# 186 FERC ¶ 61,112 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Willie L. Phillips, Jr., Chairman; Allison Clements and Mark C. Christie.

Driftwood LNG LLC Driftwood Pipeline LLC Docket Nos. CP17-117-001 CP17-118-001

### ORDER GRANTING EXTENSION OF TIME REQUEST

(Issued February 15, 2024)

1. On October 4, 2023, Driftwood LNG LLC and Driftwood Pipeline LLC (jointly, Driftwood) filed a motion requesting a three-year extension of time,<sup>1</sup> until April 18, 2029, to complete construction of and make available for service the Driftwood LNG Terminal and the Driftwood Pipeline Project, which the Commission authorized on April 18, 2019 (Authorization Order).<sup>2</sup> The Authorization Order required that these projects be available for service within seven years, by April 18, 2026. For the reasons discussed below, the extension request is granted.

#### I. <u>Background</u>

2. On April 18, 2019, the Commission issued an order authorizing Driftwood LNG to construct and operate facilities for the liquefaction of domestically-produced natural gas at the proposed liquefied natural gas (LNG) terminal located near the city of Carlyss in Calcasieu Parish, Louisiana.<sup>3</sup> In the same order, the Commission authorized Driftwood Pipeline to construct the Driftwood Pipeline Project, a new interstate natural gas pipeline system to provide up to 3,954,000 dekatherms per day of firm natural gas transportation

<sup>2</sup> Driftwood LNG LLC, 167 FERC ¶ 61,054 (2019).

<sup>3</sup> *Id.* PP 5-11. The LNG terminal would consist of five liquefaction plants, three LNG storage tanks, marine facilities, and associated infrastructure and support facilities. *Id.* P 6. Each of the liquefaction plants would consist of one gas pre-treatment unit, one condensate stabilization unit, and four heavy hydrocarbon removal and liquefaction units. *Id.* Each LNG storage tank will have a net capacity of 235,000 cubic meters. *Id.* 

<sup>&</sup>lt;sup>1</sup> Driftwood LNG LLC October 4, 2023 Request for Extension of Time.

service to deliver feed gas for the Driftwood LNG terminal.<sup>4</sup> Driftwood intends to construct the pipeline project in three phases to match the construction schedule of the LNG terminal.<sup>5</sup>

3. On October 4, 2023, Driftwood filed a request for a three-year extension of time, until April 18, 2029, to complete the LNG terminal and Driftwood Pipeline. Driftwood states that it has worked diligently to develop and construct the LNG terminal, made good faith efforts to meet the Authorization Order's in-service date, and obtained and is maintaining all required permits and authorizations for both the LNG terminal and pipeline.<sup>6</sup>

4. For the Driftwood LNG Terminal, Driftwood asserts that it has commenced site preparation activities but has faced numerous delays due to the COVID-19 pandemic's impact on supply chains and the market,<sup>7</sup> and needs additional time to receive and install liquefaction equipment with a long lead time.<sup>8</sup> Driftwood recently entered into agreements for the purchase of this equipment for Phase I of the LNG terminal project,<sup>9</sup> but even with an expedited delivery schedule, Driftwood states that the earliest it could complete Phase I and place it into service would be late 2027.<sup>10</sup> Driftwood has not yet purchased the remaining equipment for the LNG Terminal but expects the timing to be similar, thereby shifting the in-service of the remaining Phase II facilities to 2029.<sup>11</sup> For

<sup>5</sup> *Id.* Phase 1 of the project would provide sufficient capacity to operate three liquefaction plants, Phase 2 would provide capacity to operate the fourth liquefaction plant, and the completion of Phase 3 would provide sufficient capacity to operate all five liquefaction plants. *Id.* P 13.

<sup>6</sup> Driftwood LNG, LLC October 4, 2023 Request for Extension of Time at 1, 3.

 $^{7}$  *Id.* at 3.

<sup>8</sup> *Id.* at 4.

<sup>9</sup> Id. at 2.

<sup>10</sup> *Id.* at 2-3.

