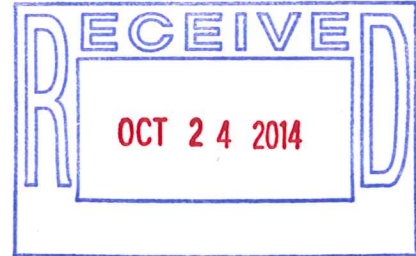


## Sempra LNG Marketing, LLC

October 24, 2014

Mr. John Anderson  
Office of Fuels Programs, Fossil Energy  
U.S. Department of Energy  
Docket Room 3F-056, FE-50  
Forrestal Building  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585



**Re: Sempra LNG Marketing, LLC  
FE Docket No. 14-~~177~~-LNG  
Application for Blanket Authorization to Export Liquefied Natural Gas on a  
Short-Term Basis**

Dear Mr. Anderson:

Sempra LNG Marketing, LLC (“Sempra LNG Marketing”) hereby submits one original and three copies of an application for blanket authorization to export up to a cumulative total of 250 billion cubic feet (“Bcf”) of foreign-sourced liquefied natural gas (“LNG”) over a two-year period commencing on February 1, 2015. Sempra LNG Marketing currently has blanket authorization to export foreign-sourced LNG pursuant to DOE/FE Order No. 3231. In the enclosed application, Sempra LNG Marketing is requesting that the new blanket authorization permit it to continue to export foreign-sourced LNG to countries with which trade is not prohibited by United States law or policy. Sempra LNG Marketing is requesting that the new blanket authorization commence on the day after current order expires, which is January 31, 2015.

Enclosed please find a check in the amount of \$50.00 as payment of the applicable filing fee.

Respectfully submitted,

William D. Rapp  
101 Ash Street, HQ 15  
San Diego, CA 92101  
619.699.5050

[wrapp@semprausgp.com](mailto:wrapp@semprausgp.com)

Enclosures

**UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY**

**Sempra LNG Marketing, LLC** )

**Docket No. 14-177LNG**

**APPLICATION OF SEMPRA LNG MARKETING, LLC FOR A SHORT-TERM  
BLANKET AUTHORIZATION TO EXPORT LIQUIFIED NATURAL GAS**

Pursuant to Section 3 of the Natural Gas Act<sup>1</sup> and Part 590 of the regulations of the Department of Energy (“DOE”),<sup>2</sup> Sempra LNG Marketing, LLC (“Sempra LNG Marketing”) submits this application for blanket authorization to export up to a total of 250 billion cubic feet (“Bcf”) of foreign-sourced liquefied natural gas (“LNG”) for a two-year period commencing on February 1, 2015 (“Application”). Sempra LNG Marketing requests that such authorization allow it to export foreign-sourced LNG to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by United States Law or policy. Any exports of LNG pursuant to the requested authorization would be from the Cameron LNG terminal in Cameron Parish, Louisiana (“Cameron Terminal”).

In support of this Application, Sempra LNG Marketing respectfully states the following:

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<sup>1</sup> 15 U.S.C. § 717b.

<sup>2</sup> 10 C.F.R. Part 590 (2014).

## I.

### DESCRIPTION OF APPLICANT

The exact legal name of the applicant is Sempra LNG Marketing, LLC. Sempra LNG Marketing is a limited liability company organized under the laws of the State of Delaware. Sempra LNG Marketing is a wholly-owned subsidiary of Sempra LNG, a Delaware corporation. Sempra LNG, through its other subsidiaries, owns and operates LNG receipt and storage terminals in North America, including the Cameron Terminal.

