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July 11, 2022

Ms. Amy Sweeney, Director  
Division of Natural Gas Regulation  
Office of Fossil Energy and Carbon Management  
U.S. Department of Energy  
Docket Room 3E-042  
Forrestal Building  
1000 Independence Avenue, S.W.  
Washington, DC 20585

Re: MKVH Advisors, Inc., Docket No. 22- \_69 - LNG  
Application for Long-Term Multi-Contract Authorization to Export Natural Gas to Free Trade  
Agreement and Non-Free Trade Agreement Nations

Dear Ms. Sweeney:

MKVH Advisors, Inc. ("MKVH Advisors") seeks long-term, multi-contract authorization for itself or as agent for others under Section 3 of the Natural Gas Act to export up to 51.75 Bcf of natural gas per year as liquefied natural gas ("LNG") (1) to any country with which the United States has, or in the future may enter into, a free trade agreement requiring national treatment for trade in natural gas ("FTA") and (2) to any country with which the United States does not have a free trade agreement requiring national treatment for trade in natural gas, which currently has or in the future develops the capacity to import LNG and with which trade is not prohibited by United States law or policy for a term ending on December 31, 2050.

Attached is a Pay.gov payment confirmation for \$50.00 to cover the applicable filing fee pursuant to 10 C.F.R. § 590.207. Please contact the undersigned at 202-639-6599 if you have any questions regarding this filing.

Respectfully Submitted,

/s/ John S. Decker

John S. Decker  
Counsel for MKVH Advisors, Inc.

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

**MKVH Advisors, Inc.**

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**Docket No. 22 - 69 - LNG**

**APPLICATION OF MKVH ADVISORS, INC.  
FOR LONG-TERM, MULTI-CONTRACT AUTHORIZATION  
TO EXPORT LIQUEFIED NATURAL GAS  
TO FREE TRADE AGREEMENT NATIONS AND  
NON-FREE TRADE AGREEMENT NATIONS**

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FOR LONG-TERM, MULTI-CONTRACT AUTHORIZATION  
TO EXPORT LIQUEFIED NATURAL GAS  
TO FREE TRADE AGREEMENT NATIONS AND  
NON-FREE TRADE AGREEMENT NATIONS**

Pursuant to Section 3 of the Natural Gas Act (“NGA”), 15 U.S.C. § 717b, and Part 590 of the regulations of the Department of Energy (“DOE”), 10 C.F.R. Pt. 590, MKVH Advisors, Inc. (“MKVH Advisors”) submits this application (“Application”) to the DOE Office of Fossil Energy and Carbon Management (“DOE/FE”) for long-term, multi-contract authorization for MKVH Advisors to export up to 51.75 Bcf of natural gas produced from domestic sources per year in the form of liquefied natural gas (“LNG”) (1) to any country with which the United States has, or in the future may enter into, a free trade agreement requiring national treatment for trade in natural gas (“FTA”) and (2) to any country with which the United States does not have a free trade agreement requiring national treatment for trade in natural gas, which currently has or in the future develops the capacity to import LNG and with which trade is not prohibited by United States law or policy, for a term ending on December 31, 2050.

MKVH Advisors is filing this application in conjunction with its plan to export small quantities of LNG in ISO containers to various countries, primarily in Europe and the Caribbean. MKVH Advisors will purchase LNG from various small-scale liquefaction and peaking facilities in the U.S. that have the capability to load LNG into ISO containers leased by MKVH Advisors. The growing number of smaller LNG production and peaking facilities in the U.S. provides an

opportunity for MKVH Advisors to acquire smaller quantities of LNG for export. The ISO containers will be transported by truck to standard commercial ports, where they will be loaded onto ocean-going cargo container ships and transported to foreign destinations. MKVH Advisors' primary markets are countries in Europe, where prices are high, in part due to Russia's war on Ukraine, and to islands in the Caribbean where lower levels of natural gas demand cannot support construction of expensive LNG import terminal facilities. MKVH Advisors has not yet executed any contracts to purchase or sell LNG.

