

137 FERC ¶ 61,015
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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

Florida Gas Transmission Company, LLC

Docket No. CP11-145-000

ORDER ISSUING CERTIFICATE

(Issued October 5, 2011)

1. On March 24, 2011, Florida Gas Transmission Company, LLC (FGT) filed an application pursuant to section 7(c) of the Natural Gas Act (NGA) and Part 157 of the Commission's regulations¹ requesting authorization to construct and operate the Cape Canaveral Project in Orange County, Florida. The project consists of an electric compressor station, auxiliary facilities at an existing compressor station, and upgrades to existing pipeline facilities. For the reasons discussed below, the Commission will approve FGT's proposal, subject to conditions.

I. Background and Proposal

2. FGT, a limited liability company formed under the laws of the state of Delaware, and a natural gas company within the meaning of NGA section 2(6), is engaged in the business of transporting natural gas in the offshore federal domain and the Gulf Coast areas of Texas, Louisiana, Mississippi, Alabama, and Florida for consumption or for further transportation.

3. An existing customer of FGT, Florida Power & Light Company (Florida Power)² is in the process of modernizing its Cape Canaveral Energy Center in Brevard County,

¹ 18 C.F.R. Part 157 (2011).

² Florida Power is a public electric utility that owns transmission facilities and provides wholesale and retail electric service to customers in Florida.

Florida³ with high-efficiency natural gas-fired generation units in order to meet Florida's growing need for electricity. FGT explains that Florida Power plans to retire the two original 400-megawatt (MW) generation units at the Cape Canaveral Energy Center which were constructed in 1965 and 1969, respectively, and replace them with three combined-cycle natural gas units capable of producing 1,250 MW of power, which can serve the equivalent of 250,000 homes and businesses. FGT states that these new units, which will go into service in December 2012, will require that it deliver gas to Florida Power at a minimum delivery pressure of 650 pounds per square inch gauge (psig).⁴

4. FGT states that the proposed Cape Canaveral Project is designed to ensure that FGT can supply gas to Florida Power's Cape Canaveral Energy Center at 650 psig, while maintaining current contractual rights for all of FGT's customers. In order to guarantee this pressure, FGT proposes to: (1) construct and operate an electric compressor station, Compressor Station No. 32 in Orange County, Florida consisting of two 15,000 horsepower (hp) units⁵ and appurtenant facilities, which will connect to FGT's existing 26-inch mainline; (2) install auxiliary facilities at its existing Compressor Station No. 18 in Orange County;⁶ and (3) upgrade approximately 800 feet of existing 26-inch diameter mainline within the fence line of the proposed Compressor Station No. 32 to allow for the higher design pressure at the tie-ins of the proposed Cape Canaveral Project.⁷ FGT's 26-inch diameter mainline connects to the Cape Canaveral Energy Center via FGT's existing 12-inch Cape Kennedy Lateral. FGT asserts that the proposed facilities will not

³ Florida Power's facility is currently called the Cape Canaveral Power Plant but, after the modifications are complete, it will be known as the Cape Canaveral Energy Center. This order will refer to the facility as the Cape Canaveral Energy Center.

⁴ FGT states that Florida Power's upgrades at the Cape Canaveral Energy Center have been approved by the Florida Public Service Commission.

⁵ FGT states that only one 15,000 hp unit is necessary to support a pressure of 650 psig for Florida Power, but that due to Florida Power's need for high reliability, a second unit is required as a backup, or redundant, unit.

⁶ The construction of these auxiliary facilities will include the installation of gas coolers and associated electric service, pulsation bottles, header piping, and low pressure header drains. FGT states that these facilities are required to reduce the outlet gas temperatures caused by higher compression ratios in the reciprocating compressor units and provide pulsation suppression for the proposed gas coolers.

⁷ FGT states that this upgrade is required to meet United States Department of Transportation regulations.

create any additional capacity and are solely intended to guarantee the 650 psig delivery pressure.