Sempra LNG Marketing is engaged in the business of purchasing and marketing supplies of LNG. Sempra LNG Marketing is a customer of the Cameron Terminal. On July 3, 2014, the Office of Fossil Energy ("OFE") issued DOE/OFE Order No. 3456, which granted Sempra LNG Marketing blanket authorization to import LNG from various international sources for a two-year period commencing on September 1, 2014.<sup>3</sup>

A separate order, DOE/OFE Order No. 3231, currently authorizes Sempra LNG Marketing to export foreign-sourced LNG from the Cameron Terminal.<sup>4</sup> The two-year blanket authorization granted by Order No. 3231 expires on January 30, 2015. In this application, Sempra LNG is requesting authorization for a new two-year authorization to export foreign-sourced LNG from the Cameron Terminal. This requested authorization would become effective immediately upon expiration of the existing authorization granted under Order No. 3231.

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<sup>3</sup> DOE/OFE Order No. 3456, FE docket no. 14-74-LNG (July 3, 2014).

<sup>4</sup> DOE/OFE Order No. 3231, FE docket no. 12-155-LNG (Feb. 13, 2013).

## II.

### COMMUNICATIONS

Communications regarding this filing should be directed to the following individual:

William D. Rapp  
101 Ash Street, HQ 15  
San Diego, CA 92101  
619.699.5050  
[wrapp@semprausgp.com](mailto:wrapp@semprausgp.com)

## III.

### REQUESTED AUTHORIZATION

Sempra LNG Marketing is seeking blanket authorization to export for a two-year period up to a cumulative total of 250 Bcf of LNG that has been imported into the United States from foreign sources. Sempra LNG Marketing requests that such blanket authorization provide for export to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by United States law or policy. Sempra LNG Marketing further requests that such blanket authorization be effective for a two-year period commencing on February 1, 2015.

The requested blanket export authorization would continue the ability of Sempra LNG Marketing to export volumes of foreign-sourced LNG that are not needed to serve domestic markets. In this application, Sempra LNG Marketing is not proposing, and is not hereby seeking authorization, to export any domestically produced natural gas or LNG. This Application seeks authorization only to export LNG that has previously been imported into the United States.<sup>5</sup>

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<sup>5</sup> OFE has issued to Cameron LNG, LLC, an affiliate of Sempra LNG Marketing, long-term authorizations to export domestically produced LNG. In DOE/OFE Order No. 3059 (docket no. 11-145-LNG, Jan. 17, 2012), OFE authorized Cameron LNG to export domestically produced LNG to countries with which the United States has a free trade agreement applicable to natural gas. In DOE/OFE Order No. 3391-A (docket no. 11-162-LNG, Sept. 10, 2014), OFE authorized Cameron LNG to export domestically produced LNG to countries with which the United States does not have such a free trade agreement.

No facility modifications or additions are required in order for Sempra LNG Marketing to export foreign-sourced LNG from the Cameron Terminal.

#### **IV.**

#### **PUBLIC INTEREST**

The purpose of this Application is to enable Sempra LNG Marketing to export quantities of LNG that have been imported into the United States and that are not needed to serve domestic markets. The requested blanket export authorization will allow Sempra LNG Marketing to purchase LNG at prevailing international prices for import to the United States, even when prices in other markets may be higher, by giving it the ability to store LNG at the Cameron Terminal and later sell it in the most competitive market.

This ability to react to changing market conditions by either importing LNG for sale in the U.S. or importing LNG for subsequent export to other markets will enhance the potential supply of natural gas in the U.S. market. When gas supplies are in balance with domestic demand, LNG will be imported and used to supplement domestic gas supplies. When there is a surplus of domestic gas supplies, as at the present time, there will be the opportunity to import LNG with the ability to later export it to serve other markets.

The requested authorization, of course, does not mandate or require that Sempra LNG Marketing export foreign-sourced LNG. Sempra LNG Marketing will continue to supply the domestic market with the LNG it imports to the extent that there is domestic demand for such imports. However, given current market conditions, and the difficulty in attracting LNG supplies for the sole purpose of serving the U.S. market, the requested authorization will allow Sempra LNG the flexibility to export LNG to foreign markets when there is insufficient U.S. demand.

