

APPENDIX



Golden Pass Pipeline
S. Diane Neal
Assistant General Counsel
Golden Pass Pipeline LLC

March 22, 2022

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

RE: *Golden Pass Pipeline LLC*, FERC Docket Nos. CP21-1-000 and CP21-458-000
Comments on Chairman Glick's March 11, 2022 Letter to Representatives McMorris-
Rogers and Upton

Dear Ms. Bose:

Golden Pass Pipeline LLC ("GPPL") is an interstate natural gas pipeline that owns and operates a 69-mile system in Texas and Louisiana. GPPL initially commenced service in 2011.¹ GPPL presently has pending before the Federal Energy Regulatory Commission ("Commission") two applications under Section 7(c) of the Natural Gas Act to amend a 2016 authorization to expand the GPPL's system to enable transportation of natural gas in a south-flow direction to the Golden Pass LNG Terminal LLC ("Golden Pass LNG") export facilities for liquefaction and export as liquefied natural gas ("LNG"). The Golden Pass LNG export facilities are currently under construction in Sabine Pass, Texas, to be integrated with Golden Pass LNG's existing LNG import facilities.

A March 11, 2022 Letter from Chairman Glick to Representative Cathy McMorris Rodgers, the Ranking Member of the House Energy & Commerce Committee, and Representative Fred Upton, the Ranking Member of the House Subcommittee on Energy, attached a table purporting to provide information regarding the status of approximately 36 pending pipeline certificate proceedings, including GPPL's two pending amendment application proceedings. The table contains numerous incorrect and misleading statements regarding GPPL's applications. GPPL submits this letter to correct the

¹ In 2005, the Commission originally authorized the construction and operation of the GPPL system to flow 2.6 MMDth/d of imported, re-vaporized LNG received at the Golden Pass LNG Terminal on a primary north-flow basis. *Golden Pass LNG Terminal LP and Golden Pass Pipeline LP*, 112 FERC ¶ 61,041 (2005). The Commission amended the GPPL authorization in *Golden Pass Pipeline LP*, 117 FERC ¶ 61,015, *further amended*, 117 FERC ¶ 61,332 (2006), *further amended*, 134 FERC ¶ 61,037 (2011).



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inaccuracies and omissions in the table, all of which tend to minimize the unwarranted, extensive delays in granting the necessary authorizations, and the consequent uncertainty caused by the extended, opaque approval process. These applications have been pending far too long. GPPL is contemporaneously providing a copy of this correspondence to Representatives McMorris and Upton in the hope of clarifying the record and expediting action on GPPL's pending amendment applications.

The Commission issued an order on December 21, 2016, approving the construction and operation of the Golden Pass Export Project, including facilities to expand GPPL's system, primarily through the addition of compression at three new compressor stations and several new interconnects to allow GPPL to receive gas from third-party pipelines.² The Golden Pass Export Project is a \$10 billion project that will transform Golden Pass' existing LNG import terminal into an import/export terminal with an export capacity of 18.1 metric tons per annum ("MTPA") of LNG.³ This Project will supply clean energy for export to power the world. The operation of the new export terminal will create approximately 5,200 direct and indirect full-time jobs across the United States, including 200 direct jobs at Golden Pass. In the first twenty-five years of operation the Project will result in \$34 billion in U.S. economic gain as well as \$5 billion in taxes. Delay in the authorizations needed by the pipeline could adversely affect the Project's ability to complete construction and place all facilities in service in a timely manner.

A brief summary of the procedural history of GPPL's two pending applications referenced in Chairman Glick's letter follows.