5. Prior to the in-service date of the Cape Canaveral Project,⁸ FGT proposes to abandon and remove its existing Cape Canaveral Measurement and Regulator Station (M&R station) pursuant to its blanket certificate issued in Docket No. CP82-553-000.⁹ FGT states that Florida Power will construct a new M&R station, along with 10- and 14-inch diameter connecting pipelines, within the confines of the Cape Canaveral Energy Center.¹⁰ FGT states that the new M&R station will connect to FGT's existing 12-inch diameter Cape Kennedy Lateral. In conjunction with Florida Power's construction of the new M&R Station, FGT states that it will also construct and operate a delivery tap, pig receiver, filter separator, minor connecting piping, and electronic flow measurement facilities under its blanket certificate. Further, FGT has agreed to provide gas for Florida Power's testing of the piping component of the Cape Canaveral Energy Center to support the start up and commissioning of the generating facility.

6. FGT estimates that the Cape Canaveral Project will cost approximately \$81.44 million, but states that the project will be constructed and operated at Florida Power's expense. As further discussed below, on March 3, 2011, FGT entered into a Compression Station No. 32 Project Agreement (March 3 Agreement) with Florida Power, under which FGT agreed to construct the proposed facilities, subject to required approvals, while Florida Power agreed to reimburse FGT for its construction costs, ongoing electric power costs, and operation and maintenance expenses related to such facilities, pursuant to section 21(G) of the General Terms and Conditions (GT&C) of FGT's tariff.

7. FGT transports gas to the Cape Canaveral Energy Center pursuant to service agreements under Rate Schedules FTS-1, FTS-2, and FTS-3. In addition to these existing agreements, Florida Power has agreed to execute, within 30 days of FGT's acceptance of an order in this proceeding, a new service agreement with FGT under Rate Schedule FTS-3 for additional firm service of up to 50,000 MMBtu per day for the summer seasons of 2013, 2014, and 2015. FGT states that the capacity needed for this service is a portion

⁸ FGT states that the anticipated in-service date for the Cape Canaveral Project is December 10, 2012.

⁹ See *Florida Gas Transmission Co.*, 21 FERC ¶ 62,235 (1982).

¹⁰ Because the new M&R station will not be part of FGT's system, it will be a non-jurisdictional facility.

of its unsubscribed Phase VIII Expansion capacity,¹¹ currently listed as available on its website.

II. Public Notice, Interventions, and Comments

8. Public notice of FGT's application was published in the *Federal Register* on April 13, 2011 (76 Fed. Reg. 20,653). Florida Power and Peoples Gas System, a division of Tampa Electric Company filed timely motions to intervene. Timely, unopposed motions to intervene are granted by operation of Rule 214 of the Commission's Rules of Practice and Procedure.¹² In addition, Seminole Electric Cooperative Inc. (Seminole) filed an untimely motion to intervene. The Commission grants the motion.

III. Discussion

9. Since the proposed facilities will be used to transport natural gas in interstate commerce subject to the jurisdiction of the Commission, the proposals are subject to the requirements of subsections (c) and (e) of section 7 of the NGA.¹³

A. Certificate Policy Statement

10. The Certificate Policy Statement provides guidance for evaluating proposals to certificate new construction.¹⁴ 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 explained 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.

¹¹ See *Florida Gas Transmission Co., LLC*, 129 FERC ¶ 61,150 (2009).

¹² 18 C.F.R. § 385.214(c) (2011).

¹³ 15 U.S.C. §§ 717f(c), (e) (2006).

¹⁴ *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).

11. 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 its 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 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.

12. As noted above, 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 its existing customers. In this proceeding, Florida Power has agreed to reimburse FGT for the entire cost of the project, including ongoing operation and maintenance costs and electric power costs.¹⁵ Thus, the Commission finds that the Cape Canaveral Project will not be subsidized by FGT's existing customers.

