.⁷⁵ It asserts that we should consider the impacts of such foreign usage.

36. The Commission's NEPA review does not include a comparison of an importing country's baseline gas consumption levels with levels after the project commences operations or an identification of the possible displacement of renewable energy with natural gas. As an initial matter, there is not a sufficient causal link between our action in approving the Sabine Pass project and impacts related to the ultimate consumption of the gas. Also, as discussed in the April 6 Order and above, impacts associated with the export of the commodity are appropriately under the purview of DOE. Moreover, given the global nature of the natural gas market, the Commission has no way of predicting where or how the gas exported from the project will ultimately be consumed (e.g., transportation, electric generation, heating, or feedstock for industrial processes), much less what alternative fuel sources it may replace. Further, countries seeking to import natural gas will continue to negotiate to find natural gas supplies. Therefore, end use consumption of natural gas will likely occur regardless of whether the project is approved.⁷⁶

37. In *Mid States*, the court found that parties had identified computer models "that are widely used in the electric power industry to simulate the dispatch of generating resources to meet customer loads."⁷⁷ No such widely accepted models are available here that would enable the Commission to meaningfully identify or evaluate the impacts related to the consumption of the natural gas to be exported via the Sabine Pass facilities. Unlike the Board in *Mid States*, the Commission has not "completely ignored" the impacts of increased emissions in end-use markets. We have explained how such emissions are not sufficiently causally related to the project to warrant additional analysis under NEPA and, even if there were to be a sufficient causal relationship, there is insufficient information available to allow us to meaningfully analyze those downstream impacts.

38. Thus, we find the April 6 Order did not err in concluding that any impact associated with future natural gas production and ultimate consumption is not an indirect effect of the Liquefaction Expansion Project as contemplated by the CEQ regulations.

⁷⁵ April 6 Order at PP 95, 99.

⁷⁶ *Id.* at P 95.

⁷⁷ *Mid States*, 345 F.3d at 550.

2. Cumulative Effects

39. A “cumulative impact” is defined by CEQ as the “impact on the environment which results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions.”⁷⁸ A cumulative impacts analysis may require an analysis of actions unrelated to the proposed project if they occur in the project area or the region of influence of the project being analyzed.⁷⁹ CEQ states that while “it is not practical to analyze the cumulative effects of an action on the universe,”⁸⁰ an agency is required to include “such information as appears to be reasonably necessary under the circumstances for evaluation of the project rather than to be so all-encompassing in scope that the task of preparing it would become either fruitless or well nigh impossible.”⁸¹ CEQ’s guidance on cumulative impacts assessments advises that agencies have substantial discretion in determining the appropriate level of the cumulative impacts assessments.⁸² CEQ further states that an agency should relate the scope of its analysis to the magnitude of the environmental impacts of the proposed action.⁸³

40. Sierra Club contends that the Commission erred by not including the environmental effects of approved or pending LNG export proposals that would result in increased natural gas production, domestic coal use, and natural gas use in importing countries. Sierra Club is requesting, in essence, that the Commission conduct a programmatic NEPA review of natural gas development and production. We decline to do so.

⁷⁸ 40 C.F.R. § 1508.7 (2014).

⁷⁹ CEQ, *Considering Cumulative Effects Under the National Environmental Policy Act* at 12-16 (1997).

⁸⁰ *Id.* at 8.

⁸¹ *New York Natural Resource Defense Council, Inc. v. Kleppe*, 429 U.S. 1307, 1311 (1976) (citing *Natural Resource Defense Council v. Calloway*, 524 F.2d 79, 88 (2d Cir. 1975)).

⁸² The Supreme Court has similarly held that “determination of the extent and effect of [cumulative impacts], and particularly identification of the geographic area within which they may occur, is a task assigned to the special competency of the appropriate agencies.” *Kleppe*, 427 U.S. at 413.

⁸³ CEQ, *Guidance on Consideration of Past Actions in Cumulative Effects Analysis* at 2-3 (2005).

