



# FEDERAL ENERGY REGULATORY COMMISSION

**Date** March 20, 2008

**Chairman Joseph T. Kelliher**

**Docket No.** CP06-54-000, CP06-55-000 and CP06-56-000

**Item No.** C-1

## **Statement of Chairman Joseph T. Kelliher on Broadwater Energy, LLC**

"Today the Commission authorizes the Broadwater LNG project. We do so after a long and careful review of all the facts and science regarding this project.

In our review of this project, FERC has held or participated in 35 community and state and federal agency meetings. FERC staff prepared a draft environmental impact statement of 825 pages and a final environmental impact statement that exceeded 2,200 pages. The total record in this proceeding consists of some 7,100 documents and exhibits. In addition, our response to comments appendix issued on CD is over 1,200 pages long. Altogether, FERC review of this project took more than three years (38 months) and 25,000 staff hours.

I emphasize that our approval of this project comes with many conditions designed to protect the environment and ensure public safety. Our authorization is conditioned, including more than 80 environmental, security, and public safety conditions. We do not approve the project as proposed, but instead impose extensive conditions.

FERC has discretion to impose conditions as necessary to protect the environment and assure the security and safety of LNG projects. Our aggressive use of conditioning authority here is proof that in our review of proposed LNG projects, FERC is principally a safety agency. When projects are proposed, our task is to apply high federal safety standards. If a project meets those standards, as a general matter we will authorize it. If a project falls short, we will attach conditions necessary to comply with safety standards. If it is impossible to condition a project so that it meets our high safety standards, we will deny authorization as we did with the proposed Keyspan LNG project in Providence, Rhode Island.

With respect to LNG terminals, we are first and foremost a safety agency, we do not balance safety against need. But we are not unmindful of the need for additional natural gas supplies in the Northeast. We examine that need in the course of our environmental review under the National Environmental Policy Act or NEPA. Our environmental review shows that without increased natural gas supplies in the region, consumers will experience higher prices and reduced reliability of natural gas supply. That is certainly the case on Long Island and in New York City and Connecticut.

I regret that this proceeding has been so controversial. I respect public opinion, and we have gone to great lengths to respond to the legitimate concerns raised by the public. Doing so has been made more difficult by the attitude of some public officials in the region, who have chosen to exploit and inflame public fears. These public officials have done a great disservice to the citizens in the region, which is regrettable.

There have also been charges that FERC environmental and safety review has been inadequate. Those charges are false, belied by the sheer size of the draft and final environmental impact statements issued





# STATEMENT

by FERC in this proceeding.

Our decisions at FERC are based in the record, rooted in the law, facts, and science. Applying the law, facts, and science to the question of whether the Broadwater LNG project should be authorized leads to only one answer, the course we take today."