13. The Cape Canaveral Project will not have an adverse impact on FGT's customers because the proposed facilities have been specifically designed to maintain existing services to FGT's other customers and their current contractual rights.¹⁶ Also, because the project does not add any new capacity to FGT's system,¹⁷ there will be no adverse impact on other pipelines or their captive customers.

14. Most of the construction activities will occur on land FGT is purchasing in order to construct Compressor Station No. 32¹⁸ and within the existing Compressor Station No. 18 yard, which FGT already owns. In addition, Compressor Station No. 32 will be

¹⁵ See sections 1 and 3 of Agreement at Exhibit M of FGT's Application.

¹⁶ FGT's Application at 4.

¹⁷ Analysis of the engineering data submitted by FGT in support of its application confirms that no additional capacity will be created by the Cape Canaveral Project due to the location of the facilities and existing system constraints.

¹⁸ FGT states that on February 21, 2011, it acquired an option to purchase 26 acres for Compressor Station No. 32's site, with a closing date anticipated on or before November 30, 2011. FGT Application at 5.

constructed adjacent to FGT's existing 26-inch mainline, while the proposed upgrades to the existing mainline will occur within the fence line of Compressor Station No. 32. Thus, the Commission finds that FGT has designed the project to minimize impacts on landowners and the surrounding environment.

15. The Cape Canaveral Project will enable FGT to provide a minimum 650 psig of delivery pressure at the Cape Canaveral Energy Center while maintaining FGT's current service to its other customers. Based on the benefits the project will provide and the lack of any identifiable adverse impacts on existing customers, other pipelines and their captive customers, and landowners and surrounding communities, the Commission finds, consistent with the Certificate Policy Statement and section 7(c) of the NGA, that FGT's proposal to construct and operate the Cape Canaveral Project is required by the public convenience and necessity.

B. Rates

16. As stated above, FGT will provide transportation service for the Cape Canaveral Energy Center pursuant to service agreements under Florida Power's Rate Schedules FTS-1, FTS-2, and FTS-3 and at the rates provided in those rate schedules. In addition to paying FGT's applicable firm transportation rates, under the March 3 Agreement, Florida Power will also reimburse FGT for its construction costs, as well as for the project's on-going electric power costs and operation and maintenance expenses related to such facilities during the life of the project. The Commission approves this reimbursement mechanism as consistent with section 21(G) (Construction of Facilities) of the GT&C of FGT's tariff, and directs FGT to account separately for all costs and revenues associated with this project over the life of the facilities authorized herein.¹⁹

C. New Service Agreement and Reservation of Future Capacity

17. In conjunction with the proposed facilities, Florida Power has agreed to execute, within 30 days of FGT's acceptance of this Commission order, a service agreement under Rate Schedule FTS-3 for additional firm transportation capacity for the summer seasons of 2013, 2014, and 2015. Specifically, for the 2013 summer season, Florida Power has agreed to contract for: (a) 30,000 MMBtu per day of transportation service for the period May 1 through September 30, 2013, in the event the proposed facilities are placed in-service on or before December 10, 2012; (b) 30,000 MMBtu per day of transportation

¹⁹ See *Florida Gas Transmission Co.*, 111 FERC ¶ 61,446 (2005), where the Commission approved a similar reimbursement mechanism allowing Florida Power to reimburse FGT for the construction and operation costs of FGT's Compressor Station No. 22.

service for the period June 1, 2013 through September 30, 2013, in the event the facilities are placed in-service on or after December 11, 2012, but on or before March 30, 2013; or (c) 30,000 MMBtu per day of transportation service for the period July 1, 2013 through September 30, 2013, in the event the facilities are placed in service on or after March 31, 2013. For the 2014 and 2015 summer seasons (May 1 through September 30), Florida Power has agreed to contract for 50,000 MMBtu per day of transportation service. As indicated above, the capacity that Florida Power is contracting for under the new service agreement for future service periods is a portion of the unsubscribed Phase VIII Expansion capacity that is currently listed as available on the FGT website.

