

197 FERC ¶ 61,032
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Laura V. Swett, Chairman;
David Rosner, Lindsay S. See,
Judy W. Chang, and David LaCerte.

Louisiana LNG Infrastructure LLC
Driftwood Pipeline LLC

Docket Nos. CP26-537-000
CP17-118-000

ORDER AMENDING AUTHORIZATION AND VACATING IN PART
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

(Issued October 15, 2026)

1. On June 1, 2026, Louisiana LNG Infrastructure LLC (Louisiana LNG) and Driftwood Pipeline LLC (Driftwood Pipeline) submitted requests to the Commission to amend the authorization issued to Louisiana LNG and partially vacate the certificate of public convenience and necessity issued to Driftwood Pipeline on April 18, 2019.¹ Specifically, Driftwood Pipeline seeks to have the Commission partially vacate the Natural Gas Act (NGA) section 7(c)² certificate authorization issued in Docket No. CP17-118-000 so as to remove certain facilities from the scope of that authorization. In Docket No. CP26-537-000, Louisiana LNG requests an amendment to its NGA section 3³ authorization in Docket No. CP17-117, enabling it to construct and operate the same facilities as part of its liquefied natural gas export terminal. No party opposes the applications. For the reasons discussed below, we will grant the applicants' requests.

¹ *Driftwood LNG LLC*, 167 FERC ¶ 61,054 (2019) (April 2019 Order) (issuing Driftwood Pipeline LLC, a certificate to construct and operate certain natural gas pipeline facilities and authorizing Driftwood LNG LLC to construct and operate liquified natural gas (LNG) export facilities). On November 20, 2024, Driftwood LNG LLC changed its name to Louisiana LNG Infrastructure LLC.

² 15 U.S.C. § 717f(c).

³ 15 U.S.C. § 717b.

I. Background and Proposal

2. Louisiana LNG and Driftwood Pipeline are Delaware limited liability companies. Driftwood Pipeline is a natural gas company under section 2(6) of the NGA,⁴ engaged in the transportation of natural gas in interstate commerce under authorizations granted by and subject to the jurisdiction of the Commission.

3. On April 18, 2019, the Commission granted Louisiana LNG authorization under section 3 of the NGA to site, construct, and operate the Louisiana LNG Project⁵ in Calcasieu Parish, Louisiana, including five liquefaction plants, three LNG storage tanks, marine facilities, and associated infrastructure and support facilities.⁶ The April 2019 Order also granted Driftwood Pipeline a NGA section 7 certificate to construct and operate a new interstate natural gas pipeline system to provide up to 3,954,000 dekatherms per day to the Louisiana LNG Project export terminal,⁷ consisting of a new 96-mile-long, 42-inch diameter mainline pipeline (Driftwood mainline); a new 3.4-mile-long lateral pipeline; three new compressor stations; and 15 new meter stations.

4. As relevant here, the authorized pipeline system will include an interconnect and receipt meter station interconnecting a new approximately 700-foot-long pipeline lateral to Louisiana LNG's terminal (the KMLP Interconnect),⁸ which would be located within the Louisiana LNG Project's authorized boundary.⁹ As authorized by the April 2019 Order, the KMLP Interconnect will consist of a meter station and a 30-inch diameter, approximately 700-foot-long pipeline lateral originating from the existing Kinder Morgan Louisiana Pipeline's 42-inch-diameter mainline (KMLP mainline). While 14 of the 15 meter stations will connect directly to the Driftwood mainline, the KMLP Interconnect will only connect to the LNG facility and the KMLP Pipeline.¹⁰ The KMLP Interconnect

⁴ 15 U.S.C. § 717a(6).

⁵ At the time of authorization, the project was named Driftwood LNG Project. April 2019 Order, 167 FERC ¶ 61,054 at P 1.

⁶ April 2019 Order, 167 FERC ¶ 61,054 at P 6.

⁷ *Id.* P 12.

⁸ The KMLP Interconnect is also identified as Meter Station 03.

⁹ Amendment Application at 7.

