

170 FERC ¶ 61,260
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;
Richard Glick and Bernard L. McNamee.

EcoEléctrica, L.P.

Docket No. CP95-35-000

REMEDIAL ORDER

(Issued March 26, 2020)

1. On May 15, 1996, the Commission issued an order under section 3 of the Natural Gas Act (NGA)¹ authorizing EcoEléctrica, L.P. (EcoEléctrica) to construct and operate a liquefied natural gas (LNG) terminal in the Commonwealth of Puerto Rico.²

EcoEléctrica's LNG facilities consist of: (1) a marine terminal with a 1,800-foot-long pier for unloading LNG tankers; (2) a 1,000,000-barrel LNG storage tank; (3) an LNG vaporization system consisting of four vertical shell and tube heat exchanger vaporizers and associated facilities; and (4) various control systems, piping, and other ancillary equipment. The LNG terminal delivers gas to a natural gas-fired cogeneration facility, which supplies electricity to Puerto Rico.

2. In approving EcoEléctrica's LNG terminal, the Commission reserved authority to "take all steps necessary to ensure the protection of life, health, property and the environment during operation of the project"³ In December 2019 and January 2020, earthquakes occurred in Puerto Rico with the epicenter located nearby the EcoEléctrica's LNG terminal. EcoEléctrica has informed the Commission that at the time of the earthquake on January 7, 2020, the LNG storage tank was filled to a level of 63 feet, or approximately 60 percent capacity.

¹ *EcoEléctrica, L.P.*, 75 FERC ¶ 61,157 (1996) (1996 Order), *as amended*, *EcoEléctrica, L.P.*, 127 FERC ¶ 61,044 (2009); *EcoEléctrica, L.P.*, 147 FERC ¶ 61,222 (2014); and *EcoEléctrica, L.P.*, 160 FERC ¶ 61,023 (2017).

² 15 U.S.C. § 717b (2018).

³ *See, e.g., EcoEléctrica, L.P.*, 160 FERC ¶ 61,023 at Environmental Condition 2; *see also EcoEléctrica, L.P.*, 75 FERC ¶ 61,157 at Environmental Condition 2 (reserving authority to "take whatever steps are necessary to insure protection of all environmental resources during the construction and operation of the project.").

3. As described in EcoEléctrica's March 25, 2020 responses, an external structural evaluation is currently in progress and preliminary findings indicate no evidence of damage or structural defects on the external tank, on the impoundment walls, the piping, or related structures. Additional structural assessments related to the inner tank are currently underway by the original tank manufacturer, Matrix-PDM. Though the Commission continues to seek additional information, the LNG storage tank is necessary to operate the natural gas generator serving Puerto Rico. Upon consideration of EcoEléctrica's March 25, 2020 filing, and subsequent communication and coordination with EcoEléctrica, the Puerto Rico Energy Power Authority, federal regulatory agencies, and other stakeholders, and in recognition of the information currently available and the coordination completed to date, we will require EcoEléctrica to limit operation of the LNG storage tank to a lower level until structural analysis of the LNG storage tank is completed by the tank manufacturer, Matrix-PDM.

The Commission orders:

(A) EcoEléctrica shall immediately limit the operations of the LNG storage tank to a liquid level no more than 63 feet, or lower if the tank manufacturer, Matrix PDM, determines that a lower level is necessary for safe operation, and shall file any preliminary supportive information used in determining this level.

(B) Within 60 days of this order, EcoEléctrica shall conduct and file with the Secretary, a structural analysis of the LNG storage tank for review and approval by the Director of the Office of Energy Projects.

(C) Prior to returning the operations of the LNG storage tank to a level higher than 63 feet, including up to 100 percent capacity, EcoEléctrica shall receive written authorization from the Director of the Office of Energy Projects.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.