



Federal Energy Regulatory Commission
FACT SHEET
February 21, 2008
Transwestern Pipeline Co., LLC
Docket No. CP06-459-001 & CP07-9-001

The Federal Energy Regulatory Commission (FERC) today reaffirmed its Nov. 15, 2007, decision authorizing the Phoenix Expansion natural gas pipeline project proposed by Transwestern Pipeline Co., LLC. The proposed project will provide new gas service to energy markets in central and southern Arizona. The Commission denied requests for rehearing and a motion for stay.

Background and Order

The Town of Buckeye, Ariz., and several local developers asked FERC to stay the construction of a portion of the new pipeline that would transport up to 500,000 dekatherms of natural gas per day (Dth/d) from Transwestern's existing mainline near Ash Fork, Ariz., to markets in central and southern Arizona. The project will provide an alternative to the sole interstate pipeline that now serves the rapidly growing area.

The Town of Buckeye and the developers argued the pipeline would cause irreparable harm because affected landowners would be inconvenienced by daily disruptions caused by construction, and if the route was altered as requested on rehearing, by the pipeline's removal. The parties also argued landowners would face potential financial hardship due to litigation of eminent domain issues.

But FERC said those financial costs and inconveniences did not justify a stay. The Commission further reaffirmed its approval of the project's route through Buckeye and rejected the alternative route supported by the parties.

"While Buckeye Interests take issue with several of our assumptions in comparing the two routes, our conclusion remains unchanged: the rejected alternative would result in a greater impact on soils, vegetation, wildlife, and visual resources, and require an additional 19 miles of 36-inch pipe, 15,000 [horsepower] of compression, 220 more acres of construction right-of-way, and 115 more acres of permanent right-of-way," the order states. "Further, the approved route, for the most part, follows an existing electric transmission line right-of-way, and so should require only minor adjustments to existing and anticipated land use patterns along this established utility corridor."

El Paso Natural Gas Company sought rehearing to challenge the accounting treatment accorded its approved abandonment. On rehearing, FERC affirmed its decision on how El Paso is to account for its abandonment.