
FEDERAL ENERGY REGULATORY COMMISSION



WASHINGTON, D.C. 20426

NEWS RELEASE

NEWS MEDIA CONTACT:

Tamara E. Young-Allen
202-502-8680

FOR IMMEDIATE RELEASE

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Docket No. RM05-31-000

COMMISSION PROPOSES MANDATORY PRE-FILING PROCEDURES FOR POTENTIAL APPLICANTS OF LIQUEFIED NATURAL GAS FACILITIES

The Federal Energy Regulatory Commission has proposed rules to require potential developers of new liquefied natural gas (LNG) terminals to initiate pre-filing procedures at least six months prior to filing a formal application.

The Commission proposed the rule in accordance with the recently enacted Energy Policy Act of 2005. The new law requires the Commission to issue, within 60 days of enactment, regulations implementing a mandatory, rather than an elective, pre-filing process for LNG facility authorizations. The Commission intends to issue a final rule by October 7, 2005.

“This marks the first step in meeting the Commission’s many implementation obligations under the Energy Policy Act of 2005,” observed Commission Chairman Joseph T. Kelliher. “The Commission has very tight deadlines to carry out 15 new regulatory mandates from Congress, and the proposal illustrates our dedication to meeting those deadlines,” the Chairman said.

The Commission has used pre-filing procedures for several years as a voluntary option available to all potential applicants for Natural Gas Act facilities in addition to potential LNG facility developers. The process informs Commission staff about potential future projects and helps identify landowners, state and local officials, and others with an interest in a planned proposal. Pre-filing procedures also help companies to prepare applications for Commission authorization that address the proper scope of public interests and issues.

As Congress directed in the Energy Policy Act, the Notice of Proposed Rulemaking (NOPR) would establish mandatory pre-filing procedures for all applicants seeking to site, construct and operate new LNG terminals and related facilities, such as pipelines, that would transport the revaporized LNG to markets. The NOPR also proposes the same mandatory criteria for applicants seeking to expand existing LNG

facilities, if the Commission's Director of the Office of Energy Projects determines it would be appropriate.

The proposed rules would require applicants to submit conceptual design and engineering features of the proposed project, as well as extensive information about potential environmental, security and safety impacts. The proposed rule would require a formal application to be filed at least 180 days after the date the Commission's Director of the Office of Energy Projects issues notice of the commencement of the prospective applicant's pre-filing process. Formal applications must also include information requested specifically by FERC Staff.

The NOPR includes provisions intended to encourage applicants to cooperate and coordinate with State and local officials to address safety considerations.

The proposed rule does not impose mandatory pre-filing procedures for new or expanded natural gas facilities that do not involve LNG. Applicants for nonLNG-related gas infrastructure, including interstate pipelines, compressor stations or storage facilities, may continue to elect to use the pre-filing procedure.

Comments to the NOPR must refer to Docket No. RM05-31-000 and may be filed electronically or on paper with FERC's Office of the Secretary by September 14, 2005. Comments may be submitted electronically via the eFiling link on the Commission's website at <http://www.ferc.gov>. Commenters filing by paper must send an original and 14 copies of their comments to FERC; Office of the Secretary, Washington, DC 20426.

The NOPR and comments may be viewed on FERC's website at <http://www.ferc.gov/legal/maj-ord-reg/fed-sta/ene-pol-act.asp>.