FERC Approves Two New LNG Export Projects

The Federal Energy Regulatory Commission (FERC) today approved the Driftwood LNG and Pipeline projects, and the Port Arthur LNG and Pipeline projects.

"Today’s orders show that FERC is making a lot of headway on processing LNG applications in a more efficient manner, and I’m proud of the work that we are doing,” FERC Chairman Neil Chatterjee said. “LNG exports can help increase the availability of inexpensive, clean-burning fuel to our global allies who are looking for an efficient, affordable, environmentally friendly source of generation. FERC continues to focus on developing a regulatory ecosystem that allows new technologies to flourish.”

The Driftwood LNG Project is proposed by Driftwood LNG LLC. Today’s order for the Driftwood LNG Project authorizes the siting, construction and operation of liquefaction facilities that would export an estimated 27.6 million metric tons of liquefied natural gas per year. The LNG facilities would be located in Calcasieu Parish, La.

The Driftwood Pipeline Project, proposed by Driftwood Pipeline LLC, consists of 96 miles of mainline pipeline, 3.4 miles of lateral pipeline, 15 new meter stations and three new compressor stations to transport up to 3.9 billion cubic feet (Bcf) of natural gas per day to feed the LNG facilities.

The Commission also approved the siting, construction and operation of the Port Arthur Liquefaction Project proposed by Port Arthur LNG, LLC, PALNG Common Facilities Company, LLC, and Port Arthur Pipeline, LLC.

The Port Arthur Liquefaction Project would have a total production capacity of an estimated 13.5 million metric tons per year and would be located at the site of a previously approved but unbuilt import terminal proposed by Port Arthur LNG in the vicinity of Port Arthur, Texas.

The Port Arthur Pipeline Projects would consist of two pipelines - the 130.9-mile Louisiana Connector Project and the 34.2-mile Texas Connector Pipeline, each with a capacity to transport up to 2 Bcf of gas per day to feed the LNG facilities. The pipeline projects also would include three compressor stations and other related facilities.

Both projects would export gas to Free Trade Agreement (FTA) countries. Both project sponsors also have applications pending before the U.S. Department of Energy seeking authorization to export gas to non-FTA countries.

There are currently 10 LNG export projects pending at the Commission. The Commission approved Venture Global Calcasieu Pass, LLC in February.