

Southern Star Central Gas Pipeline, Inc. 4700 Highway 56 P.O. Box 20010 Owensboro, Kentucky 42301 Phone 270/852-5000

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February 28, 2020

Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

Re: Southern Star Central Gas Pipeline, Inc. Tougaloo Project - Nash Compressor Station Grant County, OK

Dear Secretary Bose:

Southern Star Central Gas Pipeline, Inc. (Southern Star), pursuant to the authority of its blanket certificate issued in Docket No. CP82-479-000 and the provisions of Sections 157.205, 157.208(b), and 157.210 of the regulations of the Federal Energy Regulatory Commission (Commission) herewith submits for eFiling a Prior Notice Application seeking authorization to construct, operate and maintain its proposed new natural gas-fired Nash Compressor Station and other appurtenant facilities in Grant County, Oklahoma, known as the Tougaloo Project ("Project").

The electronic files include the following documents, which have been classified as "Public", "Privileged and Confidential" or "Critical Energy Infrastructure Information" (CEII) as noted below.

# Public Files

- This transmittal letter describing the filing and its content.
- Form of Notice
- Prior Notice of Proposed Blanket Certificate Activity. Proposed activity is to construct, operate and maintain the natural gas-fired Nash Compressor Station and other appurtenant facilities in Grant County, Oklahoma
- Attachment 1 General Location Map
- Attachment 2 Topographic Map
- Attachment 4 Estimated Cost of the Proposed Facilities
- Attachment 5 Environmental Report

Kimberly D. Bose, Secretary February 28, 2020 Page 2

**Privileged and Confidential Files:** 

- Attachment 5, Appendix 1D List of Affected Landowners Privileged and Confidential
- Attachment 5, Appendix 4A Intensive Cultural Resources Survey for the Proposed Tougaloo Compressor Station Project – Privileged and Confidential

# Critical Energy Infrastructure Information File

- Attachment 3 Flow Diagrams Critical Energy Infrastructure Information (CEII)
- Attachment 5 Appendix 1A Project Alignment Sheets Critical Energy Infrastructure Information (CEII)

Southern Star submits that the attached Flow Diagrams and the attached Project Alignment Sheets (which include diagrams of valve and piping details at the proposed compressor station) meet the definition of CEII as found in Section 388.113 of the Commission's regulations and therefore requests that the Commission accord treatment to the eFiled documents concerning CEII information in a manner consistent with Section 388.112 of the Commission's regulations. Accordingly, all pages of the Flow Diagrams and Project Alignment Sheets are clearly marked "Contains Critical Energy Infrastructure Information-Do Not Release"

Pursuant to the Commission's electronic filing guide,<sup>1</sup> Southern Star is eFiling this Prior Notice and will provide two complete copies to the Commission (OEP Room 62-46).

Please call the undersigned at (270) 852-4655 with any questions regarding the documents.

Respectfully submitted,

/s/ Cindy C. Thompson Manager, Regulatory

<sup>&</sup>lt;sup>1</sup> Federal Energy Regulatory Commission Filing Guide/Qualified Documents List (February 14, 2017), available at <u>https://www.ferc.gov/docs-filing/filing.pdf</u>.

### UNITED STATES OF AMERICA

### **BEFORE THE**

### FEDERAL ENERGY REGULATORY COMMISSION

In the Matter of

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Docket No. CP20-\_\_\_\_-000

Southern Star Central Gas Pipeline, Inc. )

# REQUEST FOR AUTHORIZATION UNDER THE PRIOR NOTICE PROCEDURES OF SECTION 157.205

Southern Star Central Gas Pipeline, Inc. ("Southern Star") submits a prior notice request under the provisions of its blanket certificate (Docket No. CP82-479-000) and Sections 157.205, 157.208(b), and 157.210 of the regulations of the Federal Energy Regulatory Commission ("Commission") for authorization to construct, operate and maintain the natural gas-fired Nash Compressor Station and other appurtenant facilities in Grant County, Oklahoma, known as the Tougaloo Project ("Project"). The Project involves constructing a new compressor station utilizing rental compressor units on Southern Star's Canadian Blackwell ("CB") line that will create up to 40,000 Dth/d incremental firm capacity to Southern Star's Production Market Interface ("PMI") to serve a firm transportation contract with Spire Marketing, LLC ("Spire Marketing").