18. As described in FGT's application, until such time as the Florida Power service agreement becomes effective, FGT will continue to make all of its unsubscribed capacity under Rate Schedule FTS-3 (Phase VIII Expansion capacity), including the portion being subscribed by Florida Power, available to all shippers. FGT will also continue to make this Rate Schedule FTS-3 capacity available to other shippers during the months of October through April. In addition, the balance of the unsubscribed Phase VIII Expansion capacity under Rate Schedule FTS-3 (that capacity not subject to Florida Power's new service agreement) will remain available to all other shippers.

19. Section 21(C)(1), Future Sales of Capacity, of the GT&C of FGT's tariff provides for the contracting of capacity for future use. Specifically, GT&C section 21 (C) (1) provides:

Transporter may sell firm capacity with a service commencement date more than ninety (90) days in the future when such capacity is (1) available unsubscribed capacity, (2) capacity that will become available and is not subject to a right of first refusal or unilateral rollover provision, or (3) available due to modification, construction and/or acquisition of facilities, be either conducting an open season or by selling such capacity on a prearranged basis. Transporter will separately identify on its internet website all capacity that is anticipated to become available in the future.

Thus, the Commission finds that FGT's execution of a new service agreement with Florida Power within 30 days of the date of this order that will reserve currently unsubscribed capacity for Florida Power's use in 2013, 2014, and 2015 is consistent with, and permitted by, FGT's tariff.²⁰ Furthermore, FGT must comply with GT&C section

²⁰ In its application, FGT requested that the Commission grant any waivers that may be necessary to allow the contracting of the unsubscribed capacity by Florida Power for its future use. Subsequently, FGT filed, and the Commission accepted, revised tariff records to address the contracting, or reservation, of capacity for future use. (*See Florida*

(continued...)

21(C)(3) of its tariff regarding the procedures for the posting of capacity prior to executing the service agreement for firm service for the summer seasons in 2013, 2014, and 2015.

D. Environmental Review

20. On April 15, 2011, the Commission staff issued a *Notice of Intent to Prepare an Environmental Assessment* (NOI). The NOI was mailed to interested parties including federal, state, and local officials, agency representatives, environmental and public interest groups, Native American tribes, local libraries and newspapers, and affected property owners.

21. In response to the NOI, the Commission received comments from the U.S. Fish and Wildlife Service (FWS), the National Park Service (NPS), Orange County, Florida (Orange County), and one private citizen. The comments raised concerns about potential impacts on wetlands, compliance with Orange County's air quality control ordinances, storm water management, flood hazard mitigation, and minimizing the new compressor station boundaries.

22. To satisfy the requirements of the National Environmental Policy Act of 1969, the Commission staff prepared an environmental assessment (EA) for FGT's proposal. The analysis in the EA addresses geology, soils, water resources, vegetation, wildlife, threatened and endangered species, land use, cultural resources, air quality, noise, safety, and alternatives. All substantive comments received in response to the NOI were addressed in the EA. The EA was placed into the public record on August 24, 2011.

23. In its comments, FWS stated that proposed project occurs within the range of the Florida scrub-jay, the red-cockaded woodpecker, the wood stork, the Audubon's crested caracara, and the Eastern indigo snake. However, FWS indicated that based on threatened and endangered species surveys performed for the project in March 2011, it concluded that the project area is not presently occupied by the Florida scrub-jay or the red cockaded woodpecker. In addition, FWS stated that the project area does not have suitable habitat for the Audubon's crested caracara or the wood stork, and that no impacts to these species are expected to occur. Lastly, FWS stated that it believes the project is

Gas Transmission Co., LLC, 136 FERC ¶ 61,008 (2011) conditionally accepting the revised tariff language and an August 18, 2011 unpublished letter order in Docket No. RP11-2170-001 accepting FGT's compliance filing.) Since the reservation of unsubscribed capacity for Florida Power is consistent with the newly revised tariff language contained in FGT's GT&C section 21(C)(1), the Commission finds that FGT's waiver request is moot.

not likely to adversely affect the Eastern indigo snake provided that the standard protection measures for the Eastern indigo snake are incorporated into the project plan.