41. As the Commission noted in *Corpus Christi* and *Cameron LNG*, there is no Commission program or policy to promote additional production or export of, or increased reliance on, natural gas.⁸⁴ Nor is there any need for the Commission to review groups of LNG export proposals together. The Commission's practice is to consider each LNG export project application on its own merits. The proposal for the Liquefaction Expansion Project is not in response to "broad Federal actions such as the adoption of new agency programs or regulations" that might require preparation of a programmatic EIS.⁸⁵

42. In *Northern Plains Resource Council, Inc. v. Surface Transportation Board*, cited by Sierra Club, the court found the Board was required to consider the cumulative impacts of coal bed methane well development in Wyoming's Powder River Basin as part of its NEPA analysis of a proposed 17.4-mile-long rail line.⁸⁶ The rail line was intended to bring coal from the basin to an interconnecting railroad line in Montana, which would then transport the coal to other destinations in the Midwest. In *Northern Plains*, the Board had information about the timing, scope, and location of future coal bed methane well development in the basin because the Bureau of Land Management had already included reasonably foreseeable development in its programmatic EIS, which covered a period of 20 years. Here, we have no similar information about the timing, location, and scope of future shale (or conventional) well development in the project area or elsewhere. Moreover, as we have found in a previous case, *Northern Plains* established that while agencies must engage in reasonable forecasting in considering cumulative impacts, NEPA does not require an agency to "engage in speculative analysis" or "to do the impractical, if not enough information is available to permit meaningful consideration."⁸⁷ Here, unlike in *Northern Plains*, there is not enough factual information to permit reasonable forecasting of potential impacts associated with any additional production. We conclude that the April 6 Order adequately considered the cumulative effects of the Liquefaction Expansion Project and other LNG projects in the area on environmental resources.

⁸⁴ *Corpus Christi*, 151 FERC ¶ 61,098 at PP 24-31 and *Cameron LNG, LLC*, 147 FERC ¶ 61,230, at PP 70-72 (2014).

⁸⁵ 40 C.F.R. § 1502.4(b) (2014).

⁸⁶ 668 F.3d 1067 (9th Cir. 2011).

⁸⁷ *Sabine Pass Liquefaction, LLC*, 140 FERC ¶ 61,076, at P 17 (2012) (citing *Northern Plains*, 668 F.3d at 1078).

B. The Project's GHG Emissions

43. The April 6 Order discussed the issue of GHG emissions.⁸⁸ Sierra Club contends that the Commission erred in: (1) failing to disclose the tonnage and consequences of GHG that the project will indirectly cause to be emitted from induced production; (2) failing to use generally accepted research methods, such as the social cost of carbon⁸⁹ or federal, state, or local emissions reduction targets,⁹⁰ to consider the effects of project GHG emissions; and (3) failing to provide an alternative method for evaluating GHG emissions.

1. Induced Production

44. As discussed above, additional natural gas production is not causally related to the Sabine Pass project and the impacts of such production are not reasonably foreseeable for NEPA purposes. Therefore, the GHG impacts of such production are not reasonably foreseeable as contemplated by NEPA and the CEQ regulations and need not be considered as either indirect or cumulative impacts in the Commission's environmental analysis.

2. Social Cost of Carbon

45. The April 6 Order explained that no standard methodology exists to determine how the project's incremental contribution to GHGs would result in physical effects on the environment, either locally or globally.⁹¹ However, the April 6 Order agreed with the

⁸⁸ April 6 Order at PP 93-101.

⁸⁹ The social cost of carbon has been defined as "an estimate of the monetized damages associated with an incremental increase in carbon emissions in a given year." In general, the social cost of carbon increases over time in response to greater climatic change in the future, and a lower assumed discount rate results in a smaller reduction to future gross environmental damages and thus in a higher social cost of carbon per metric ton of carbon produced. *Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866*, Interagency Working Group on Social Cost of Carbon, United States Government, issued February 2010, at page 1, revised in May 2013 and November 2013 (2010 Technical Support Document). The EPA and DOE are participating agencies on the Interagency Working Group.