MKVH Advisors' exports will provide significant benefits to the United States. Exports of LNG will benefit U.S. natural gas producers, which will have access to additional markets for their readily available supplies. These exports will be a low-cost source of supply for LNG markets around the world, which will help add the shift away from more carbon-intensive fuels such as diesel, heavy fuel oil, and coal. MKVH Advisors' exports of LNG will help supply demand in the world market, particularly in areas where large-scale LNG import and regasification facilities may be impractical for cost or timeline reasons. And MKVH Advisors' exports can be delivered quickly to Europe to help meet existing demand, consistent with the U.S.'s pledge to provide additional LNG supplies to reduce reliance on Russian natural gas.

In support of this application, MKVH Advisors respectfully submits the following:

**I. DESCRIPTION OF APPLICANT**

The exact legal name of the applicant is MKVH Advisors, Inc. MKVH Advisors' headquarters and principal place of business are at 694 Bellevue Avenue, Newport, Rhode Island 02840. MKVH Advisors is a Rhode Island corporation formed for the purpose of engaging in small-scale exports of LNG. MKVH Advisors is wholly owned by Martin Kits van Heyningen.

## **II. COMMUNICATIONS**

All communications and correspondence regarding this Application should be directed to the following persons:

Martin Kits van Heyningen  
MKVH Advisors, Inc.  
694 Bellevue Avenue  
Newport, RI 02840  
Phone: 401-855-4444  
Email: martinkvh@gmail.com

John S. Decker  
Vinson & Elkins L.L.P.  
2200 Pennsylvania Avenue NW  
Suite 500 West  
Washington, DC 20037  
Phone: 202-639-6599  
Email: jdecker@velaw.com

## **III. AUTHORIZATION REQUESTED**

MKVH Advisors, Inc. requests long-term, multi-contract authorization to export up to 51.75 Bcf of natural gas per year (1) to any country with which the United States has, or in the future may enter into, an FTA requiring national treatment for trade in natural gas and (2) to any country with which the United States does not have an FTA requiring national treatment for trade in natural gas, which currently has or in the future develops the capacity to import LNG and with which trade is not prohibited by United States law or policy. MKVH Advisors requests this long-term authorization for a term ending on December 31, 2050, consistent with DOE/FE's policy statement extending natural gas export authorizations for Non-FTA exports.<sup>1</sup> While MKVH Advisors primarily expects to engage in short-term transactions, MKVH Advisors is requesting long-term authorization to allow for the flexibility to enter into such arrangements and because DOE/FE's policy now allows for short-term exports under long-term export authorizations.<sup>2</sup>

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<sup>1</sup> *Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050*, 85 Fed. Reg. 52,237 (Aug. 25, 2020).

<sup>2</sup> *Including Short-Term Export Authority in Long-Term Authorizations for the Export of Natural Gas on a Non-Additive Basis*, 86 Fed. Reg. 2,243 (Jan. 12, 2021).

MKVH Advisors is requesting this authorization both on its behalf and as agent for other parties who may themselves will hold title to the LNG at the time of export pursuant to long-term or short-term sale and purchase agreements with MKVH Advisors. MKVH Advisors will comply with all DOE/FE requirements for exports and agents, including the registration requirements. When acting as agent, MKVH Advisors will register with DOE/FE each LNG title holder for which MKVH Advisors seeks to export LNG as agent. MKVH Advisors will provide DOE/FE with registration materials that include an acknowledgement and agreement by the LNG title holder to supply information necessary to permit MKVH Advisors to register that person or entity with DOE/FE, including (i) the LNG title holder's agreement to comply with any order issued by DOE/FE pursuant to this Application and all applicable requirements of DOE's regulations at 10 C.F.R. Part 590, including but not limited to destination restrictions; (ii) the exact legal name of the LNG title holder, state/location of incorporation/registration, primary place of doing business, and the LNG title holder's ownership structure, including the ultimate parent entity if the registrant is a subsidiary or affiliate of another entity; (iii) the name, title, mailing address, e-mail address, and telephone number of a corporate officer or employee of the LNG title holder to whom inquiries may be directed; (iv) within 30 days of execution, a copy, filed with DOE/FE of any long-term contracts, not previously filed with DOE/FE, including a non-redacted copy for filing under seal of (x) the executed long-term contract associated with the long-term export of LNG and/or (y) the executed long-term contract associated with the long-term supply of natural gas.<sup>3</sup>

