FEDERAL ENERGY REGULATORY COMMISSION



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NEWS RELEASE

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NEWS MEDIA CONTACT:

Celeste Miller (202) 208-0680

COMMISSION APPROVES NATURAL GAS PIPELINE EXPANSION UNDER PRE-FILING PROCESS; INCREASED INFRASTRUCTURE WILL MEET DEMAND IN WEST

The Federal Energy Regulatory Commission today approved a natural gas pipeline that will provide much needed additional infrastructure to the western markets. The Kern River pipeline expansion will extend 716 miles through California, Nevada, Utah, and Wyoming.

The expansion of the Kern project, which the Commission found to be environmentally acceptable, will allow western local distribution companies (LDCs) to meet critical peak needs and deliver natural gas to new electric generation plants. Furthermore, it is expected that the expansion will serve approximately 30 percent of the new generation coming on line in the southwestern California region.

The new pipeline will parallel the initial right-of-way, thereby minimizing disruption to the environment. In addition, various mitigation measures are being required to address any potential adverse environmental effects.

Today's order is the first to be issued where the applicant used the Commission's National Environmental Policy Act (NEPA) pre-filing process. The pre-filing process involves the Commission staff, the applicant and all stakeholders in a collaborative effort to identify and resolve issues early, before positions harden and adversarial relations develop. Currently the Commission has two other projects using the prefiling process that promises the benefit of faster turnaround at the Commission. With action on the Kern Project taking just 12 months to complete from filing to issuance, this proceeding demonstrates how the pre-filing process expedites the development of gas pipeline

R-02-22 (more)

infrastructure. The norm for processing a project of this size without the pre-filing process would be 18 months.

The constructed pipeline will cost \$1.2 billion and will add 885.6 Mmcf/day of capacity to western pipeline infrastructure, thereby doubling Kern River's capacity from 845.5 Mmcf/day to over 1.7 Bcf/day.

R-02-22 (30)