

156 FERC ¶ 61,141
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;
Cheryl A. LaFleur, Tony Clark,
and Colette D. Honorable.

Tallulah Gas Storage, LLC

Docket No. CP10-494-000

ORDER VACATING CERTIFICATE

(Issued August 29, 2016)

1. On March 18, 2011, the Commission granted Tallulah Gas Storage, LLC (Tallulah) certificate authorization under section 7(c) of the Natural Gas Act (NGA)¹ to construct and operate a salt dome natural gas storage facility and associated pipeline facilities in Madison Parish, Louisiana (the Tallulah Gas Storage Project).² Tallulah's certificated facilities include three underground salt caverns, a compressor station and appurtenant equipment, one observation well, three raw water supply wells, up to fourteen brine disposal wells, a leaching plant, and associated pipeline facilities.³

2. The March 2011 Order required Tallulah to complete and place the Tallulah Gas Storage Project's facilities in service by March 18, 2015.⁴ As required by the March 2011 Order, Tallulah filed an Implementation Plan for Phase 1a of the Tallulah Gas Storage Project on June 10, 2011.

¹ 15 U.S.C. § 717(c) (2012).

² *Tallulah Gas Storage, LLC*, 134 FERC ¶ 61,221 (2011) (March 2011 Order).

³ *Id.* P 3.

⁴ *Id.* P 33.

3. On November 19, 2014, Tallulah requested a three year extension of time to construct and make available for service all authorized facilities because it was experiencing delays in obtaining the permits necessary to develop the project. Tallulah's Class III Brine Well Extraction permit from the Louisiana Department of Natural Resources (LDNR) was pending at the time of Tallulah's November 19, 2014 request for an extension of time. Tallulah stated that due to LDNR's recently promulgated rules regarding the use of underground salt caverns for hydrocarbon storage, the permit application would not be completed and approved by the March 18, 2015 in-service date.

4. On February 11, 2015, the Commission's Office of Energy Projects (OEP) granted Tallulah a one year extension of time, until March 18, 2016, to complete construction and place all authorized facilities in service.⁵ Tallulah's certificate authorization lapsed under its own terms on March 18, 2016, and Tallulah has not filed any further requests for an extension of time to construct. Further, Tallulah has not filed any construction updates since its November 19, 2014 filing.⁶

5. In view of the above considerations, the Commission is vacating Tallulah's certificate authorization for construction and operation of the Tallulah Gas Storage Project.

⁵ *Tallulah Gas Storage, LLC*, Docket No. CP10-494-000 (Feb. 11, 2015) (delegated letter order).

⁶ On June 30, 2011, Tallulah filed its first and only biweekly status report, at which time Tallulah had not requested authorization from the Commission to proceed with construction of the Project and had not initiated any construction activities. Tallulah Gas Storage, LLC, June 30, 2011 Filing. On July 14, 2011, the Commission granted Tallulah's variance request to suspend the filing of biweekly status reports until Tallulah received authorization to commence construction of the Project. *Tallulah Gas Storage, LLC*, Docket No. CP10-494-000 (July 14, 2011) (delegated letter order). In a Notification of Delay in Construction Schedule filed on November 15, 2011, Tallulah committed to updating the Commission every six months regarding its construction schedule. Tallulah Gas Storage, LLC, November 15, 2011 Filing. Tallulah filed construction updates on May 15, 2012; November 15, 2012; May 17, 2013; December 5, 2013; March 19, 2014; and as part of its request for an extension of time filed on November 19, 2014. None of the updates indicated that Tallulah had established a new construction start date for the Project.

The Commission orders:

The certificate authorization issued to Tallulah Gas Storage, LLC on March 18, 2011 in Docket No. CP10-494-000 is vacated as discussed above.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.