⁹⁰ *Revised Draft GHG Guidance*, 79 Fed. Reg. 77,802, at 77,826, 3/3.

⁹¹ April 6 Order at P 97.

EA's quantitative analysis of the project's GHG emission estimates,⁹² discussion of potential and/or reasonable alternatives or mitigation measures to improve efficiency and/or emissions, identification of climate change impacts in the project region, and consideration of resiliency alternatives/measures for the effects of climate change on the projects.⁹³ The EA identified many climate change-related environmental effects in the project region resulting from overall GHG emissions,⁹⁴ but concluded that it cannot be determined whether the project's contribution to cumulative impacts on climate change would be significant.⁹⁵

46. However, the EA concluded that the emissions from the project would increase the atmospheric concentration of GHGs, in combination with past and future emissions from all other sources, and contribute incrementally to climate change that produces the regional impacts described in the EA.⁹⁶ Additionally, the EA estimated that the project would contribute about two percent of Louisiana's GHG emissions and stated that applicants included a GHG Best Available Control Technology (BACT) analysis as part of their air permit applications to the Louisiana Department of Environmental Quality (LDEQ).⁹⁷ NEPA requires no further analysis.

47. With regard to the social cost of carbon calculator used by EPA and other federal agencies, the Sierra Club disputes the April 6 Order's rationale which concluded that the tool is inappropriate to use for this project. Sierra Club argues that the Commission should have used the range of discount rates presented in the Interagency Working Group estimate to disclose the range of estimates of the social cost of GHGs that will be emitted over the lifetime of the project. However, the April 6 Order does in fact present the

⁹² The April 6 Order accepted the EA's quantitative estimates of the maximum potential to emit GHG emissions for the Liquefaction Project, expanded by LNG Trains 5 and 6 (Table 2.7-4) and the Mamou Compressor Station (Table 2.7-5). The EA noted that total facility emissions stated in the Table 2.7-4 are based on data presented in the Prevention of Significant Deterioration (PSD) and Title V permit applications filed with the LDEQ.

⁹³ April 6 Order at P 100.

⁹⁴ EA at 169.

⁹⁵ *Id.* at 171.

⁹⁶ *Id.*

⁹⁷ *Id.* at 86, 169.

ranging of discounted values (from \$46 million to \$218 million annually)⁹⁸ using the Interagency Working Group's published range of discount rates⁹⁹ and time-frame that Sierra Club identified in its comments on the EA. We do not, however, find the results helpful in informing our decision here.

48. Sierra Club contends that the social cost of carbon tool was developed to address the problem of connecting project-specific GHG emissions with particular changes in the environment. We disagree. The April 6 Order stated that the social cost of carbon tool does not measure the actual incremental impacts of a project on the environment.¹⁰⁰ The tool is intended for estimating the climate costs and benefits of rulemakings and policy alternatives. The tool cannot predict the actual environmental impacts of a project on climate change. It can only present a monetized global value for the economic costs of climate change. The Interagency Working Group observed that "any estimate of the SCC [social cost of carbon] must be taken as provisional and subject to further refinement (and possibly significant change) in accordance with evolving scientific, economic, and ethical understandings."¹⁰¹ Sierra Club fails to provide any evidence that this tool can be used to predict an individual project action's actual environmental impacts. While Sierra Club suggests that the information the calculation does provide constitutes a useful and informative proxy for the magnitude and importance of the unmeasured physical impacts, we continue to find that this tool is not appropriate for estimating a specific project's impacts or informing our analysis under NEPA.