<sup>11</sup> See id. at 3.

<sup>&</sup>lt;sup>4</sup> Driftwood LNG LLC, 167 FERC ¶ 61,054 at PP 12-16. The Driftwood Pipeline is a new, 96-mile long mainline pipeline in Evangeline, Acadia, Jefferson Davis, and Calcasieu Parishes, Louisiana, and would interconnect with 14 interstate pipelines along its route. *Id.* PP 12-13.

the Driftwood Pipeline Project, Driftwood states that it has secured the Gillis Compressor Station property but construction of the pipeline would not begin immediately because Driftwood plans to sequence pipeline construction with the LNG terminal commissioning schedule.<sup>12</sup> Driftwood also states, in addition to its equipment delays, that it needs additional time to "continue to attract and secure customers, and financing."<sup>13</sup> Driftwood argues that good cause exists for an extension because it has made good faith efforts to complete the projects and is fully committed to moving the projects forward despite the unforeseeable circumstances it encountered.<sup>14</sup>

### II. Notice, Interventions, and Protests

5. Notice of Driftwood's Extension of Time Request was issued on October 11, 2023, and published in the *Federal Register* on October 17, 2023.<sup>15</sup> The notice established October 26, 2023, as the deadline for filing interventions, comments, and protests. Public Citizen filed a timely motion to intervene. The Sierra Club filed a timely motion to intervene and protest on October 26, 2023. Sierra Club opposes granting the extension of time, arguing that delays associated with the COVID-19 pandemic are not the primary cause for Driftwood's delay and instead points to Driftwood's alleged mismanagement.<sup>16</sup> Sierra Club further argues that changes in global energy markets and new information regarding the projects' impacts on climate and the Rice's whale are changes in circumstances that require the Commission to reconsider whether the projects are consistent with the public interest,<sup>17</sup> and that the Commission must supplement its analysis under the National Environmental Policy Act (NEPA).<sup>18</sup> Several individuals filed comments in support of the extension.<sup>19</sup>

 $^{12}$  Id.

<sup>13</sup> *Id.* at 4.

<sup>14</sup> Id. at 5.

<sup>15</sup> 88 Fed. Reg. 71,548 (Oct. 17, 2023).

<sup>16</sup> Sierra Club October 26, 2023 Motion to Intervene and Protest at 10, 14.

<sup>17</sup> Id. at 17, 22.

<sup>18</sup> Id. at 16.

<sup>19</sup> See, e.g., Daniel Gephart October 11, 2023 Comments in Support; George Anderson October 13, 2023 Comments in Support; David Acker October 19, 2023 Comments in Support; Tyler Abadie October 25, 2023 Comments in Support.

6. On November 13, 2023, Driftwood filed an answer to Sierra Club's motion to intervene and filed a motion for leave to answer an answer.<sup>20</sup> Pursuant to Rule 213(a)(2) of the Commission's Rules of Practice and Procedure,<sup>21</sup> answers to protests are prohibited unless otherwise ordered by the decisional authority. We accept the company's answer as it provides information that will assist us in our decision-making process.

# III. Discussion

7. The completion date specified in a certificate order provides what the Commission believes—based on its assessment of circumstances relevant to the specific project—to be a reasonable period of time for the project sponsor to complete construction and make the project available for service.<sup>22</sup> However, construction deadlines may be extended for good cause.<sup>23</sup> One way good cause can be shown is by the project sponsor demonstrating that it made good faith efforts to meet its deadline but encountered circumstances beyond its control.<sup>24</sup> We consider extension requests on a case-by-case basis.<sup>25</sup>

### A. <u>Good Cause for Granting an Extension of Time</u>

8. Sierra Club asserts that Driftwood has not shown that it has made a good faith effort to complete the projects prior to the current deadline and Driftwood's request shows only that it

<sup>21</sup> 18 C.F.R. § 385.213(a)(2) (2023); *see also Algonquin Gas Transmission, LLC*, 170 FERC ¶ 61,144, at P 39 (2020) (barring both reply comments and answers in extension of time proceedings).