MKVH Advisors is not submitting any long-term supply agreements or export agreements with the instant Application because, at the time of this Application, MKVH Advisors has not yet

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<sup>3</sup> See, e.g., *Nopetro LNG, LLC*, DOE/FE Order No. 4671 at 10-11 (Mar. 23, 2021).

entered into such agreements. In accordance with the DOE/FE's policy, MKVH Advisors will file or cause to be filed with DOE/FE long-term contracts associated with the export of LNG and all long-term contracts associated with the supply of natural gas to liquefaction facilities for subsequent export within 30 days of execution, including where MKVH Advisors will engage in exports as agent, under seal and either (i) a copy of each long-term contract with commercially sensitive information redacted or (ii) a summary of all major provisions of the contract(s), including, but not limited to, the parties to each contract, contract term, quantity, any take or pay or equivalent provisions/conditions, destination, re-sale provisions, and other relevant provisions.<sup>4</sup>

#### **IV. SOURCES OF NATURAL GAS TO BE EXPORTED**

MKVH Advisors will acquire LNG from small-scale liquefaction and peaking facilities that are capable of loading LNG into ISO containers. MKVH Advisors expects that these LNG suppliers will acquire natural gas from supply produced throughout the United States and delivered to the relevant facilities through the integrated natural gas pipeline grid.

#### **V. PUBLIC INTEREST**

MKVH Advisors's authorization as described herein is not inconsistent with the public interest and should be granted by DOE/FE under the individual provisions that apply separately to exporting natural gas to FTA countries and exporting small quantities of LNG to non-FTA countries.

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<sup>4</sup> The DOE/FE has previously held that the commitment to file contracts once they are executed complies with the requirement of 10 C.F.R. § 590.202(b) to supply transaction-specific information "to the extent practicable." See e.g., *Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC*, DOE/FE Order No. 4519 at 9 (Apr. 14, 2020); *Commonwealth LNG, LLC*, DOE/FE Order No. 4521 at 8 (Apr. 17, 2020).

**A. FTA Nations – Standard of Review**

NGA Section 3(c), as amended by Section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486), provides that:

[T]he exportation of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, shall be deemed to be consistent with the public interest, and applications for such importation or exportation shall be granted without modification or delay.<sup>5</sup>

Under this statutory presumption, this Application shall be deemed to be consistent with the public interest and should be granted by DOE/FE without modification or delay. Indeed, DOE/FE promptly grants authorization for export to FTA nations as a matter of statutory requirement.

**B. Non-FTA Nations – Small-Scale Authorization**

DOE/FE has determined that small-scale exports of natural gas and LNG are “deemed to be consistent with the public interest under NGA section 3(a).”<sup>6</sup> Small-scale natural gas exports are exports of natural gas, including LNG, that meet two criteria: (1) the quantity to be exported is 51.75 bcf per year or less and (2) DOE’s approval does not require an environmental impact statement or environmental assessment.<sup>7</sup> Upon the receipt of a complete application for small-scale natural gas exports, DOE/FE “will issue an export authorization.”<sup>8</sup>

MKVH Advisors’ proposed exports qualify as small-scale exports of natural gas. MKVH Advisors is proposing to export up to 51.75 bcf per year of natural gas, which is the threshold for small-scale exports. In addition, MKVH Advisors’ proposed exports do not require environmental

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<sup>5</sup> 15 U.S.C. § 717b(c) (2018).

<sup>6</sup> 10 C.F.R. § 590.208(a).

<sup>7</sup> 10 C.F.R. § 590.102(p).