49. Sierra Club points to EPA's comment letter on the U.S. Department of State's Draft Supplemental EIS for the TransCanada Keystone Pipeline, LP (*Keystone*) as evidence that the social cost of carbon metric is relevant in measuring the impact of a project's GHG. EPA's comment letter recommended using monetized estimates of the social cost of GHG emissions from a barrel of Canadian oil sands compared to average U.S. crude because the difference in GHG intensity was a "major focus of the public debate about the climate impacts of oil sands crude."¹⁰² The Liquefaction Expansion

⁹⁸ April 6 Order at P 101, n.120.

⁹⁹ The discount rate ranges from 2.5 to 5 percent.

¹⁰⁰ April 6 Order at P 101.

¹⁰¹ *2010 Technical Support Document* at 29. The *Revised Draft GHG Guidance* also states that if an agency uses the social cost of carbon metric to assess the costs and benefits of alternatives in rulemakings, the agency should disclose that these estimates vary over time, are associated with different discount rates and risks, and are intended to be updated. *Revised Draft GHG Guidance*, 79 Fed. Reg. 77,802, at 77,827, 2/3.

¹⁰² EPA comment letter dated April 22, 2013 at 2.

Project, however, does not involve a comparison of alternative supplies of natural gas with significantly different GHG intensities and will not liquefy methane with a substantial variation in GHG content. Thus, the issues addressed in the EPA's comment letter in *Keystone* are not present here.

50. Sierra Club cites *Columbia Basin Land Protection Association v. Schlesinger* to support its assertion that the Commission should have employed the social cost of carbon or alternative methods for discussing the impacts of GHGs.¹⁰³ Sierra Club's reliance on *Columbia Basin*, however, is unavailing as the court did not fault Bonneville Power Administration (BPA) for not employing a particular statistical methodology. In *Columbia Basin*, the plaintiff challenged BPA's transmission siting decision contending that the agency's EIS was inadequate because it did not employ a methodology known as PERMITS (Process of Energy Routing Minimizing Impact from Transmission System). The court concluded, however, that a "formal and mathematically expressed cost-benefit analysis is not always a required part of an EIS (citation omitted)."¹⁰⁴ The court added that it could not say as a matter of law that BPA should have used the PERMITS system as BPA viewed the methodology as still in a prototype stage and the "information contained in the EIS was sufficiently detailed for that document to serve the purposes for which it was designed."¹⁰⁵ The information about GHGs and climate change in the April 6 Order and the EA adequately discloses project-specific information about GHG and climate change. The social cost of carbon methodology is provisional and evolving, and the April 6 Order did employ alternative methods to discuss GHGs. The air quality information in the EA does not become unreliable because the EA did not employ the social cost of carbon tool.

3. Alternative Methodologies

51. Sierra Club contends that the EA should have followed the CEQ's *Revised Draft GHG Guidance*, which was issued on December 18, 2014, after the EA was issued. Sierra Club also argues that although CEQ has not identified a level of GHG emissions, or monetized impacts of GHG emissions, that triggers a finding of significance, the *Revised Draft GHG Guidance* affirmed that individual agencies must undertake a significance determination under NEPA. Sierra Club argues that having rejected the social cost of carbon tool, the Commission is obligated to provide another method for discussing the impact of GHG emissions.

¹⁰³ 643 F.2d 585, 594 (9th Cir. 1981) (*Columbia Basin*).

¹⁰⁴ *Id.*

¹⁰⁵ *Id.*

52. Notwithstanding that the revised draft guidance document was issued after the EA was published, we continue to find that, consistent with the *Revised Draft GHG Guidance*, the EA in this proceeding did use alternate methodologies to characterize the GHG emissions and climate change impacts from the projects to evaluate significance. As noted, the EA included quantitative descriptions of GHG emission estimates, a discussion of potential and/or reasonable alternatives or mitigation measures to improve efficiency and/or emissions, a comparison with state GHG emissions, a discussion of climate change impacts in the project region, consideration of resiliency alternatives/measures for the effects of climate change on the projects, and a conclusion that the emissions from the projects would increase the atmospheric concentration of GHGs and contribute incrementally to climate change. Louisiana (not the Commission) will determine, pursuant to its delegated authority under the Clean Air Act to issue air permits, whether the applicants' estimated project GHG emissions, with BACT, discussed in the April 6 Order's EA, are consistent with any applicable targets for GHG emissions.