<sup>22</sup> See, e.g., Delfin LNG LLC, 185 FERC ¶ 61,009, at P 9 (2023).

<sup>23</sup> 18 C.F.R. § 385.2008(a) (2023) (allowing the relevant decisional authority to extend for good cause the time by which any person is required or allowed to act under any statute, rule, or order).

<sup>24</sup> See, e.g., Adelphia Gateway, LLC, 178 FERC ¶ 61,030, at P 15 (2022) (granting request for extension of time); Chestnut Ridge Storage LLC, 139 FERC ¶ 61,149, at P 11 (2012) (denying request for extension of time).

<sup>25</sup> See Chestnut Ridge Storage LLC, 139 FERC ¶ 61,149 at P 8.

<sup>&</sup>lt;sup>20</sup> Driftwood LNG LLC November 13, 2023 Answer. While Driftwood titled its answer as an Opposition to Sierra Club's Motion to Intervene, it does not oppose the Sierra Club's intervention, rather it contests the materials in the filing. Timely, unopposed motions to intervene are granted by operation of Rule 214 of the Commission's rules of Practice and Procedures. *See* 18 C.F.R. § 385.214 (2023).

seeks to complete the projects at some indeterminate point in the future.<sup>26</sup> Sierra Club states that Driftwood has not provided any explanation for why it did not commence construction when it received its authorization in April 2019 before the COVID-19 pandemic disrupted global supply chains and markets for LNG.<sup>27</sup> Sierra Club argues that Driftwood offers generalized claims that COVID-19 impacted its construction schedule but fails to point to any specific impacts that led to delay.<sup>28</sup> Sierra Club emphasizes that there were no barriers to Driftwood seeking Commission approval to begin construction and site preparation activities before Driftwood eventually commenced site preparation in April, 2022, and that it had its engineering, procurement, and construction contractor arranged in 2017.<sup>29</sup>

9. Sierra Club further argues that, even if the Commission finds Driftwood has made a good faith effort to complete the projects, Driftwood has still not demonstrated good cause for an extension because Driftwood has not established that it was prevented from meeting the deadline.<sup>30</sup> Sierra Club contends that Driftwood is to blame for the delays it is facing due to its own mismanagement. Sierra Club notes various financial difficulties including Driftwood being unable to attract and retain customers between 2022 and 2023, losing offtake contracts, being unable to find equity partners, and withdrawing from a high-yield bond sale, as well as the former executive chairman's mingling of personal and corporate loans.<sup>31</sup> Sierra Club analogizes this proceeding to the Commission's decision in *Chestnut Ridge*, where the Commission denied an extension of time to construct a gas storage facility, finding that the developer had failed to secure any customer commitments and made no attempt to dispute that the certificated storage project was not financially viable, and Sierra Club argues that Driftwood is letting its authorization "sit on a shelf" until market conditions improve.<sup>32</sup>

10. Driftwood states that it has made good faith efforts to advance both the LNG terminal and pipeline projects. It emphasizes that the projects have received all required permits and authorizations and that it has taken concrete steps toward construction of the

<sup>27</sup> Id. at 7.

<sup>28</sup> Id. at 10.

<sup>29</sup> Id. at 7.

<sup>30</sup> Id. at 10.

<sup>31</sup> *Id.* at 15-16.

<sup>32</sup> Id. at 6 (citing Chestnut Ridge Storage LLC, 139 FERC ¶ 61,149 at P 8).

<sup>&</sup>lt;sup>26</sup> Sierra Club October 26, 2023 Motion to Intervene and Protest at 6-7.

