

**From:** [Patrick Carroll - NOAA Federal](#)  
**To:** [Secretary Brouillette](#)  
**Cc:** [Konieczny, Katherine](#); [Rachel Morris - NOAA Federal](#); [Jackie Rolleri - NOAA Federal](#); [Adam Dilts - NOAA Federal](#)  
**Subject:** [EXTERNAL] Jordan Cove Energy Project, L.P. & Pacific Connector Gas Pipeline, LP Coastal Zone Management Act Appeal  
**Date:** Friday, July 10, 2020 6:15:21 PM  
**Attachments:** [Jordan Cove.DOE Letter.7-10-20.pdf](#)

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Dear Secretary Brouillette,

Attached, please find a letter on behalf of the NOAA Administrator, notifying you of an administrative appeal filed by Jordan Cove Energy Project, L.P. & Pacific Connector Gas Pipeline, LP pursuant to the Coastal Zone Management Act that is pending before the NOAA Administrator. In the letter, Adam Dilts, Chief of the Oceans and Coasts Section of NOAA's Office of the General Counsel, requests comments on the appeal by August 10, 2020, so that NOAA may meet the deadlines that are provided in 15 C.F.R. part 930, subpart H. A hard copy of the attached is being mailed, but may be delayed due to COVID-19 limitations.

Jordan Cove Energy Project, L.P. & Pacific Connector Gas Pipeline, LP have requested in the appeal that the NOAA Administrator override Oregon's consistency objection on the grounds that the proposed activity (i.e., the construction and operation of a liquefied natural gas export terminal and a 229-mile interstate natural gas pipeline and compressor station off the Pacific Coast) is consistent with the objectives of the Coastal Zone Management Act under 16 U.S.C. § 1456(c)(3)(A).

The consolidated record maintained by the lead federal permitting agency is located at FERC Docket Numbers CP17-494 and CP17-495, FERC Online Docket Search, available at [https://elibrary.ferc.gov/idmws/docket\\_search.asp](https://elibrary.ferc.gov/idmws/docket_search.asp). In addition, the electronic docket associated with this appeal is also available at <https://www.regulations.gov/docket?D=NOAA-HQ-2020-0058>.

Should you have any questions concerning this letter, please contact me via e-mail at [patrick.f.carroll@noaa.gov](mailto:patrick.f.carroll@noaa.gov) or phone at (240) 338-0503, or Rachel Morris via email at [rachel.morris@noaa.gov](mailto:rachel.morris@noaa.gov) or phone at (206) 641-6397. Please also forward this email to anyone else who you believe has knowledge relevant to the issues identified in this letter, and feel free to provide us with any additional points of contact who should be in receipt of the attached.

Sincerely,

Patrick Carroll

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UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration  
Washington, D.C. 20230

OFFICE OF THE GENERAL COUNSEL

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1305 East-West Highway  
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July 10, 2020

The Honorable Dan Brouillette  
Secretary of Energy  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Dear Mr. Secretary,

On behalf of the NOAA Administrator, I am writing to request the Department of Energy (DOE) comments on an administrative appeal pending before the NOAA Administrator pursuant to the Coastal Zone Management Act (CZMA).<sup>1</sup>

The appeal at issue is brought jointly by Jordan Cove Energy Project, L.P. and Pacific Connector Gas Pipeline, LP (collectively, Appellants). Appellants appeal an objection by the Oregon Department of Land Conservation and Development to a consistency certification for Appellants' proposal to construct and operate a liquefied natural gas (LNG) export terminal and a 229-mile interstate natural gas pipeline and compressor station off the Pacific Coast. Oregon's objection to the project precludes Federal agencies from issuing licenses or permits required for the project, unless the objection is overridden by NOAA on the grounds that the activity is consistent with the objectives of the CZMA or is otherwise necessary in the interest of national security. *See* 16 U.S.C. § 1456(c)(3)(A); 15 C.F.R. § 930.64.

NOAA welcomes any comments DOE may have regarding the project and the issues pending before the Administrator in this administrative appeal, particularly relating to the following topics:

- (1) DOE's export authorization to non-FTA countries. NOAA requests any information that DOE can provide on the date by which DOE anticipates issuing a determination on Jordan Cove's requested amendment to its non-FTA authorization, which NOAA understands remains pending.<sup>2</sup>
- (2) The proportion of the exported natural gas that will originate from the U.S. Rocky Mountains versus that which will originate from Western Canada. It is NOAA's understanding that an affiliate of Jordan Cove previously received authorization from DOE to import gas from Canada sufficient to meet the entire supply needs of the pipeline.<sup>3</sup> To that end, NOAA requests DOE's

<sup>1</sup> *See* section 307(c)(3)(A) of the Coastal Zone Management Act of 1972 (CZMA), as amended, 16 U.S.C. § 1456(c)(3). The implementing regulations for CZMA appeals are found at 15 C.F.R. Part 930, Subpart H. *See also* 15 C.F.R. § 930.127(e)(1) (the appeal decision record includes the comments, if any, submitted by interested Federal agencies).

