

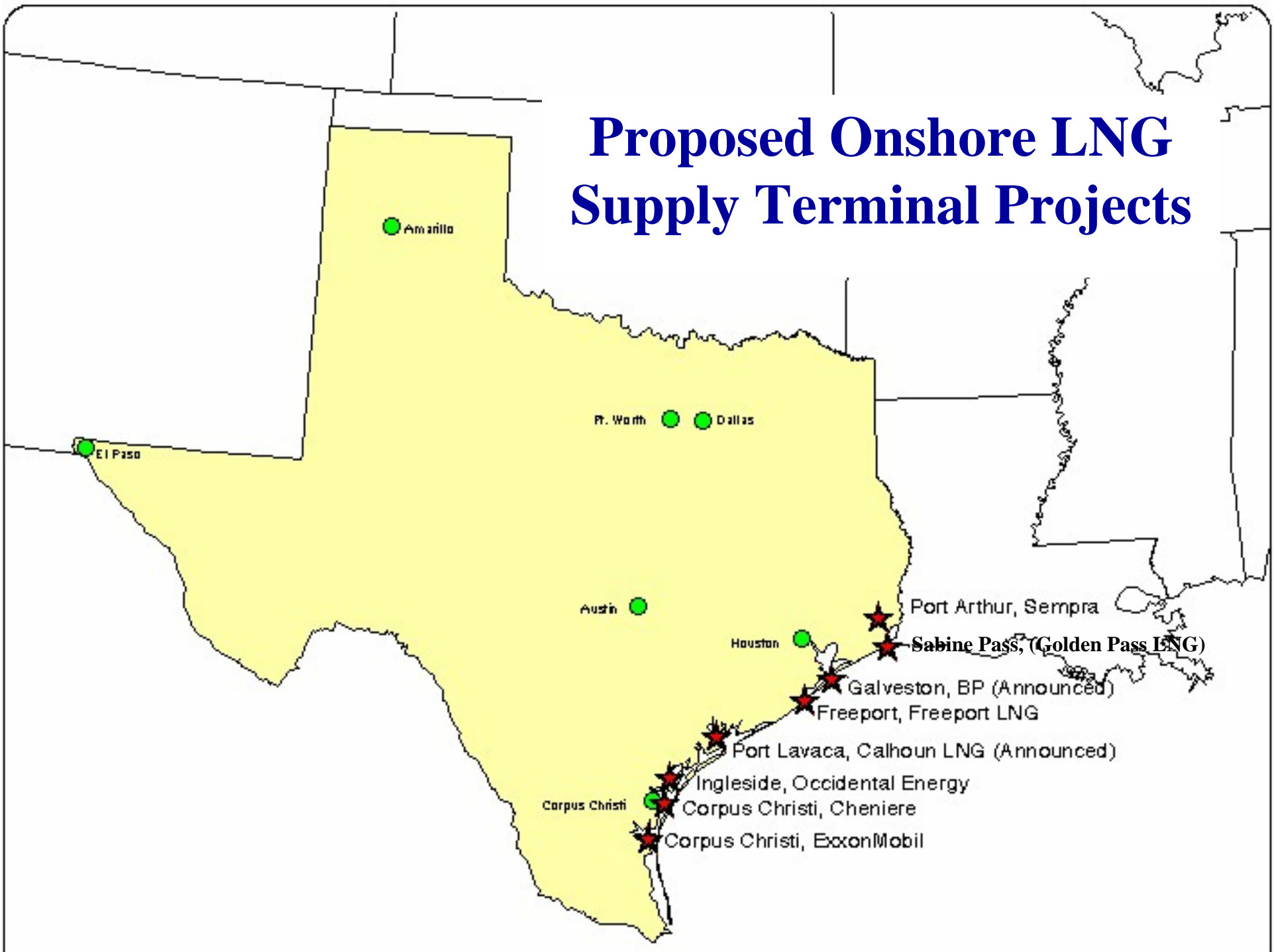
RAILROAD COMMISSION OF TEXAS



STATE SITING CONSIDERATIONS Onshore LNG FACILITIES

DOE LNG Forum
Houston, Texas
November 29, 2006

Proposed Onshore LNG Supply Terminal Projects





Railroad Commission of Texas

- FERC has primary jurisdiction
- Texas has supporting/ancillary role
- Texas does not follow California PUC model:
 - Procedure generally adequate
 - Would create bureaucracy



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Railroad Commission's Authority

- Prevention of pollution
- Prevention of operations dangerous to life and property
- Issuance of water quality certifications of federal permits (USACE, EPA)

from activities associated with oil, gas, and geothermal resources in Texas



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Railroad Commission's Role

- Natural Gas Storage Facility Permitting
- Intrastate Pipeline Activity Permitting
 - Pipeline construction, modification
 - Pipeline integrity testing
- Review/Comment on FERC DEIS



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Railroad Commission's Role (cont'd)

- Texas Coastal Management Program Consistency Determination State
- Water Quality Certification of USACE Permit



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Texas Coastal Management Program (TCMP)

- Direct and significant impact on coastal natural resource areas
- Consistent with Goals and Policies of TCMP
- To be consistent, cannot cause a violation of State Water Quality Standards



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Texas Coastal Management Program (TCMP)

- Goals:
 - Protect, preserve, restore, enhance coastal natural resource areas (CNRAs)
 - Ensure sound management
 - minimize loss of life and property
 - ensure/enhance public access to coast
 - Balance all of the above



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TCMP Policies for

- Dredging and dredge material disposal
- Discharge or disposal of oil and gas waste
- Activity/development in or near critical areas



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TCMP Policies - Development in critical areas

- No net loss of critical area function and value
- No practicable alternative with fewer impacts
- Avoid, minimize, mitigate adverse impacts to critical areas
- No development if degradation significant



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TCMP Policies – Dredging and Dredged Material Disposal and Placement

- Avoid/minimize adverse effects to CNRAs
- Unless project of “overriding importance to public and national interest,” not authorized if:
 - Practicable alternative



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TCMP Dredging and Dredged Material Disposal and Placement (*cont'd*)

- All steps taken to minimize impacts
- No significant degradation of critical areas
- Includes recommended techniques for minimizing adverse effects.



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TCMP Process

- USACE issues public notice of application
- Coastal Coordination Council Secretary publishes public notice on CCC website and in *Texas Register*
- 30-day comment period



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TCMP Process (*cont'd*)

- Process for referral to Council for determination



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TCMP Process (*cont'd*)

- USACE joint evaluation meetings
 - USFWS
 - Texas Parks and Wildlife Department
 - National Marine Fisheries Services
 - Texas Department of Transportation
 - Other interested parties



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TCMP Process (*cont'd*)

RRC consistency determination:

- Consistent
- Not consistent
- Conditional
- Waive



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TCMP Process (*cont'd*)

Written notice of determination to:

- Applicant
- USACE
- Others upon request