



Federal Energy Regulatory Commission
FACT SHEET
November 15, 2007
Transwestern Pipeline Company, LLC
Docket No. CP06-459-000

The Federal Energy Regulatory Commission today authorized, with conditions, the construction and operation of the Phoenix Expansion natural gas pipeline project proposed by Transwestern Pipeline Company, LLC to serve fast-growing energy markets in central and southern Arizona.

Background and Order

The Phoenix Expansion Project will provide an alternative source for interstate pipeline service in Arizona. Transwestern proposes to transport up to 500,000 dekatherms of natural gas per day (Dth/d) from its existing mainline near Ash Fork, Ariz., to the markets in central and southern Arizona. In Coolidge, Ariz., the new lateral would interconnect with the existing East Valley Lateral, which extends north for 36 miles and terminates just south of Phoenix. El Paso Natural Gas Company owns the East Valley Lateral and this order grants El Paso's request to abandon a portion of its ownership interest by sale to Transwestern. The proposed expansion also will include 25 miles of new pipeline that will loop Transwestern's existing San Juan Lateral in San Juan and McKinley counties in New Mexico.

FERC authorizes the proposed expansion, ruling that Transwestern has demonstrated a need for the project by presenting shipper commitments for 74 percent of the project's capacity through the new lateral in Arizona and commitments for 99 percent of the capacity through the loop line in New Mexico.

FERC also approves El Paso's request to abandon by sale its ownership of 242,500 Dth/d of gas capacity in the East Valley Lateral to Transwestern. The Lateral has a total capacity of 342,500 Dth/d.

After reviewing the extensive environmental analysis prepared by FERC Staff in its Final Environmental Impact Statement (FEIS), FERC ruled that the proposed Phoenix Expansion project is environmentally acceptable if built and operated in accordance with the 24 environmental mitigation measures recommended in the FEIS and described within the order. FERC further concluded that neither the North nor South Buckeye (Arizona) alternative routes represent an environmentally preferable alternative to the shorter proposed route through the Buckeye area.

The FERC decision may be viewed at www.ferc.gov.