

Exhibit B: FERC informed Floridian of PHMSA re-interpretations, October 8,

2010

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426
OFFICE OF ENERGY PROJECTS

In Reply Refer To:

OEP/DG2E/LNGE

Docket No. CP08-13-000

Floridian Natural Gas Storage Company, LLC

October 8, 2010

Mr. Bradley Williams
Floridian Natural Gas Storage Company, LLC
1000 Louisiana Street, Suite 4361
Houston, TX 77002

RE: PHMSA Interpretations on the Part 193 Exclusion Zone Regulations

Dear Mr. Williams:

On August 29, 2008, the Commission granted a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act for Floridian Natural Gas Storage Company, LLC's (FGS) proposed LNG facility in the above referenced docket. This decision was based in part on the Commission's adoption of the findings and conclusions of the final environmental impact statement, which stated that staff believed the proposed facility would comply with the federal safety standards contained in Title 49, Code of Federal Regulations, Part 193.

On July 7 and 16, 2010, the Pipeline and Hazardous Materials Safety Administration (PHMSA) of the U.S. Department of Transportation issued two written interpretations concerning the flammable vapor-gas exclusion zone requirements contained in Title 49, Code of Federal Regulations, Part 193.2059. These letters are included for your reference as enclosures 1 and 2. As indicated by PHMSA, the new interpretations apply to any liquefied natural gas facility "that is not yet in existence or under construction."

In accordance with the August 29, 2008 order, FGS must receive written authorization from the Commission prior to constructing any facilities associated with the above referenced docket. Such