LNG terminal, including extensive site preparation activities,<sup>33</sup> but it faced pandemicrelated market and logistical challenges that will prevent it from meeting the completion date in the Authorization Order.<sup>34</sup> Driftwood also cites to a now-resolved legal challenge to its Clean Water Act section 404 permit from the U.S. Army Corps of Engineers as impeding the projects' commercial and financial progress.<sup>35</sup> Driftwood asserts its continued commitment to the projects, which it states is shown by its recent liquefaction facility contract and its progress on its commercialization of the LNG terminal.<sup>36</sup>

11. We find that Driftwood has made a good faith effort to meet the deadline in its authorization and that good cause exists for an extension. The Commission order authorizing Driftwood to construct and operate the LNG terminal and pipeline projects recognized Driftwood's potential long construction timeline when it provided Driftwood seven years to construct the projects. The COVID-19 pandemic's unprecedented upheaval of global supply chains and energy markets began within months after the authorization for the projects was issued, but Driftwood has still taken steps to advance the projects as proposed.<sup>37</sup>

12. We disagree with Sierra Club's assertion that Driftwood's alleged mismanagement prevents the Commission from finding good cause for an extension. Here, we are persuaded that Driftwood faced unforeseeable logistical difficulties caused by the COVID-19 pandemic, consistent with other proceedings.<sup>38</sup> Driftwood's situation is also distinguishable from that in *Chestnut Ridge Storage LLC*, where Chestnut Ridge admitted that the project was being

shelved until market factors improved.<sup>39</sup> The Commission denied Chestnut Ridge's extension request because, by the company's own admission, the storage project was not financially

<sup>33</sup> Driftwood LNG LLC October 4, 2023 Request for Extension of Time at 2.

<sup>34</sup> Driftwood LNG LLC November 13, 2023 Answer at 5.

<sup>35</sup> Id. at 6 (citing Healthy Gulf v. U.S. Army Corps of Eng'rs, 81 F.4th 510 (5thCir. Sept. 6, 2023)).

<sup>36</sup> Driftwood LNG LLC October 4, 2023 Request for Extension of Time at 4.

<sup>37</sup> Transcontinental Pipe Line Gas Co., LLC, 186 FERC ¶ 61,038 (2023).

<sup>38</sup> See, e.g., Port Arthur LNG, LLC, 181 FERC ¶ 61,024, at P 9 (2022) (discussing the company's continued efforts to advance a LNG project during the COVID-19 pandemic).

<sup>39</sup> Chestnut Ridge Storage LLC, 137 FERC ¶ 62,106 (2011), on reh'g, 139 FERC ¶ 61,149 at PP 11, 25 (2012) (upholding order denying project sponsor's request for an

viable under current conditions and the delays in moving forward with construction were the result of the company's financial calculations. Sierra Club has raised questions about whether the financial health of Driftwood's parent company also contributed to construction delays, but, as discussed, Driftwood has taken concrete steps to advance the projects, entered into agreements to procure necessary construction equipment, and sought an extension once it had clarity on the delivery timeline of those materials and the subsequent impact on construction timelines. Driftwood also continues to seek long-term offtake partners.<sup>40</sup> We find that Driftwood has sufficiently demonstrated good cause for delay and progress in developing the projects.<sup>41</sup>

### B. <u>Continuing Validity of the Authorization Order's Public Interest</u> Findings and Environmental Review

13. As a preliminary matter, Sierra Club argues that the Commission's action on an extension request is a major Federal action with the potential to significantly affect the environment, and thus requires the Commission to revisit its environmental review under NEPA.<sup>42</sup>

14. We disagree. NEPA requires a supplemental EIS when a major Federal action remains to occur and the agency makes substantial changes to the proposed action that are relevant to environmental concerns or there are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or

<sup>40</sup> Driftwood LNG LLC October 4, 2023 Request for Extension of Time at 4 (stating that Driftwood LNG is actively securing final commitments for offtake agreements).

<sup>41</sup> Freeport LNG Dev., L.P., 181 FERC ¶ 61,023, at P 12 (2022) (finding good cause and granting 26-month extension of time for LNG export facilities where project sponsor had maintained its other permits required for the project and was actively pursuing commercial agreements); *Trunkline Gas Co., LLC*, 179 FERC ¶ 61,086, at P 21 (2022) (finding good cause for a three-year extension of time where companies faced difficulties due to the COVID-19 pandemic yet demonstrated a commitment to the project); *Corpus Christi LNG Stage III, LLC*, 179 FERC ¶ 61,087, at P 13 (2022) (finding good cause for a 31-month extension of time where companies cited unforeseeable impacts of the COVID-19 pandemic as reason for an extension).