Docket No. CP21-1-000 (MP 69 Amendment Application). GPPL filed an application on October 2, 2020, in Docket No. CP21-1-000 to amend the December 2016 Order (the "MP 69 Amendment Application") to (1) **relocate** an authorized compressor station from Milepost 66 to Milepost 69; (2) add compression at the relocated compressor station; (3) establish a new interconnection and associated meter station near MP 69 to support an interconnect with the interstate pipeline to be constructed and operated by Enable Gulf Run Transmission, LLC ("Gulf Run"),⁴ and (4) **eliminate** 3

² *Golden Pass Products LLC and Golden Pass Pipeline LLC*, 157 FERC ¶ 61,222 (2016) ("December 2016 Order"). The December 2016 Order authorized Golden Pass Products, LLC ("Golden Pass Products") to construct and operate the Section 3 export facilities. Golden Pass LNG subsequently acquired Golden Pass Products' authorization by merger. *Golden Pass LNG Terminal LLC and Golden Pass Products LLC*, 165 FERC ¶ 61,261 (2018). For ease of reference, this correspondence will refer to both Golden Pass Products and Golden Pass LNG as "Golden Pass LNG."

³ The Commission approved an export capacity uprate from 15.6 MTPA to 18.1 MTPA in 2021. *Golden Pass LNG Terminal LLC*, 174 FERC ¶ 61,053 (2021).

⁴ The Commission authorized the construction and operation of the Enable Gas Transmission, LLC system in an order issued on June 1, 2021. *Enable Gas Transmission, LLC and Enable Gulf Run Transmission, LLC*, 175 FERC ¶ 61,183 (2021). Construction of the Enable Gulf Run pipeline commenced in January 2022.



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miles of 24-inch diameter pipeline looping between MP 63 and MP 66 in Calcasieu Parish, Louisiana ("Calcasieu Loop"), among other things. The application did not propose to increase the capacity of the GPPL system beyond the 2.6 MMDth/d of primary south-flow capacity authorized in the December 2016 Order.

The Commission issued a Notice of the MP 69 Application on October 19, 2020, establishing November 9, 2020, as the deadline for interventions and comments. Several timely interventions were filed, along with a single protest in opposition to the MP 69 Project, by Healthy Gulf Inc. ("HGI"). GPPL filed a response to HGI on November 25, 2020.

On November 19, 2020, a Notice of Scoping Period Requesting Comments was issued for the MP 69 Application, as part of the National Environmental Policy Act ("NEPA") review process. The Notice established December 19, 2020, as the comment deadline. Several comments were filed, including comments by HGI jointly with SouthWings. On December 9, 2020, the Commission issued a Notice of Schedule for the Preparation of an Environmental Assessment ("EA"). The planned schedule provided for issuance of the EA on February 26, 2021, and a 90-day Federal Authorization Decision Deadline on May 27, 2021. The Notice stated further that "[i]f a schedule change becomes necessary, additional notice will be provided so that the relevant agencies are kept informed of the project amendment's progress."

Beginning on November 5, 2020, and continuing after issuance of the Notice of Schedule, the Commission Staff issued data requests to GPPL on November 5 and December 1, 2020; and February 4, February 18, February 25, March 9 and March 26, 2021. GPPL generally filed data in response to the Staff's requests within the time period requested. In several limited instances, however, the response required studies that took additional time. GPPL had understood, based on subsequent informal consultations with Commission Staff, that as of its last data response on April 16, 2021, there was no further information needed by the Commission for its review. Within this time, neither was the EA issued nor was a schedule change published.

Docket No. CP21-458-000 (MP 33 Amendment Application). On June 11, 2021, GPPL filed a second application to amend GPPL's authorization under the December 2016 Order (the "MP33 Amendment Application"), with respect to a separate compressor station to be constructed and operated in the vicinity of Milepost 33, approximately 36 miles from the MP 69 Compressor Station addressed in Docket No. CP21-1-000, described above, and in Texas, a different state.

The MP 33 Amendment Application proposes to (1) **relocate** the approved MP33 compressor station approximately **50 feet** to avoid an existing pipeline right-of-way; (2) increase the authorized compression from 17,994 horsepower (hp) to 37,101 hp; (3) establish three new interconnects and appurtenant facilities. Like the MP 69 Amendment Application in Docket No. CP21-1-000, the MP 33 Application in Docket No. CP21-458-000 **did not propose** to increase the capacity of the GPPL system



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beyond the 2.6 MMDth/d of primary south-flow capacity authorized in the December 2016 Order.