¹⁰ Driftwood LNG Resource Report 1 note 1.

will allow Louisiana LNG to receive gas from the KMLP mainline for delivery to the Louisiana LNG Project.¹¹

5. On June 1, 2026, Driftwood Pipeline filed a motion to vacate its section 7 certificate to remove the as-yet unconstructed KMLP Interconnect from its section 7 authorization.¹² Concurrently, Louisiana LNG filed an application to amend its section 3 authorization to allow it to construct and operate the KMLP Interconnect.¹³ Louisiana LNG states that the amended authorization will allow gas to be delivered to the project sooner than it is likely to be available from other supply sources.¹⁴

II. Notice, Interventions, Comments, and Protests

6. Notice of the applications was published in the *Federal Register* on June 16, 2026, with comments, protests, and interventions due on July 1, 2026.¹⁵ On June 24, 2026, an errata notice was issued extending the deadline to July 15, 2026. On June 28, 2026, RESTORE filed comments.¹⁶ There were no other motions to intervene, comments, or protests.

¹¹ Amendment Application at 2.

¹² Driftwood Pipeline June 1, 2026 Motion to Vacate at 3-4.

¹³ Louisiana LNG June 1, 2026 Amendment Application at 1 (Amendment Application).

¹⁴ At the time the applications in this proceeding were filed, construction for the Driftwood pipeline had not yet commenced. June 6, 2026 Inspection Report at 3.

¹⁵ 91 Fed. Reg. 36132 (June 16, 2026).

¹⁶ RESTORE alleges that Driftwood Pipeline's statement in Exhibit D of its Motion to Vacate that it is "not owned, in whole or in part, or subsidized, directly or indirectly, by any foreign government" or "contractually committed to ownership or subsidization by any foreign government entity" is inconsistent with a statement in its application related to partial ownership by the Australian company Woodside Energy. RESTORE June 28, 2026 Comments. The Motion to Vacate states that Woodside Energy retains a 20% ownership interest in the Driftwood Pipeline. Driftwood Pipeline Motion to Vacate at 2. RESTORE did not provide any evidence in its comments that Driftwood Pipeline is owned or subsidized by a foreign government.

III. Discussion

A. Louisiana LNG's Request for NGA Section 3 Authorization

7. Because Louisiana LNG's request involves LNG terminal facilities that will be used to import and export natural gas, it requires Commission approval under NGA section 3.¹⁷ Section 3 provides that the Commission shall issue a section 3 authorization unless it finds that the proposed activity "will not be consistent with the public interest."¹⁸

8. As noted above, in its April 2019 Order the Commission found that the Louisiana LNG Project and the Driftwood Pipeline Project were, respectively, not inconsistent with the public interest and required by the public convenience and necessity. The primary purpose of the KMLP Interconnect, which will be located within the previously established Louisiana LNG Project boundary, will be to enable deliveries into the Louisiana LNG terminal for liquefaction and use as plant fuel. Louisiana LNG states that the KMLP Interconnect is needed to supply commissioning gas to the Louisiana LNG Project in order to place the project into service.¹⁹ Accordingly, Louisiana LNG asserts, and we agree, that it is appropriate to include the KMLP Interconnect facilities as part of Louisiana LNG's NGA section 3 terminal facilities, as opposed to having them be a part of Driftwood Pipeline's NGA section 7 pipeline system.

9. The April 2019 Order approving construction and operation of the subject facilities as part of Driftwood Pipeline's natural gas pipeline project, and the Environmental Impact Statement (EIS) prepared to cover both the pipeline and terminal projects, found that the environmental impacts of the projects are not expected to be significant and can be further mitigated with appropriate measures. Transferring

¹⁷ The regulatory functions of NGA section 3 were transferred to the Secretary of Energy of the U.S. Department of Energy (DOE) in 1977 pursuant to section 301(b) of the Department of Energy Organization Act, (Pub. L. No. 95-91, 42 U.S.C. §§ 7101 *et seq.* §). The Secretary of Energy subsequently delegated to the Commission the authority to approve or disapprove the construction and operation of natural gas import and export facilities and the site at which such facilities shall be located. The most recent delegation is in DOE Delegation Order No, 00-004.00A, effective May 16, 2006. The Commission does not authorize importation or exportation of the commodity itself. Rather, applications for authorization to import or export natural gas must be submitted to the DOE. *See Earth Reports, Inc. v. FERC*, 828 F.3d 949, 952-53 (D.C. Cir. 2016) (detailing how regulatory oversight for the export of LNG and supporting facilities is divided between the Commission and DOE).