### APPLICANT

The exact legal name of the party tendering the request is Southern Star Central Gas Pipeline, Inc., and its principal place of business is located at 4700 State Highway 56, Owensboro, Kentucky 42301. Southern Star is a corporation organized and existing under the laws of the State of Delaware and is duly authorized to conduct business in the states of Colorado, Delaware, Kansas, Kentucky, Missouri, Nebraska, Oklahoma, Texas and Wyoming. Southern Star is a natural gas company, as defined in Section 1(b) of the Natural Gas Act ("NGA"), engaged in the business of storing and transporting natural gas in interstate commerce under authorizations granted by the Commission.

1

### COMMUNICATIONS

Correspondence and communications in regard to this request are to be addressed as follows:

Cindy Thompson Manager, Regulatory Southern Star Central Gas Pipeline, Inc. 4700 State Highway 56 Owensboro, Kentucky 42301 cindy.thompson@southernstar.com

Douglas Field Senior Attorney Southern Star Central Gas Pipeline, Inc. 4700 State Highway 56 Owensboro, Kentucky 42301 w.doug.field@southernstar.com

The above listed persons are designated to receive service pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §385.2010 (2011), and eService is requested in lieu of paper copies.

# **DESCRIPTION OF EXISTING OPERATIONS**

Southern Star owns and operates an interstate pipeline transmission system, consisting of approximately 5,800 miles of pipeline, 42 compressor stations, and eight underground natural gas storage fields, that delivers clean, affordable natural gas to a variety of natural gas customers, including local distribution companies who in turn redeliver that gas to residential, commercial, industrial and institutional customers across the Midwest and Mid-Continent regions. Southern Star's transmission system is divided into two rate areas, production and market. The CB line (also known as "Line TL") is located in Southern Star's production area and runs from Hemphill County Texas, to Kay County, Oklahoma.

# **REQUEST TO MODIFY FACILITIES**

Pursuant to this prior notice, Southern Star seeks authorization to construct, operate and maintain a new natural gas-fired compressor station utilizing rental compressor units on Southern Star's CB line in Grant County, Oklahoma (the "Nash Compressor Station") that will create up to 40,000 Dth/d of incremental firm capacity to the PMI. In November 2019, Southern Star conducted a binding open season supported by a signed Precedent Agreement with Spire Marketing as an anchor shipper<sup>1</sup> to

<sup>&</sup>lt;sup>1</sup> As an anchor shipper, the Precedent Agreement provides Spire Marketing, LLC with certain contractual rollover rights and rights of first refusal pursuant to Section 7.2 of the General Terms and Conditions ("GT&C") of Southern Star's FERC Gas Tariff. Pursuant to GT&C Section 7.2, Southern Star will file the firm transportation service

quantify interest in firm transportation service and identify the need to construct facilities related to the Project.

There are no other applications related to this request. However, as more fully described in this application, valves to connect the compressor station to the CB line may be installed as auxiliary facilities pursuant to 18 C.F.R. Section 2.55(a).

# PURPOSE AND DESCRIPTION OF THE PROPOSED FACILITIES 18 C.F.R. §157.208(c)(1) and (2)

The purpose of the proposed Project is to create up to an additional 40,000 Dth/d of firm production area transportation capacity on Southern Star's CB line. As noted above, that capacity has been sold for an initial term of approximately five years and three months pursuant to the Spire Marketing Precedent Agreement.

The proposed compressor station will be located in Section 33, Township 25N, and Range 8W in an undeveloped, rural agricultural area near the intersection of Coal Road and North 2780 Road, in Grant County, Oklahoma. The compressor station will be graveled and fenced.

The facilities to be constructed as part of the Project include:

- A new compressor station consisting of two skid mounted gas driven 3606 A4 CAT compressors with an International Organization for Standardization (ISO) rating of approximately 1875 horsepower (hp) each for a total of 3,750 hp;
- A motor control center building, approximately 12' X 25';
- A 175-kilowatt standby emergency generator
- One horizontal slug separator, two 500-gallon lube oil tanks (for new oil, one per engine), two 500-gallon glycol tanks (for new glycol, one per engine), two 100-barrel fiberglass storage tanks for condensate and wastewater;
- A fuel gas regulating skid: and
- Miscellaneous ancillary equipment and piping.

Within the fence line of the new compressor station, Southern Star will install approximately thirty feet total (15' suction and 15' discharge) of 16-inch .375" WT X42 pipe going up to 20 feet total (10' suction and 10' discharge) of 20-inch .375" WT X52 pipe connecting to the rental compression vendor's 20-inch

agreement and related rate agreement containing such rights as non-conforming contracts in Volume No. 2 of its Tariff, after such agreements are executed and before commencing service under the agreements.