The Commission issued the Notice of GPPL's MP 33 Application on June 23, 2021, establishing July 14, 2021, as the deadline for intervention and comment. Two motions to intervene were filed. No protests or adverse comments were filed to the application. No notice of schedule was issued over the next five months, and the Commission provided no information in response to repeated status inquiries from Golden Pass.

Notice of Intent to Prepare EIS in Both Proceedings. On November 5, 2021, more than **eight months** after the EA deadline in Docket No. CP21-1-000 had come and gone, followed by months of unanswered status inquiries, the Commission issued a Notice of Intent to Prepare an Environmental Impact Statement for both of GPPL's applications in Docket Nos. CP21-1-000 and CP21-458-000. The Notice established a comment deadline of December 6, 2021. The Notice **did not mention** the extensive environmental review that had **already** occurred in Docket No. CP21-1-000. It established a planned schedule for issuance of the final EIS on June 24, 2022, based upon issuance of the draft EIS in February 2022, subject to possible change. On February 11, 2022, the Draft EIS issued. As of the date of this correspondence, no changes have been made to the June 24, 2022 target date for issuance of the FEIS.

Chairman Glick's March 11 Letter. As noted above, Chairman Glick's March 11, 2022 letter to Representatives McMorris-Rogers and Upton appends a table purporting to provide information regarding the procedural history and status of approximately 36 pending NGA Section 7 proceedings. The fourth page of the table lists GPPL's two pending applications in Docket Nos. CP21-1-000 and CP21-458-000 as a single proceeding, presumably based on the Commission's November 2021 Notice of Intent to prepare a single Environmental Impact Statement for both projects. (The Commission has not formally consolidated these proceedings.) The information in the table contains **significant** inaccuracies and omissions, discussed below, all of which convey a misleading impression of the procedural history of GPPL's amendment applications.

1. In Column 3, "Description of Project," the entry states (emphasis added) that the proposed pending "modifications" relate to a "**proposed** but **unbuilt** pipeline." However, as explained above, the Commission's December 2016 Order **approved** the GPPL pipeline expansion, following the issuance of a comprehensive FEIS for the Golden Pass Export Project. Moreover, the GPPL system was approved in 2011 and commenced service in 2011; thus, the pipeline is not "unbuilt." As explained above, the previously approved capacity expansion will be accomplished largely through the addition of compression facilities.
2. In Column 4, "Application Filed," the Chairman's table provides the filing date of the application in Docket No. CP21-458-000 (June 11, 2021), but omits the application date in

Docket No. CP21-1-000 (October 2, 2020). The table thus conveys the impression that GPPL's amendment applications have been pending approximately ten months. However, as discussed above, GPPL's MP69 Amendment Application in Docket No. CP21-1-000 has been pending for almost 18 months. It bears emphasis that both of GPPL's applications seek to amend a **previously granted authorization**, and neither application seeks to increase authorized service levels or quantities transported.

3. In Column 5, "EA Issuance," the table states that an Environmental Assessment ("EA") was issued in Docket No. CP21-1-000 in February 7, 2021. **In point of fact, the Commission never issued an EA in Docket No. CP21-1-000.** As explained above, the Commission issued a Notice of Schedule on December 9, 2020, that provided for issuance of the EA on February 26, 2021. The EA was not issued that day, however, and the Commission issued no revised review schedule or other guidance as to the status of environmental review until the November 5, 2021 EIS Notice. For more than eight months following the EA deadline, despite repeated inquiries, GPPL was provided no information concerning the status of its application.
4. Column 7, "Company Requested Order Date," is again misleading because it omits Docket No. CP21-1-000. It states that GPPL's requested order date was January 1, 2022. That is the date by which GPPL requested an order in Docket No. CP21-458. In Docket No. CP21-1-000, GPPL requested issuance of an order on or before **May 1, 2021, more than ten months ago.** Of course, the applicant's requested order dates are not binding on the FERC. However, the information provided was incomplete and misleading.
5. Columns 5 and 6 appear to be correct, at least as of today. The DEIS in Docket Nos. CP21-1-000 and CP21-458-000 was issued on February 11, 2022, consistent with the timing set forth in the Notice of Schedule. However, the recent issuance of the revised Certificate Policy Statement⁵ and the new GHG Interim Policy Statement⁶ on February 18, 2022, raises concerns that the issuance of the FEIS may be delayed beyond the June 24, 2022 deadline in the Notice of Schedule. The Commission has stated that it will apply the GHG Interim Policy, which by its own terms is not final, to both "*pending* and new NGA section 3 and 7 applications."⁷ GPPL submits that applying these revised policies to pending applications to **amend** authorized projects (without increasing capacity or service levels) is highly

