
FEDERAL ENERGY REGULATORY COMMISSION



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NEWS RELEASE

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FOR IMMEDIATE RELEASE

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COMMISSION AUTHORIZES INGLESIDE ENERGY CENTER, PROPOSED LNG TERMINAL NEAR CORPUS CHRISTI, TEXAS

The Federal Energy Regulatory Commission today approved an innovative new liquefied natural gas (LNG) terminal and related facilities proposed by Ingleside Energy Center and San Patricio Pipeline to be located in San Patricio County, Texas.

The Commission granted Ingleside Energy Center authority under Section 3 of the Natural Gas Act to construct a new terminal designed to provide an option for extracting natural gas liquids in addition to importing, storing and vaporizing 1 billion cubic feet (Bcf) of gas per day. The project would be constructed on the shoreline of Corpus Christi Bay near Ingleside, Texas, on a site owned by the applicants' parent company, Occidental Chemical Corp.

"I congratulate the Commission staff for processing this application so expeditiously. The Commission remains steadfast in its efforts to assure abundant and affordable natural gas supplies needed to support our nation's economy and jobs, while maintaining the highest safety standards," said FERC Chairman Joseph T. Kelliher.

To transport the gas to markets across the United States, San Patricio Pipeline proposes to construct and operate 26.4 miles of 26-inch diameter pipeline extending from the tailgate of Ingleside's LNG terminal to potential interconnections with nine interstate and intrastate pipelines located in San Patricio County.

The project is unique in two ways. First, Ingleside proposes to include a natural gas liquids recovery unit in the design of the terminal. The unit will enable the company to remove a portion of the higher British thermal unit gas components, such as ethane, propane, and butane, from the gas stream for sale into the liquids market, thus expanding the project's output to a wider range of potential customers.

Further, Ingleside plans to use waste heat from Occidental Chemical's existing chemical facility to vaporize the LNG. Ingleside estimates that using this heat source for the vaporization process will conserve 16 million cubic feet of gas per day that otherwise would have to be burned to gasify LNG. Further, up to 2 million gallons per day of fresh

water would be conserved by using the “waste cold” from the LNG to service the cooling needs of the chemical plant. The plan is environmentally beneficial because it will reduce potential air pollution, the Commission said.

The Commission’s approval follows extensive analysis of the potential environmental, safety and security impacts by FERC staff in coordination with other federal agencies, including the U.S. Coast Guard, the U. S. Department of Transportation, and state and local agencies.

The Commission will require Ingleside Energy and San Patricio Pipeline to adhere to a number of mitigation measures detailed in FERC staff’s Environmental Impact Statement and adopted in the Commission’s authorization order.