<sup>42</sup> Sierra Club October 26, 2023 Motion to Intervene and Protest at 16.

extension of time to construct a gas storage facility where the developer had failed to secure any customer commitments and acknowledged that it lacked project financing to develop the project). Indeed, Chestnut Ridge did not have any permits denied, and instead, pulled permit applications while waiting for market factors to improve. *Id.* at 19.

its impacts.<sup>43</sup> Neither is the case here. Granting an extension of time is not a major Federal action significantly affecting the quality of the human environment because it does not substantially change the underlying proposed action, nor does it constitute a new approval of the projects.<sup>44</sup> Rather it is an administrative action that does not require additional NEPA review.<sup>45</sup> There has been no significant change in the facts underlying the Authorization Order's conclusions that the proposed projects, as conditioned, remain environmentally acceptable actions.

15. Sierra Club also argues, in the alternative, that the Commission must supplement its NEPA review because the Commission's environmental findings on the projects' GHG emissions are stale due to: (1) the federal government's newly adopted emissions targets; (2) the federal readoption of the social cost of carbon; and (3) information regarding climate change and the lifecycle GHG emissions from LNG export based on the International Panel on Climate Change's (IPCC) 6<sup>th</sup> Assessment Report.<sup>46</sup> Sierra Club asserts that the Commission's previous public interest determinations are similarly stale and must be revisited, not only due to this requested climate change analysis but also because of reduced market demand for LNG, as evidenced by lower demand for LNG in Europe and Driftwood's failure to secure any offtake agreements.<sup>47</sup> Sierra Club contends in light of accelerated efforts to transition away from fossil fuels, it is possible that the projects may sit idle or operate below capacity.<sup>48</sup>

16. We reject Sierra Club's argument that new information calls the Commission's analysis of the projects' contributions to climate change into question, and that the Commission must evaluate this information in a supplemental NEPA analysis. We recognize that environmental

<sup>43</sup> See 40 C.F.R. § 1502.9(d)(1) (2023).

<sup>44</sup> See Freeport LNG Dev., L.P., 181 FERC ¶ 61,023 at P 13; see also Eagle Crest Energy Co., 168 FERC ¶ 61,186, at P 22 (2019) (holding that an extension of time to comply with a license requirement to commence and complete construction by a certain date, that involves no construction or changes to the project development, is an administrative action appropriately categorically excluded from further NEPA review), aff'd sub nom. Nat'l Parks Conservation Ass'n v. FERC, 6 F.4th 1044 (9th Cir. 2021); see also ANR Pipeline Co., 98 FERC ¶ 61,067, at 61,179 (2002) (acting on request for an extension of time is a matter of administrative discretion)

<sup>45</sup> See Freeport LNG Dev., L.P., 181 FERC ¶ 61,023 at P 13.

<sup>46</sup> Sierra Club October 26, 2023 Motion to Intervene and Protest at 17-19.

<sup>47</sup> *Id.* at 24.

<sup>48</sup> *Id.* at 25.

impacts are subject to change and that the validity of an order's conclusions and environmental conditions cannot be sustained indefinitely. However, Sierra Club has not identified any specific change of fact or law that would require the Commission to reconsider our prior findings that construction and operation of the projects, as conditioned, is an environmentally acceptable action, as the Commission's actions here will not entail any change in the projects' environmental effects.<sup>49</sup>

17. We also decline to revisit our prior public interest determinations. We have made clear that extension of time proceedings are not an invitation to re-open closed proceedings.<sup>50</sup> The request under consideration here concerns only the timing, not the nature, of Driftwood's projects. Extending the deadline to construct the projects and place them into service by 2029 will not undermine the Commission's determinations in the Authorization Order that the Driftwood LNG Terminal is not inconsistent with the public interest and that the Driftwood Pipeline Project is required by the public convenience and necessity.<sup>51</sup> There has been no significant change in the facts underlying the Authorization Order's determinations.