<sup>2</sup> *See* FERC Authorization Order, 170 FERC ¶ 61,202, Mar. 19, 2020, at P 14 (FERC Docket Nos. CP17-494-000 and CP17-405-000; FERC Accession No. 20200319-3077).

<sup>3</sup> FERC Authorization Order, at P 85 n.170 ("See Jordan Cove LNG L.P., FE Docket No. 13-141 -LNG, Order No. 3412 (March 18, 2014) (authorizing Jordan Cove LNG L.P. to import natural gas



input on: (a) the proportion of natural gas the project plans to export that will originate from the U.S. Rocky Mountains as opposed to Western Canada; (b) any studies or materials supporting such figures or projections; or, (c) if such information is unavailable or unknown, an explanation as to (i) why that information is unavailable or unknown at this time and (ii) when DOE anticipates receiving such information.

- (3) The foreign markets anticipated to receive the project's LNG exports. Jordan Cove's stated purpose of this project is to export natural gas to overseas markets due to the growth of international demand, particularly in Asia.<sup>4</sup> NOAA requests DOE's input on (a) which specific Asian markets the project plans to export to; (b) which of those Asian markets are FTA-countries, and which are non-FTA countries; and, (c) any studies or materials supporting this information.
- (4) The continued demand for U.S. LNG exports in Asian markets. It is NOAA's understanding that the EIA recently forecasted that U.S. LNG exports will decline through the end of the summer as a result of reduced global demand for natural gas.<sup>5</sup> NOAA also understands that the EIA recently reported that U.S. LNG exports have declined by more than half so far in 2020, and that historically low natural gas and LNG spot prices in Europe and Asia have affected the economic viability of U.S. LNG exports.<sup>6</sup> NOAA requests DOE's input on: (a) how the current reduced global demand for natural gas may affect the economic viability of exporting U.S. LNG to Asian markets; and, (b) how the addition of more U.S. LNG export facilities along the West Coast or in Alaska may affect the value of U.S. LNG exports to Asian markets.
- (5) The national interest of the project. During this appeal, the Administrator must evaluate whether the proposed activity furthers the national interest as articulated in section 302 or 303 of the CZMA, in a significant or substantial manner. According to Appellants, the national interests relevant to this appeal are: (a) "priority consideration being given to coastal-dependent uses and orderly processes for siting major facilities related to . . . energy;"<sup>7</sup> and (b) "developing the resources of the Nation's coastal zone."<sup>8</sup> NOAA requests that DOE provide its view on how its responses to the specific topics noted above influences its assessment of whether the project is in the national interest, as defined in the CZMA.

To assist your review, the consolidated record maintained by the lead federal permitting agency is located at FERC Docket Numbers CP17-494 and CP17-495, FERC Online Docket Search, available at [https://elibrary.ferc.gov/idmws/docket\\_search.asp](https://elibrary.ferc.gov/idmws/docket_search.asp). In addition, the electronic docket associated with this appeal is also available at <https://www.regulations.gov/docket?D=NOAA-HQ-2020-0058>.

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from Canada in a total volume of 565 Bcf per year, or 1.55 Bcf per day, for a 25-year term). The 25-year term commences on the earlier of the date of first export from Canada or the date of 10 years from the date of authorization (i.e., March 18, 2024)").

<sup>4</sup> Final Environmental Impact Statement for the Jordan Cove Energy Project, Nov. 15, 2019, (FERC Docket Nos. CP-17-494-000 and CP17-495-000; FERC Accession No. 20191115-3040), 1-6.

<sup>5</sup> U.S. Energy Information Administration, Short-Term Energy Outlook June 2020, page 3.

<sup>6</sup> U.S. Energy Information Administration, Today in Energy, U.S. liquefied natural gas exports have declined by more than half so far in 2020 (Jun. 23, 2020), available at <https://www.eia.gov/todayinenergy/detail.php?id=44196>

<sup>7</sup> 16 U.S.C. § 1452(2)(D).

<sup>8</sup> *Id.* § 1452(1); accord *id.* § 1451(a).



In order for this appeal to be decided in a timely fashion, I request that DOE's views be submitted no later than August 10, 2020. Please forward any comments to Rachel Morris, Attorney-Advisor, Office of the General Counsel, Oceans and Coasts Section, via email at [Rachel.Morris@noaa.gov](mailto:Rachel.Morris@noaa.gov), and Patrick Carroll, Attorney-Advisor, Office of the General Counsel, Oceans and Coasts Section, via email at [Patrick.F.Carroll@noaa.gov](mailto:Patrick.F.Carroll@noaa.gov).

Should your staff have questions concerning this letter, please contact either Ms. Morris, at (206) 641-6397 or by e-mail at [Rachel.Morris@noaa.gov](mailto:Rachel.Morris@noaa.gov), or Mr. Carroll, at (240) 338-0503 or by e-mail at [Patrick.F.Carroll@noaa.gov](mailto:Patrick.F.Carroll@noaa.gov).

Sincerely,



Adam Dilts  
Chief, Oceans and Coasts Section  
NOAA Office of the General Counsel

CC: Katherine L. Konieczny, Assistant General Counsel for Electricity & Fossil Energy

