

Unfortunately, because FERC is not acting as the lead agency for small-scale, inland LNG facilities, agencies are not considering environmental consequences.

CASE IN POINT (#1): Floridian Natural Gas Storage, Martin County, Florida,

August 29, 2008

FERC's Order Issuing a Certificate for the Floridian Natural Gas Storage ("Floridian") facility in Martin County, Florida, mentioned required NEPA review:⁸ "On October 31, 2007, in Docket No. CP08-13-000, Floridian Natural Gas Storage Company, LLC (FGS) filed an application for a certificate of public convenience and necessity under section 7(c) of the Natural Gas Act (NGA) to construct, operate, and maintain new liquefied natural gas (LNG) storage and pipeline facilities in Martin County, Florida. The Commission has thoroughly considered the environmental issues and impacts associated with this project as required by NEPA and identified appropriate mitigation measures and conditions."

After FERC's initial NEPA review of Floridian, PHMSA changed certain interpretations on the Part 193 regulations in Subpart B. FERC notified Floridian of that change on October 8, 2010, accordingly (see [Exhibit B](#)). Note the emphasis on any LNG Facility "that is not yet in existence or under construction."

Floridian had used SOURCE5 modeling in calculating the Flammable Vapor-Gas Exclusion Zones for their proposed LNG project. Since SOURCE5 modeling no longer satisfied the PHMSA requirements for a source term model, PHMSA notified FERC, and FERC notified all LNG developers, that had used SOURCE5 as a source term model, that they would have to revise their proposed LNG projects accordingly. As the lead federal agency, FERC notified the developers who were impacted by the change, and PHMSA served as a cooperating agency.

⁸ 124 FERC ¶ 61,214, ORDER ISSUING CERTIFICATE, August 29, 2008, Docket No. CP08-13-000, FERC Accession Number 20080829-4004, https://elibrary.ferc.gov/eLibrary/docinfo?accession_number=20080829-4004