24. NPS commented that it had reviewed the project and concluded that the project would not have adverse impacts on NPS's resources.

25. Orange County expressed concern about potential impacts of the project on wetland and water resources. As originally proposed, the project could have potentially impacted about three acres of a forested wetland in the southwestern corner of the Compressor Station No. 32 site. However, FGT has reconfigured the compressor station's perimeter to exclude the wetland and added a 50-foot-wide buffer zone around that wetland. Therefore, no impacts on wetlands will occur from construction or operation of the project.

26. Orange County recommended that the project either minimize any impacts on wetlands associated with storm water pipe outfalls or contain the outfall within the recommended upland buffer. FGT's storm water outfall pipes would discharge into spreader swales constructed upland of all wetlands and the corresponding buffer limits. Therefore, no wetland impacts will occur from storm water outfall pipes.

27. Orange County also recommended that FGT provide assurances that the project would comply with the National Pollutant Discharge Elimination System, as well as comply with the Orange County Air and Water Pollution Control Act. As set forth in the environmental conditions appended to this order, FGT is required to obtain all authorizations required under federal law.

28. The scoping comment from a private citizen advocated the preparation of an environmental impact statement (EIS) for the project, rather than an EA. The determination of whether an EIS is appropriate or necessary for any project relies on the environmental issues surrounding the construction and/or operation of the project. As demonstrated by the EA, the environmental impacts involved with the construction and operation of the Cape Canaveral Project would be minor and do not merit the preparation of an EIS.

29. The private citizen also opposed the use of 42 acres for construction of the project, stating that the project's facilities could fit in five acres. Initially, FGT proposed to construct Compressor Station No. 32 using a 41.16-acre tract which included a 1.64-acre forested wetland. The Commission's staff raised concerns about the potential for adverse impacts on the forested wetland. In response, FGT reduced its fence line by a total of about 3.3 acres so that it now excludes the forested wetland. Construction of Compressor Station No. 32 would require approximately 37.85 acres which include 14.58 acres for the aboveground facilities, 9.55 acres for temporary work spaces, 10.39 acres for the construction yard, and 3.33 acres for construction of an access road to the compressor station. After construction, permanent land requirements of Compressor Station No. 32

and the access road would be 15.75 acres. The remaining 22.10 acres would be restored and allowed to revert to their former uses or allowed to revegetate naturally.

30. Based on the analysis in the EA, the Commission concludes that if constructed and operated in accordance with FGT's application and supplements, and in compliance with the environmental conditions in the appendix to this order, approval of this proposal would not constitute a major federal action significantly affecting the quality of the human environment.

31. 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 local laws, may prohibit or unreasonably delay the construction or operation of facilities approved by this Commission.²¹

32. The Commission on its own motion received and made a part of the record in this proceeding all evidence, including the application(s), as supplemented, and exhibits thereto, submitted in support of the authorizations sought herein, and upon consideration of the record,

The Commission orders:

(A) Upon the terms and conditions of this order, a certificate of public convenience and necessity is issued under section 7(c) of the NGA authorizing FGT to construct and operate the Cape Canaveral Project, as more fully described above and in the application and supplements.

(B) FGT shall comply with all applicable Commission regulations under the NGA and particularly the general terms and conditions set forth in paragraphs (a), (c), (e), and (f) of section 157.20 and Parts 154 and 284 of the Commission's regulations.

(C) FGT 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 FGT. FGT shall file

²¹See, 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).

written confirmation of such notification with the Secretary of the Commission (Secretary) within 24 hours.

(D) The facilities authorized in this order shall be constructed and made available for service within 16 months of the date of this order in compliance with section 157.20(b) of the Commission's regulations.