<sup>8</sup> 10 C.F.R. § 590.208(a).



review. MKVH Advisors are not proposing to construct or modify any facilities, and the exports proposed in this Application are subject to categorical exclusion B5.7 – Export of natural gas and associated transportation by marine vessel. DOE/FE previously issued a categorical exclusion for a similar export proposal.<sup>9</sup>

While MKVH Advisors’ proposed exports require no further analysis because they qualify as small-scale exports, the proposal is in the public interest. In Order No. 3282, DOE/FE restated its methodology for evaluating exports of natural gas and set forth a range of factors it evaluates when reviewing applications for export authorization. Such factors include economic impacts, international impacts, security of natural gas supply, and environmental impacts. DOE/FE’s most recent study of LNG exports, performed in 2018,<sup>10</sup> found that LNG exports led to “higher overall economic performance in terms of GDP, household income, and consumer welfare than lower export levels associated with the same domestic supply scenarios.”<sup>11</sup> Consistent with the 2018 LNG Study, MKVH Advisors’s proposed exports will provide economic benefits to the U.S. economy. In addition to increased demand for natural gas, the availability of a reliable supply of LNG to customers outside of the United States who are currently burning diesel or fuel oil for power generation will encourage conversion to LNG capable power generation equipment, benefitting U.S.-based suppliers.

LNG exports can have significant environmental benefits as natural gas is cleaner burning than other fossil fuels, particularly diesel and heavy fuel oil. DOE/FE has prepared two reports,

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<sup>9</sup> *Nopetro LNG, LLC, Categorical Exclusion Determination*, FE Docket No. 20-167-LNG (Mar. 22, 2021) (finding that proposed small-scale exports of LNG in ISO containers on cargo vessels was subject to a categorical exclusion).

<sup>10</sup> NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (June 7, 2018) (“2018 LNG Study”).

<sup>11</sup> 2018 LNG Study at 21.

the Life Cycle Analysis Greenhouse Gas (“GHG”) Report (“2014 GHG Report”) and an update, Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update (“2019 GHG Report Update”).<sup>12</sup> The 2014 GHG Report noted that under most scenarios analyzed in the report, “generation of power from imported natural gas [into both Europe and Asia] has lower life cycle GHG emissions than power generation from regional coal.”<sup>13</sup> In fact, in most scenarios, power generation from imported natural gas reduces life-cycle GHG emissions almost 40 percent over a 100-year life cycle.<sup>14</sup> Similarly, the 2019 GHG Report Update compared life-cycle GHG emissions of exports of domestically produced LNG to Europe and Asia to alternatives (such as regional coal and other imported natural gas) for electric power generation in the destination countries. The 2019 GHG Report Update similarly concluded that the use of U.S. LNG exports for power production in European and Asian markets will not increase global GHG emissions from a life cycle perspective when compared to regional coal extraction and consumption for power production.<sup>15</sup> Accordingly, an increased supply of natural gas made possible through LNG exports can help countries break their dependence on less environmentally friendly fuels.<sup>16</sup> MKVH Advisors’ proposed exports, particularly exports to the Caribbean, will allow energy consumers to switch from using heavy fuel, diesel, and coal to natural gas. As discussed above, use of natural gas is preferable to coal from the GHG emissions perspective.

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<sup>12</sup> U.S. Department of Energy, Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States (May 29, 2014), <https://energy.gov/sites/prod/files/2014/05/f16/Life%20Cycle%20GHG%20Perspective%20Report.pdf>; Nat’l Energy Tech. Lab., Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States: 2019 Update (DOE/NETL 2019/2041) (Sept. 12, 2019).

<sup>13</sup> 2014 GHG Report at 9.

<sup>14</sup> *Id.*

<sup>15</sup> 2019 GHG Report at 32.

<sup>16</sup> Order No. 2961 at 37.

For other air pollutants, combustion of natural gas is significantly superior to diesel and heavy fuel oil, which are often used as an energy source in the Caribbean.