Section 3 of the Natural Gas Act provides that exports to foreign countries will be authorized unless there is a finding that such exports "will not be consistent with the public interest."<sup>6</sup> In reviewing an export application, OFE applies the principles set forth in DOE Delegation Order No. 0204-111, which focuses primarily on the domestic need for the gas to be exported and the Secretary of Energy's natural gas policy guidelines.<sup>7</sup>

**V.**

**ENVIRONMENTAL IMPACT**

As stated above, no new facilities (or modifications to any existing facilities) at the Cameron Terminal would be required in order for Sempra LNG to export LNG from that facility. Exports of LNG from the Cameron Terminal also would not increase the number of LNG carriers that the Cameron Terminal is designed and authorized to accommodate. Approval of this Application would therefore not constitute a federal action significantly affecting the human environment within the meaning of the National Environmental Policy Act.<sup>8</sup>

**VI.**

**APPENDICES**

The following exhibits are submitted as part of this Application:

- |            |                    |
|------------|--------------------|
| Appendix A | Verification       |
| Appendix B | Opinion of Counsel |

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<sup>6</sup> 15 U.S.C. § 717b. Section 3 of the Natural Gas Act creates a statutory presumption that this Application is in the public interest, which opponents bear the burden of rebutting. *Panhandle Producers and Royalty Owners Association v. ERA*, 822 F.2d 1105, 1111 (1987).

<sup>7</sup> 49 Fed. Reg. 6684, February 22, 1984.


<sup>8</sup> 42 U.S.C. § 4231, *et seq.*

**VII.**

**CONCLUSION**

**WHEREFORE**, for the reasons set forth above, Sempra LNG Marketing respectfully requests that the OFE grant the blanket export authorization requested herein.

Respectfully submitted,



William D. Rapp

101 Ash Street, HQ 15

San Diego, CA 92101

619.699.5050

[wrapp@semprausgp.com](mailto:wrapp@semprausgp.com)

*Counsel for Sempra LNG Marketing, LLC*

Dated: October 24, 2014

## APPENDIX A

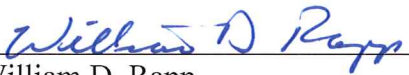


**VERIFICATION**

State of California )

County of San Diego )

I, William D. Rapp, hereby declare under penalty of perjury that I am counsel for Sempra LNG Marketing, LLC; that I am authorized to execute this Verification; that I have read the foregoing filing and am familiar with the contents thereof; and that all of the statements of fact therein are true and correct to the best of my knowledge and belief.

  
\_\_\_\_\_  
William D. Rapp  
101 Ash Street  
San Diego, CA 92101  
(619) 699-5050  
[wrapp@semprausgp.com](mailto:wrapp@semprausgp.com)

*Counsel for Sempra LNG Marketing, LLC*

Dated October 24, 2014

## APPENDIX B

## Sempra LNG Marketing, LLC

October 24, 2014

Mr. John Anderson  
Office of Fuels Programs, Fossil Energy  
U.S. Department of Energy  
Docket Room 3F-056, FE-50  
Forrestal Building  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

**Re: Sempra LNG Marketing, LLC  
Application for Blanket Authorization to Export Liquefied Natural Gas on a  
Short-Term Basis**

Dear Mr. Anderson:

This opinion is submitted pursuant to Section 590.202(c) of the U.S. Department of Energy's regulations, 10 C.F.R. §590.202(c) (2014). The undersigned is counsel to Sempra LNG Marketing, LLC ("Sempra LNG Marketing"). I have reviewed the organizational documents and other materials relating to Sempra LNG Marketing. Based upon such review, it is my opinion that the proposed export of foreign-sourced liquefied natural gas by Sempra LNG Marketing to any country with which trade is not prohibited by U.S. law or policy is within Sempra LNG Marketing's powers as a limited liability company. Sempra LNG Marketing is also authorized to conduct business in the State of Louisiana and to engage in foreign commerce.

Respectfully submitted,

  
William D. Rapp  
101 Ash Street, HQ 15  
San Diego, CA 92101  
619.699.5050  
[wraapp@semprausgp.com](mailto:wraapp@semprausgp.com)

*Counsel for Sempra LNG Marketing, LLC*