
FEDERAL ENERGY REGULATORY COMMISSION



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NEWS RELEASE

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FERC, U.S. ARMY CORPS OF ENGINEERS SIGN MOU ON AGENCY ROLES IN AUTHORIZING GAS PROJECTS

The Federal Energy Regulatory Commission (FERC) and the U.S. Army Corps of Engineers have signed a memorandum of understanding to streamline regulatory processes through early coordination to identify project purposes, needs and alternatives that each agency can use in carrying out its respective regulatory responsibilities.

FERC is responsible for authorizing the construction and operation of interstate natural gas pipelines, storage facilities and liquefied natural gas import terminals under the Natural Gas Act and is the lead agency for complying with the National Environmental Policy Act (NEPA) for such purposes. The Corps is responsible for protecting the waters of the United States, including wetlands, under the Rivers and Harbors Act of 1899 and the Clean Water Act, and administers permits for such purposes.

The interagency agreement, which took effect June 30, acknowledges the separate roles that the two agencies have under their respective statutes, and provides that the FERC certification and the Corps permit processes will begin at the outset of a gas project. The agreement clarifies that the Corps will defer, to the maximum extent allowable by law, to the project purpose, need and alternatives that FERC determines to be appropriate. The agreement also spells out a streamlined dispute resolution process for those instances in which the two agencies cannot agree that a project proposal fully complies with the agencies' respective rules.

FERC Chairman Joseph T. Kelliher said, "This agreement will provide greater regulatory certainty. Necessary decisions will proceed more smoothly, as the agreement provides for FERC to work early with the Corps to study practical alternatives, and for the Corps to defer to the Commission's determination of purpose and need."

Army Assistant Secretary John Paul Woodley, Jr., said, "I am pleased that this interagency agreement will streamline the energy regulatory process and carry out the directives of the President to facilitate America's energy independence while assuring the highest standards for environmental quality."