(E) FGT shall comply with the environmental conditions listed in the appendix to this order.

(F) Seminole's untimely motion to intervene is granted.

By the Commission. Commissioner Spitzer is not participating.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

Appendix

Environmental Conditions

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

1. FGT shall follow the construction procedures and mitigation measures described in its application and supplements (including responses to staff data requests) and as identified in the EA, unless modified by the Order. FGT 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 the Office of Energy Projects (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 activities associated with construction and operation of the 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**, FGT shall file an affirmative statement with the Secretary, certified by a senior company official, that all company personnel, environmental inspectors (EIs) and contractor personnel will be informed of the EI'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. FGT shall file with the Secretary detailed alignment maps/sheets and aerial photographs at a scale not smaller than 1:6,000 identifying all 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 with the Secretary. 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 extra workspace allowed by our Upland Erosion Control, Revegetation, and Maintenance Plan and/or 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.

5. **Within 60 days of the acceptance of this certificate and before construction** begins, FGT shall file an Implementation Plan with the Secretary for review and written approval by the Director of OEP. FGT must file revisions to the plan as schedules change. The plan shall identify:

- a. how FGT will implement the construction procedures and mitigation measures described in its application and supplements, identified in the EA, and required by this Order;
- b. how FGT 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, 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 locations and dates of the environmental compliance training and instructions FGT will give to all personnel involved with construction and restoration (initial and refresher training given as the project progresses and personnel change).

- f. the company personnel (if known) and specific portion of FGT's organization having responsibility for compliance;
 - g. the procedures (including use of contract penalties) FGT will follow if noncompliance occurs; and
 - h. for each discrete facility, a Gantt or PERT chart (or similar project scheduling diagram), and dates for:
 - (1) the completion of all required surveys and reports;
 - (2) the mitigation training of onsite personnel;
 - (3) the start of construction; and
 - (4) the start and completion of restoration.
6. Beginning with the filing of its Implementation Plan, FGT shall file updated status reports with the Secretary 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 FGT's efforts to obtain the necessary federal authorizations;
 - b. the construction status of the project, 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 environmental inspector(s) during the reporting period (both for the conditions imposed by the Commission and any environmental conditions/permit 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 FGT from other federal, state, or local permitting agencies concerning instances of noncompliance, and FGT's response.
7. **Prior to receiving written authorization from the Director of OEP to commence construction of any project facilities,** FGT shall file with the Secretary documentation that it has received all applicable authorizations required under federal law (or evidence of waiver thereof).

8. FGT must receive written authorization from the Director of OEP **before placing the project into service**. Such authorization will only be granted following a determination that rehabilitation and restoration of the all areas affected by the project are proceeding satisfactorily.
9. **Within 30 days of placing the authorized facilities in service**, FGT shall file an affirmative statement with the Secretary, certified by a senior company official:
 - a. that the facilities have been constructed 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 FGT 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
 - c. not previously identified in filed status reports, and the reason for noncompliance.
10. **Prior to construction**, FGT shall provide, for review and approval by the Director of OEP, an updated noise mitigation plan for Compressor Station No. 32 that demonstrates how the noise level from Compressor Station No. 32 would be reduced below 55 dBA L_{dn} at noise sensitive area (NSA) 4. FGT shall include supporting calculations and a description of the design features/controls used to reduce noise levels attributable to station operation.
11. FGT shall file noise surveys with the Secretary **no later than 60 days** after placing Compressor Station No. 32 in service. If the noise attributable to the operation of all of the equipment at Compressor Station No. 32 at full load exceeds an L_{dn} of 55 dBA at any nearby NSAs, FGT shall file a report on what changes are needed and shall install the additional noise controls to meet the level **within one year** of the in-service date. FGT shall confirm compliance with the above requirement by filing a second noise survey with the Secretary **no later than 60 days** after it installs additional noise controls.