### C. Endangered Species Act Special Status Species

18. Sierra Club argues that the listing of the Rice's whale under the Endangered Species Act (ESA) requires the Commission to reinitiate consultation and supplement its environmental review.<sup>52</sup> We agree that information regarding newly listed threatened and endangered species requires consideration and that the ESA regulations<sup>53</sup> require a

<sup>50</sup> See, e.g., Transcon. Pipe Line Gas Co., LLC, 186 FERC ¶ 61,038, at P 22 (2023) (declining to relitigate in an extension of time proceeding matters resolved in the underlying order). See also Corpus Christi Liquefaction Stage III, LLC, 181 FERC ¶ 61,033, at P 15 (2022) (stating that the Commission will not relitigate whether the Commission properly found the project to be in the public convenience and necessity in an extension of time proceeding); Adelphia Gateway, LLC, 178 FERC ¶ 61,030 at P 10, 16; Algonquin Gas Transmission, LLC, 170 FERC ¶ 61,144 at P 40.

<sup>51</sup> Driftwood LNG LLC, 167 FERC ¶ 61,054 at PP 28, 35.

<sup>52</sup> Sierra Club October 26, 2023 Motion to Intervene and Protest at 17-19.

<sup>53</sup> Endangered and Threatened Wildlife and Plans; Regulations for Interagency Cooperation, 84 Fed. Reg. 44,976 (Aug. 27, 2019).

<sup>&</sup>lt;sup>49</sup> See Freeport LNG Dev., L.P., 182 FERC  $\P$  61,112, at PP 12-13 (2023) (rejecting arguments that the adoption of the social cost of carbon requires supplementing environmental reviews).

determination whether the projects may have impacts on the species.<sup>54</sup> Specifically, if a new species or newly designated critical habitat is listed after the Commission's issuance of a certificate but before the completion of project construction, Commission staff will determine whether the project may affect the species. If the project will not affect the species, the Commission has no further ESA obligation. If the project may affect the species, the Commission must consult with the National Marine Fisheries Service (NMFS) or the U.S. Fish and Wildlife Service, as appropriate, if the effects are reasonably certain to occur.<sup>55</sup>

19. The EIS discussed threatened and endangered species, but after the issuance of the EIS the Rice's whale has been listed as endangered by NMFS, which also designated proposed critical habitat for that species on July 24, 2023.<sup>56</sup> The EIS considered potential impacts on many large marine mammals, including the Gulf of Mexico Bryde's whale,<sup>57</sup> which has been scientifically confirmed as a genetically distinct species and renamed as the Rice's whale since the issuance of the 2019 Authorization Order.<sup>58</sup> The EIS

<sup>54</sup> Endangered and Threatened Wildlife and Plans; Regulations for Interagency Cooperation, 84 Fed. Reg. 44,976.

<sup>55</sup> 50 C.F.R. § 402.02 (2023).

<sup>56</sup> 88 Fed. Reg. 47,453 (July 24, 2023). The proposed critical habitat for the Rice's whale is described as one continuous marine area within the Gulf of Mexico from the Texas-Mexico border in the west to the Florida Keys in the east between 100 meter to 400 meter isobaths. 88 Fed. Reg. 47,453, 47,471.

<sup>57</sup> EIS at 4-96 to 4-98, 4-106.

<sup>58</sup> Endangered and Threatened Wildlife and Plants; Technical Corrections for the Bryde's Whale (Gulf of Mexico Subspecies), 86 Fed. Reg. 47,022 (Aug. 23, 2021) (codified at 50 C.F.R. § 224.101(h) (2023)). Whales thought to be Bryde's whales were first observed in the Gulf of Mexico in the 1960s, but, in the 2010s, scientists began to suspect that the population of Bryde's whales in the Gulf of Mexico was a distinct species. At the time of the EIS in January, 2019, the Gulf of Mexico Bryde's whale was proposed to be listed as a protected species by the National Marine Fisheries Service, but it was not listed as an endangered sub-species until April, 2019. *See* Endangered and Threatened Wildlife and Plants; Endangered Status of the Gulf of Mexico Bryde's Whale, 84 Fed. Reg. 15,446 (Apr. 15, 2019). In 2021, a formal description of a distinct species of Bryde's-like whales—the Rice's whale—was published for the first time. "How the Gulf of Mexico Bryde's Whale Became the Rice's Whale," National Oceanographic and Atmospheric Administration, https://www.fisheries.noaa.gov/southeast/marine-mammal-protection/how-gulf-mexicobrydes-whale-became-rices-whale.

