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FERC Issues "Best Practices" for Natural Gas Industry Outreach to Stakeholders

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On July 28, 2015, the Federal Energy Regulatory Commission (FERC) Office of Energy Projects (OEP) published its <u>Suggested Best Practices for Industry Outreach Programs to Stakeholders</u>. The document highlights public outreach tools that OEP believes project sponsors can use to effectively engage stakeholders during the process of siting, constructing, and operating interstate natural gas and LNG facilities. While the manual contains "best practices" as opposed to regulations, OEP believes that the use of these practices will help facilitate an amicable and efficient project development process.

Summary of Best Practices

Development of a stakeholder outreach program

OEP recommends that companies develop formal stakeholder outreach programs, in which companies foster a continual two-way dialogue between themselves and project stakeholders, who may include nearby landowners and residents, elected officials, non-governmental organizations, Native American tribes, community leaders, and the media. OEP views successful stakeholder outreach programs as company-wide efforts, supported by all levels of company management and including training of all company staff and contractors who could come into contact with stakeholders. Employees should be trained to effectively communicate with members of the public about natural gas, the company's safety program, the permitting process, and the company's commitment to the community. In addition, companies should maintain educational materials for the general public that can be disseminated during any outreach efforts.

Initial outreach efforts

For larger projects especially, outreach should begin early, even as the project scope and commercial details are being determined. Companies should create a team of individuals dedicated to the outreach effort, and companies may consider working with public relations specialists who are familiar with local issues and elected officials.

Early communications should focus on key stakeholders such as elected officials, permitting agency officials, and other community leaders. Prior to reaching out to the general public, the company should develop a project website and a diverse set of educational materials specific to the project. Most importantly, a toll-free hotline number and email address should be made available as part of all public outreach efforts, allowing stakeholders to contact company representatives able to address questions and concerns.

As the project moves forward, public outreach efforts should include:

- <u>An introductory letter</u> providing basic project information, sent to all parties that may be affected by the project.
- <u>Community meetings</u> prior to the beginning of survey work, including public question and answer sessions. OEP recommends that a local entity host and moderate these meetings as a neutral party.
- <u>Meetings with permitting agencies</u>, in which the company outlines the project and develops relationships with key agency staff.



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Pre-filing process

For all major pipeline projects and some smaller projects, OEP encourages companies to utilize the prefiling process provided in 18 C.F.R. § 157.21. The pre-filing process is designed to help the company engage the public to resolve issues at the early stages of project development and streamline the review process once the application is filed. Companies that use pre-filing are required to provide a project description, public participation plan, and working list of stakeholders. Public outreach efforts include:

- <u>Open houses</u>, in which stakeholders can engage in one-on-one discussions with company representatives and learn about specific project impacts. Companies should provide detailed project information at open houses, including detailed maps, typical right-of-way and construction method drawings, facilities models and diagrams and other educational materials.
- <u>Stakeholder list</u>, which is kept up-to-date and used to provide regular updates of project developments and milestones.
- <u>Communication with FERC staff</u> through monthly status reports, routine conference calls, and meetings. Meetings may include other permitting agencies as well. Companies should document all outreach efforts and file the information with FERC.
- <u>Scoping meetings</u> are local meetings during which stakeholders can comment on the project and learn about FERC's review process. These are held at the discretion of FERC staff.
- <u>Site visits</u> are opportunities for FERC staff and stakeholders to see the project area first hand. These are not conducted for every project.

Updates after the application is filed

Applicants should continue the stakeholder outreach efforts after the formal application is filed. Continual communication is vital, and should also extend to other permitting agencies to ensure timely processing. Companies should maintain regular contact with key stakeholders. Companies should also issue press releases, mailings, and updating their project websites as environmental documents are issued and other project milestones are reached.

Continued outreach following receipt of the certificate

Once companies receive project approval, they should provide a project construction and restoration schedule, other environmental and permitting information, and continue making company points of contact available to the public. Especially in contested proceedings, companies should ensure that field personnel are prepared to appropriately communicate with affected property owners during project construction and restoration.

Ongoing public engagement

Public outreach should not stop after the project is built and in operation, particularly given that the company will need to communicate with stakeholders as it engages in maintenance and minor construction activities throughout the life of the project, often requiring stakeholder communication. Companies should consider participating in various business and civic organizations, and providing stakeholders with regular updates about ongoing project activities. In addition, the U.S. Department of Transportation - Pipeline & Hazardous Materials Safety Administration (PHMSA) requires pipeline operators to maintain public awareness programs with pipeline safety information.

Growing Attention to Stakeholder Outreach

FERC Commissioner Norman Bay requested at a recent industry conference that pipeline companies work to build better bonds with communities near their projects, and encouraged use of the best practices manual. Going forward, FERC is likely to encourage pipeline companies to be proactive in reaching out to the public, particularly in New England and other regions of the country where new natural gas infrastructure has been met by well-organized opposition from local groups. In many



respects, the OEP best practices memorialize the existing activities of pipelines in many, but not all, new pipeline projects. The message from OEP seems to be that pipelines can help facilitate timely and efficient project approval and construction if they regularly adhere to the best practices in all outreach efforts.

For more information

Van Ness Feldman maintains one of the leading natural gas pipeline practices in the U.S, and assists clients developing major natural gas infrastructure across the country. We advise clients at every stage of the natural gas pipeline infrastructure development process, including pre-development, project structuring, permitting, construction, operation, expansion, continuing regulatory compliance, and ongoing transactional services. For more information contact Brian O'Neill, Bob Christin, Greg Junge, Michael Pincus, or any member of the firm's Pipeline and LNG Practice at 202-298-1800.

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