C. **EA vs. EIS**

53. The April 6 Order concluded an EA was appropriate in this proceeding because the project was not a major federal action significantly affecting the quality of the human environment.¹⁰⁶ Sierra Club asserts that the project's environmental impacts are significant and that an EIS should have been prepared because the Commission failed to explain why the project's impacts, especially the direct impacts on air quality, will not be significant.

54. As noted in the April 6 Order, the Liquefaction Expansion Project will be adjacent to the Sabine Pass LNG Terminal within a leased 853-acre terminal site, Creole Trail's proposed pipeline will be co-located with existing facilities to the extent practicable for the majority of the route, and the impacts associated with these projects can be adequately mitigated.¹⁰⁷ The April 6 Order discussed the project's impacts on air quality and other resources and concludes that these impacts, with appropriate mitigation, are acceptable. We believe the April 6 Order's adoption of the findings detailed in the EA was appropriate, and conclude that the proposals authorized in the April 6 Order will not result in significant environmental impacts.¹⁰⁸

¹⁰⁶ 18 C.F.R. § 380.6(b) (2014).

¹⁰⁷ April 6 Order at P 106.

¹⁰⁸ "Significantly" as used in NEPA requires consideration of the project's "context" (global, national or local region and affected interests) and "intensity" (severity

55. Sierra Club cites *Ocean Advocates v. U.S. Army Corps of Engineers* in which the court reversed the Army Corps of Engineer's (Corps) finding of no significant impact (FONSI) and remanded with instructions directing the Corps to prepare an EIS because it did not explain how a dock extension would not result in an increase in oil tanker traffic and the possibility of increased oil spills.¹⁰⁹ Unlike the failure to consider the foreseeability of additional ocean traffic in *Ocean Advocates*, the EA in this proceeding provided a convincing statement of reasons explaining why a FONSI was adequate.¹¹⁰ The EA's FONSI concluded that Creole Trail's additional pipeline facilities were required to deliver additional supplies of natural gas to the Liquefaction Expansion Project, which does not require additional terminal capacity for exports because of the decline of vessels arriving to deliver imported LNG.

56. Sierra Club also relies on *Scientists' Institute for Public Information, Inc. v. Atomic Energy Commission* for the need to prepare an EIS in this proceeding.¹¹¹ We find that reliance on this case is misplaced. The court faulted the Atomic Energy Commission (AEC) for failing to prepare any NEPA analysis for its proposed liquid metal fast breeder reactor program. The court noted that, while the AEC had prepared a complex cost/benefit analysis in attempting to justify the proposed program, it failed to consider the environmental costs and benefits associated with the proposed program. The court was persuaded that a NEPA analysis was required because the AEC had existing detailed estimates concerning the amount of waste and land area necessary for the storage of waste as well as "much information on alternatives to the program and their environmental effects."¹¹² Unlike the AEC, the Commission prepared a comprehensive EA that thoroughly considered the potential direct, indirect, and cumulative impacts of the Liquefaction Expansion Project, which informed the Commission's decision. Sierra Club provides no persuasive reason for us to undertake an EIS in this proceeding.

of impact consists of at least 10 possible enumerated attributes). 40 C.F.R. § 1508.7 (2014).

¹⁰⁹ 402 F.3d 846, 865-66 (9th Cir. 2004) (*Ocean Advocates*).

¹¹⁰ April 6 Order at P 106.

¹¹¹ 481 F.2d 1079 (D.C. Cir. 1973).

¹¹² *Id.*

The Commission orders:

Sierra Club's request for rehearing of the April 6 Order is denied as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.