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# FEDERAL ENERGY REGULATORY COMMISSION



WASHINGTON, D.C. 20426

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## NEWS RELEASE

**News Media Contact:**  
Tamara Young-Allen  
202-502-8680

**For Immediate Release**  
April 13, 2005  
(Docket Nos. CP04-37-000, et al.  
CP02-378-000; CP05-8-000,  
CP05-29-000; CP05-15-000)

### **COMMISSION APPROVES NEW LNG TERMINAL ON TEXAS GULF COAST, EXPANSION OF CAMERON LNG FACILITY IN LOUISIANA, AND NEW GAS STORAGE INFRASTRUCTURE IN GULF COAST REGION**

The Federal Energy Regulatory Commission today approved several new natural gas projects, including the construction of a new marine terminal for liquefied natural gas (LNG) and expansion of a previously approved LNG project that will increase and enhance the energy infrastructure in the Gulf Coast region of the United States.

The Commission approved a proposal by Corpus Christi LNG, L.P. and Cheniere Corpus Christi Pipeline Company to construct and operate a new LNG terminal and related pipeline facilities near Corpus Christi, Texas.

The Commission also approved an amended proposal by Cameron LNG, LLC to expand its facilities in Hackberry, LA to receive larger LNG tankers at its terminal that is currently under construction. In separate decisions, the Commission approved three new storage facilities.

FERC Chairman Pat Wood, III said, "These facilities add much needed infrastructure to meet our Nation's ever-increasing demand for reliable and affordable energy."

The Commission authorized Corpus Christi LNG to construct and operate an LNG terminal to import, store and vaporize approximately 2.6 billion cubic feet (Bcf) of LNG per day. In addition, the Commission authorized Cheniere Pipeline Company to construct and operate a 23-mile, 48-inch diameter pipeline that would extend from the proposed terminal and interconnect with various interstate and intrastate pipeline facilities in San Patricio County, TX.

The Corpus Christi project is the fourth new LNG terminal approved by the Commission. It will include the construction of an LNG marine terminal consisting of a turning basin and two protected berths; three 160,000 cubic meter storage tanks, LNG vaporization and sendout facilities. The Commission will require Corpus Christi LNG to make the proposed facilities available for service within three years of the date of the Commission's order.

In another decision, the Commission authorized Cameron LNG to modify the project's berthing configuration to enable it to accommodate larger LNG tankers and reduce tanker traffic in the Calcasieu Ship Channel (Docket No. CP02-378-002). The project was previously approved by the Commission in an order issued September 2003. After an exhaustive environmental, safety and security analysis and consultation with other agencies, including the U.S. Coast Guard, the Commission ruled that the modification proposal, with implementation of certain mitigation measures to minimize impacts, will enable larger tankers to use Cameron's facilities in a safe and secure manner.

Separately, the Commission today approved a preliminary determination for one natural gas storage facility and granted authorizations to two other natural gas storage projects. The Commission will allow the companies to charge market-based rates for open-access, non-discriminatory services.

- The Commission granted a preliminary determination on non-environmental issues to Starks Storage Company, LLC (Docket No. CP05-8-000, CP05-9-000, and CP05-10-000) to construct and operate a salt dome gas storage facility in Calcasieu Parish, LA and a 35-mile, 30-inch diameter header (pipeline) system. The project will consist of a two-stage process that involves converting one cavern to store an estimated 13.3 Bcf of gas. The other salt dome cavern (Stage 2) will be converted to have a storage capacity of 15.6 Bcf. Starks expects the second phase of its project to be completed within a year after the first phase is completed. The Commission will consider a final order after FERC Staff completes an environmental analysis.

- The Commission granted a certificate of public convenience and necessity to Freebird Gas Storage, LLC (Docket No. CP05-29-000, CP05-30-000, CP05-31-000) to acquire, own and operate the existing East Detroit Storage Facility in Lamar County, AL, to accommodate injection, storage and subsequent withdrawal of natural gas for redelivery into interstate commerce. The company acquired the facility from Northwest Alabama Gas District that had converted the site from a depleted natural gas reservoir to gas storage. Freebird will develop, own and operate an estimated 6 Bcf of working gas capacity in the East Detroit Field.
- The Commission granted a certificate of public convenience and necessity to Caledonia Energy Partners, LLC (Docket No. CP05-15-000, CP05-16-000, CP05-17-000) to convert a depleted natural gas reservoir into a multi-cycle gas storage field capable of storing 11.72 Bcf of working gas in Lowndes and Monroe Counties, MS. The project includes the construction and operation of eight horizontal injection/withdrawal wells, three 3,550 horsepower compressors, 0.81 miles of pipeline to interconnect the wells to the compression facility to Tennessee Gas Pipeline and other pipelines for interstate commerce. The Commission will require Caledonia to have the project in service within three years after the order is issued.

The Commission conducted extensive environmental analyses for each of the LNG facilities and the authorized storage facilities and will require each certificate holder to adhere to the mitigation measures and conditions of the respective orders.