.500" WT X52 pipe for suction and discharge. A new 26-inch mainline valve (MLV) emergency shutdown (ESD) system will also be installed within the fence line. The discharge will connect to Line TL at a maximum allowable operating pressure (MAOP) of 900 psig as Line TL operates at a MAOP of 900 psig. Southern Star will construct an access road, completely within the area of permanent disturbance, about 20 feet wide by 120 feet long, extending from Coal Road to the compressor station buildings.

# MAPS SHOWING LOCATION OF FACILITIES

18 C.F.R. §157.208(c)(3) and (4)

A map showing the general relationship of the proposed facilities to the applicant's existing facilities is attached as Attachment 1. A USGS  $7^{1}/_{2}$  -minute-series (scale 1:24,000) topographic map showing the location of the affected facilities is included in Attachment 2.

# FLOW DIAGRAMS

# 18 C.F.R. §157.208(c)(5)

Attached as Attachment 3 are flow diagrams showing daily design capacity, daily maximum capacity and operating pressures with and without the proposed Nash Compressor Station. The volume of fuel gas, suction and discharge pressure and compression ratio are also shown in the flow diagram data.

# ESTIMATED COST 18 CFR §157.208(c)(6)

The anticipated total cost of the Project, including the cost of the leased compression determined consistent with 18 C.F.R. Section 157.208(f) by multiplying the annual lease charge by the number of years in the lease, is estimated to be approximately \$13 million, for which internally generated funds have or will be used. This cost is less than the prior notice project cost limit in Column 2 of Table 1 to Part 157 as published in 18 C.F.R. Section 157.208 (2019). The anticipated project costs are summarized on Attachment 4.

# ENVIRONMENTAL REPORT AND COMMITMENT 18 C.F.R.§157.208(c)(9) and (10)

Attached as Attachment 5 is an abbreviated Environmental Report containing a concise analysis discussing the relevant issues described in 18 CFR §380.12. The analysis identifies the existing environmental conditions and the expected significant impacts that the proposed action, including proposed mitigation measures, will cause to the quality of the human environment, including impact

expected to occur to sensitive environmental areas. The analysis also describes how the proposed compression will comply with applicable State Implementation Plans developed under the Clean Air Act.

As demonstrated in the report, any environmental impacts are minimal, and the Project can be completed in an environmentally acceptable manner. Southern Star commits to having the Environmental Inspector's report filed every week.

# FORM OF NOTICE AND ATTACHMENTS

A proposed form of notice suitable for publication in the <u>Federal Register</u> is included herewith. In accordance with Section 157.208(c) of the Commission's Regulations, the following attachments are also submitted herewith:

Attachment 1	General Location Map
Attachment 2	Topographic Map
Attachment 3	Flow Diagrams (Critical Energy Infrastructure Information (CEII)
	submitted separately.)
Attachment 4	Estimated Cost of the Proposed Facilities
Attachment 5	Environmental Report
Attachment 5, Appendix 1A	Project Alignment Sheets (CEII submitted separately.)
Attachment 5, Appendix 1D	List of Affected Landowners (Privileged and Confidential submitted separately.)
Attachment 5, Appendix 4A	Intensive Cultural Resources Survey for the Proposed Tougaloo Compressor Station Project (Privileged and Confidential submitted separately.)

Copies of this Request will be sent to the Oklahoma Corporation Commission, Missouri Public Service Commission and the Kansas Corporation Commission.

# PUBLIC CONVENIENCE AND NECESSITY 18 C.F.R.§157.208(c)(7)

The proposed new compressor station will create up to an additional 40,000 Dth/d of firm transportation capacity on the CB line in Southern Star's production area. That capacity will provide the growing Permian, SCOOP and STACK production plays more access through Southern Star's Production Area to markets across the Southern Star system. The additional capacity is fully contracted for, as the Project is supported by a Precedent Agreement, pursuant to which Spire Marketing will contract for an initial primary term of up to five years and three months for the additional 40,000 Dth/d of firm transportation service under Southern Star's Rate Schedule FTS-P.

Accordingly, the Project is in the public convenience and necessity and should be allowed to go forward.

# CONCLUSION

WHEREFORE, Southern Star requests that the Commission, after giving public notice of this filing, allow Southern Star to construct the facilities and perform the activities herein described.

Respectfully submitted, Southern Star Central Gas Pipeline, Inc.

<u>/s/ Cindy C. Thompson</u> Cindy C. Thompson Manager, Regulatory