⁵ *Certification of New Interstate Natural Gas Facilities*, Docket No. PL18-1-000, 178 FERC ¶ 61,107 (February 18, 2022), 87 *Fed. Reg.* 11548 (March 1, 2022).

⁶ *Consideration of Greenhouse Gas Emissions in Natural Gas Infrastructure Project Reviews*, Docket No. PL21-3-000, 178 FERC ¶ 61,108 (February 18, 2022), 87 *Fed. Reg.* 14104, 14124 (March 11, 2022).

⁷ *Interim GHG Policy Statement* 178 FERC ¶ 61,108 at P 129.



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inappropriate, and threatens the ability of the industry to rely on final Commission orders. In addition, GPPL notes that the GHG Interim Policy Statement proposes to find “that an NGA section 3 export facility project is not the legally relevant cause of upstream and downstream emissions.”⁸ GPPL’s facilities are authorized under Section 7 for the purpose of transporting imported natural gas and gas to be exported from Golden Pass LNG’s Section 3 terminal facilities.⁹ GPPL respectfully submits that the new Policy Statements offer no basis on which to further hold GPPL’s amendment applications hostage.

GPPL filed the Docket No. CP21-1-000 and CP21-458-000 applications separately and at different times based on the timing of agreements with the interconnecting pipelines and the needs of the construction schedule for a project of this complexity and magnitude. As noted above, the two applications involve compression and interconnect facilities that are approximately 36 miles apart, in different states. The Golden Pass LNG terminal facilities commenced construction in May 2019. The terminal facilities are approximately 45% complete, with a projected initial in-service date of 2024. Due to the planned timing of construction of GPPL’s MP 69 interconnect with Enable Gulf Run, GPPL filed its application for the facilities at MP 69 in October 2020, in advance of the MP 33 facilities. The facilities proposed in these two amendment applications are thus physically and temporally distinct; and involve receipt of gas supplies from different pipeline systems.

GPPL seeks to complete and place in-service the proposed interconnect with Enable Gulf Run at MP 69 at the same time the Enable Gulf Run facilities are placed in-service. In part because the arrangements with the interconnecting pipelines at MP 33 had not been finalized (they were not finalized until much later in the Spring of 2021), GPPL filed the MP 69 application in October 2020. Upon completion, the Enable Gulf Run system will provide up to approximately 1,650,000 Dth/d of natural gas transportation service from Enable’s existing Westdale Compressor Station in Red River Parish to a delivery point into the GPPL system near Starks, Louisiana.

GPPL reiterates that the Commission previously approved the construction and operation of the Golden Pass Export project, including the expansion of the GPPL pipeline system to transport gas to the Golden Pass LNG Terminal. Neither of GPPL’s applications seeks any increase in the quantities to be transported above the level approved in the December 2016 Order. Moreover, that Order was preceded by a comprehensive FEIS that reviewed the comprehensive environmental impacts of the Export Project. No party sought rehearing of the December 2016 Order.

GPPL’s amendment application in Docket No. CP21-1-000 has been pending before the Commission for more than 18 months. The delay in granting the amendment authorization is unwarranted and contrary to the public interest. The delays described above have jeopardized GPPL’s

⁸ *Id.* at P 31.

⁹ December 2016 Order, 157 FERC ¶ 61,222 at PP 2, 12 and 32.