¹⁸ 15 U.S.C. § 717b(a).

¹⁹ Amendment Application at 9.

authorization to construct and operate the subject facilities from Driftwood Pipeline to Louisiana LNG (and from Commission oversight under NGA section 7 to NGA section 3) will not alter those findings. Accordingly, we find that, subject to the environmental conditions applicable to the pipeline facilities imposed in the April 2019 Order, Louisiana LNG's proposal to include the KMLP Interconnect as part of the Louisiana LNG terminal facilities under Louisiana LNG's NGA section 3 authorization is not inconsistent with the public interest.

B. Driftwood Pipeline's Request to Vacate in Part Its NGA Section 7 Certificate Authorization

10. As noted above, the April 2019 Order found, as relevant, that the KMLP Interconnect was required by the public convenience and necessity in order to facilitate the delivery of gas to the Louisiana LNG terminal. Construction of the subject facilities has not begun under the certificate, and Driftwood Pipeline no longer intends to construct or operate them. Vacating Driftwood Pipeline's NGA section 7 certificate authorization with respect to the KMLP Interconnect, and authorizing it to be constructed and operated instead by Louisiana LNG as part of its NGA section 3 terminal facilities, will not affect the operation or authorized capacity of Driftwood Pipeline's remaining facilities.

C. Environment

11. As discussed above, here, transferring the authority to construct and operate specified facilities from one jurisdictional entity to another will not result in the construction, modification, or operation of any facilities that have not been previously reviewed and approved. Accordingly, the proposed amendment and vacatur will not result in any new environmental impacts and we conclude that if constructed and operated in accordance with our prior approval, and in compliance with the environmental conditions required in this order, our approval of this proposal does not constitute a major federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969.²⁰

IV. Conclusion

12. For the reasons set forth herein, we will grant Driftwood Pipeline's request that the Commission vacate the existing certificate authorization for Driftwood to construct and operate the KMLP Interconnect. We will also grant Louisiana LNG's request that the Commission amend the NGA section 3 authorization issued by the April 2019 Order to

²⁰ 42 U.S.C. §§ 4321, *et seq.* On June 30, 2026, Commission staff issued an Environmental Assessment (EA) Report memorializing the finding that no environmental impact would be involved with the approval of this proposal. *See* June 30, 2026 EA Report.

authorize it to construct and operate the KMLP Interconnect as part of its LNG terminal facilities. Accordingly, Louisiana LNG's NGA section 3 authorization is amended to include the KMLP Interconnect, and Driftwood Pipeline's NGA section 7 certificate authorization to construct and operate the KMLP Interconnect is vacated.

13. The Commission, on its own motion, received and made part of the record in this proceeding all evidence, including the application(s), as supplemented, and exhibits thereto, and all comments, and upon consideration of the record.

The Commission orders:

(A) The NGA section 3 authorization granted to Louisiana LNG by the Commission's April 2019 Order in Docket No. CP17-117-000 is amended to include certain facilities located in Calcasieu Parish, Louisiana, as described herein and more fully in the application and supplements filed in this proceeding, and subject to the environmental conditions applicable to the facilities imposed in the April 2019 Order.

(B) Effective immediately, the certificate of public convenience and necessity granted to Driftwood Pipeline under NGA section 7 by the Commission's April 2019 Order in Docket No. CP17-118-000 is vacated in part, as described herein and more fully in the application and supplements filed in this proceeding.

(C) In all other respects, all directives, terms, and environmental conditions in the April 2019 Order issued in Docket Nos. CP17-117-000 and CP17-118-000, as amended, shall remain in full force and effect.

By the Commission.

(S E A L)

Debbie-Anne A. Reese,
Secretary.