determined that LNG carriers to the terminal project may affect but are not likely to adversely affect the Gulf of Mexico Bryde's whale,<sup>59</sup> and, in its consultation letter, NMFS agreed.<sup>60</sup> Without further indication that the environmental impacts of the projects will extend beyond those that have already been considered, the distinguishing of the Rice's whale as a distinct, protected species does not alter the Commission's and NMFS' conclusion that the project is not likely to adversely affect listed whales and thus is not enough to trigger further ESA consultation.<sup>61</sup> However, should NMFS designate critical habitat for the Rice's whale, Commission staff will coordinate any necessary consultation with NMFS.<sup>62</sup>

20. The potential need to re-initiate consultation on newly listed species does not in and of itself render the environmental analysis stale or trigger the need for a supplemental environmental impact statement.<sup>63</sup> A determination as to whether additional NEPA analysis is needed cannot be made prior to determining whether further ESA consultation is required and obtaining the results of such consultation.<sup>64</sup> Neither of those determinations is germane to our action here on the requested extension of time. Should it become necessary based on ESA consultation with NMFS, we will supplement our environmental review under NEPA.<sup>65</sup>

<sup>59</sup> EIS at 4-91, 4-106.

<sup>60</sup> EIS at app. G (February 14, 2018 Letter from NMFS regarding Consultation under Section 7 of the ESA).

<sup>61</sup> 50 C.F.R. § 402.16(a)(4) (2023). See, e.g., Delfin LNG LLC, 185 FERC ¶ 61,009 at P 16 (discussing the formal listing of the Rice's whale as protected under the ESA does not trigger additional consultation when consultation has been previously completed); *Freeport LNG Dev., L.P.,* 182 FERC ¶ 61,112, at P 15 (2023) (explaining that if the Commission has previously considered the impacts of a project on a species, the formal listing of that species as protected under the ESA is not sufficient to trigger further consultation).

<sup>62</sup> NMFS has proposed, but not finalized, a critical habitat designation for the Rice's Whale. 88 Fed. Reg. 47,453 (July 24, 2023).

<sup>63</sup> See, e.g., Mountain Valley Pipeline, LLC, 185 FERC ¶ 61,208, at P 22 (2023).

<sup>64</sup> If additional ESA consultation results in proposed new measures with impacts not previously studied or if an amendment is necessary to incorporate new measures, the Commission would supplement its NEPA review.

<sup>65</sup> See, e.g., Trunkline Gas Co., LLC, 179 FERC ¶ 61,086 at PP 13-14; Delfin LNG LLC, 178 FERC ¶ 61,031, at 18-19 (2022).

### IV. <u>Conclusion</u>

21. Because we find that Driftwood has demonstrated good cause for delay and progress in developing the projects, we will grant the requested three-year extension of time to complete construction of the Driftwood LNG Terminal and Driftwood Pipeline Project.

22. The Commission on its own motion received and made a part of the record in this proceeding all evidence, including the motion and exhibits thereto, and upon the consideration of the record,

#### The Commission orders:

(A) Driftwood LNG LLC is granted an extension of time, until April 18, 2029, to construct and make available for service the Driftwood LNG Terminal authorized in Docket No. CP17-117-000.

(B) Driftwood Pipeline LLC is granted an extension of time, until April 18, 2029, to construct and place into service the Driftwood Pipeline Project, as authorized in Docket No. CP17-118-000.

By the Commission.

(S E A L)

Debbie-Anne A. Reese, Acting Secretary.

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