In addition, MKVH Advisors' exports to Europe would help during this period of tight supply caused, in part, by Russia's war on Ukraine. The U.S. has committed to ramping up LNG exports to the European Union as part of the "Task Force on Energy Security." The U.S. has committed to provide "at least 15 bcm [billion cubic meters]" of additional LNG volumes in 2022.<sup>17</sup> Unlike large-scale LNG export projects that require years to develop, permit, and construct, small-scale exports in ISO containers can be shipped to Europe and available in a matter of weeks. DOE/FE should promptly approve this Application to facilitate the export of abundant U.S. natural gas supplies to our allies in Europe, consistent with President Biden's pledge to help reduce European reliance on Russian natural gas.

## **VI. APPENDICES**

The below listed Appendices are included with this application:

**Appendix A** Verification

**Appendix B** Opinion of Counsel

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<sup>17</sup> *Fact Sheet: United States and European Commission Announce Task Force to Reduce Europe's Dependence on Russian Fossil Fuels*, March 25, 2022, available at <https://www.whitehouse.gov/briefing-room/statements-releases/2022/03/25/fact-sheet-united-states-and-european-commission-announce-task-force-to-reduce-europes-dependence-on-russian-fossil-fuels/>.

## VII. CONCLUSION

WHEREFORE, for the reasons set forth above, MKVH Advisors respectfully requests that the DOE/FE issue an order granting MKVH Advisors long-term, multi-contract authorization to export up to 51.75 Bcf of natural gas per year as LNG for a term ending on December 31, 2050, to any country with which the United States currently has, or in the future may enter into, a FTA requiring national treatment for trade in natural gas and to any country with which the United States does not have a free trade agreement requiring national treatment for trade in natural gas, which currently has or in the future develops the capacity to import LNG and with which trade is not prohibited by United States law or policy.

Respectfully submitted,



Martin Kits van Heyningen  
MKVH Advisors, Inc.

**APPENDIX A  
VERIFICATION**

County of Newport

State of RI

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BEFORE ME, the undersigned authority, Martin Kits van Heyningen, on this day personally appeared, who, having been by me first duly sworn, on oath says that he is duly authorized to make this Verification on behalf of MKVH Advisors, Inc.; that he has read the foregoing instrument; and that the facts therein stated are true and correct to the best of his knowledge, information and belief.

Jaseana Cooper

SWORN TO AND SUBSCRIBED before me on the 11<sup>th</sup> day of July, 2022.

Jaseana Cooper  
Notary Public

Jaseana Cooper Notary Public #768384 State of Rhode Island Commission Expires 03/07/2026
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**APPENDIX B**  
**OPINION OF COUNSEL**



# Sayer Regan & Thayer, LLP

ATTORNEYS AND COUNSELLORS AT LAW

July 11, 2022

Ms. Amy Sweeney, Director  
Division of Natural Gas Regulation  
Office of Fossil Energy and Carbon Management  
U.S. Department of Energy  
Docket Room 3E-042  
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1000 Independence Avenue, S.W.  
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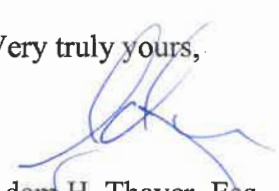
**RE: MKVH Advisors, Inc.**  
***Application for Long-Term, Multi-Contract Authorizations to Export Liquefied***  
***Natural Gas to Free Trade Agreement and Non-Free Trade Agreement Nations***

Dear Ms. Sweeney:

This opinion is provided pursuant to Section 590.202(c) of the Department of Energy Regulations, 10 C.F.R. §590.202(c), in support of the Application of MKVH Advisors, Inc. for Long-Term and Short-Term Multi-Contract Authorizations to Export Liquefied National Gas to Free Trade Agreement and Non-Free Trade Agreement Nations.

I am counsel to MKVH Advisors Inc. ("MKVH"), a corporation organized under the laws of the State of Rhode Island. I have reviewed and relied upon the corporate documents of MKVH, and it is my opinion that the proposed exports described in the application to which this opinion is attached as Exhibit B are within the corporate powers of MKVH.

Very truly yours,



Adam H. Thayer, Esq.  
Counsel to MKVH Advisors Inc.