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RECEIVED

By Docket Room at 3:39 pm, Sep 21, 2023

September 21, 2023

Ms. Amy Sweeney
Office of Fossil Energy
U.S. Department of Energy
Room 3E-052, FE-34
Forrestal Building
1000 Independence Avenue,
S.W. Washington, D.C. 20585

Re: Carib Energy (USA) LLC, FECM Docket No. 21-99- LNG
Supplemental Information Supporting Request for Export Authorization Amendment

Dear Ms. Sweeney:

Pursuant to Section 3 of the Natural Gas Act and Part 590 of the regulations of the Department of Energy ("DOE"), Carib Energy (USA) LLC ("Carib Energy") submits the enclosed supplemental information in support of its September 7, 2023 letter requesting an amendment to the cumulative level of LNG volumes authorized for re-export under DOE/FECM Order No. 4772.

A Verification and Opinion of Counsel also are enclosed.

Carib Energy has paid the amount of \$50.00 by credit card as payment of the applicable filing fee as required in 10 C.F.R. § 590.207.

Please contact the undersigned with any questions regarding this submission.

Respectfully submitted,

/s/ Paul F. Forshay
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Counsel for Carib Energy (USA) LLC

Enclosures

Carib Energy (USA) LLC) **FECM Docket No. 21-99-LNG**

I. Standard of Review

Like its original authorization application, Carib Energy's pending request to amend the authorization to export LNG to FTA and non-FTA countries previously granted by Order No. 4772 is reviewed under Sections 3(a) and (c) of the NGA.⁶ Section 3(a) creates a rebuttable presumption that a proposed export of natural gas is in the public interest. Under this standard, the FECM "must grant such an application unless opponents of the application overcome that presumption by making an affirmative showing of inconsistency with the public interest."⁷ In applying this public interest standard, FECM applies the principles set forth in DOE Delegation Order No. 0204-111, which focuses on domestic need for the gas proposed for export, and the Secretary's natural gas policy guidelines.

Moreover, NGA Section 3(c) provides that the import and export of natural gas, including LNG, from and to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas and the import of LNG from other international sources are deemed to be consistent with the public interest. Applications for such imports and exports must be granted without modification or delay.

As demonstrated below, Carib Energy's requested amendment to its existing blanket authorization to export LNG to FTA and Non-FTA countries with the capacity to import LNG via ocean-going vessels and with which trade is not prohibited by U.S. law or policy is consistent with NGA Section 3 and DOE/FECM guidelines.

⁶ 15 U.S.C. § 717b(a) and (c) (2018).

⁷ *Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC*, DOE/FECM Order No. 3638, Final Opinion and Order Granting Long-term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Corpus Christi Liquefaction Project to be Located in Corpus Christi, Texas to Non-Free Trade Agreement Nations, at 12 (May 12, 2015); *Sabine Pass Liquefaction, LLC*, DOE/FECM Order No. 2961, Opinion and Order Conditionally Granting Long-Term Authorization to Export Liquefied Natural Gas From Sabine Pass LNG Terminal to Non-Free Trade Agreement Nations, at 28 (May 20, 2011).

II. COMMUNICATIONS

Communications regarding Carib Energy’s request to amend Order No. 4772 should be directed to the following:

Matthew Jackson Vice President Crowley Advanced Energy 9487 Regency Square Blvd. Jacksonville, FL 32225 Email: Matthew.Jackson@crowley.com	Paul F. Forshay Holland & Knight LLP 800 17th Street N.W., Suite 1100 Washington, D.C. 20006 Tel.: 202-469-5557 Email: paul.forshay@hklaw.com
Timothy S. Bush VP & Deputy General Counsel Crowley Maritime Corporation 9487 Regency Sq. Blvd. Jacksonville, FL 32225 Email: Timothy.Bush@crowley.com	Brendan H. Connors Holland & Knight LLP 800 17th Street N.W., Suite 1100 Washington, D.C. 20006 Tel.: 202-469-5409 Email: brendan.connors@hklaw.com

III. BACKGROUND

As set forth in its original application for blanket export authorization, Carib Energy is a wholly-owned subsidiary of Crowley Shipping, Inc. (“Crowley”), with its principal place of business in Jacksonville, Florida. Crowley is a wholly-owned subsidiary of Crowley Maritime Corporation, which is a wholly-owned subsidiary of Crowley Holdings, Inc. Crowley Holdings, Inc., is a privately-held corporation.

Carib Energy currently exports previously imported LNG purchased primarily at the Crowley LNG Puerto Rico Truck Loading Facility in Peñuelas, Puerto Rico (“Crowley Facility”). The Crowley Facility receives LNG that has been imported into Puerto Rico via the EcoElectrica LNG Terminal,⁸ and the truck-loading facility currently has an annual LNG send-out capability

⁸ The EcoElectrica LNG Terminal is subject to the jurisdiction of the Federal Energy Regulatory Commission (“FERC”). FERC first authorized construction of the EcoElectrica LNG Terminal under NGA Section 3 in 1996. *See EcoElectrica, L.P.*, 75 FERC ¶ 61,157 (1996). FERC subsequently has approved several amendments to the

equivalent to approximately 7.27 Bcf of natural gas. Carib Energy re-exports LNG via approved IMO7/TVAC-ASME LNG containers transported on ocean-going vessels to Barbados (a non-FTA country) and the Dominican Republic (an FTA country). In addition, Carib Energy anticipates commencing exports to Antigua (a non-FTA country) in January 2024.

IV. AMENDMENT REQUESTED

Carib Energy's ongoing LNG exports to Barbados and the Dominican Republic have increased more rapidly than originally projected and recently exceeded the cumulative export volumes authorized by Order No. 4772. In addition, Carib Energy anticipates providing additional LNG export volumes to Antigua beginning in January 2024. Consequently, Carib Energy has requested an amendment to the authorization granted by Order No. 4772, increasing the overall level of LNG export volumes during the authorization's two-year period by 0.92 Bcf, from 0.48 Bcf to 1.4 Bcf of natural gas equivalent, effective June 1, 2023.⁹

V. PUBLIC INTEREST

Carib Energy's request to amend Order No. 4772 to increase the overall authorized volume of LNG exports is consistent with the public interest, NGA Section 3, and DOE/FECM guidelines. As explained below, the modest overall increase of 0.92 Bcf of natural gas requested will not compromise the availability of domestic natural gas supplies, while Carib Energy's exported LNG will continue to play a critical role in meeting the gas supply needs of Barbados, Antigua, and the Dominican Republic.

EcoElectrica authorization. *See EcoElectrica, L.P.*, 127 FERC ¶ 61,044 (2009); *EcoElectrica, L.P.*, 147 FERC ¶ 61,222 (2014).

⁹ For the reasons discussed herein, Carib Energy submits that good cause exists to waive the 90-day filing requirement specified in 10 C.F.R. §590.201 (b).

A. Domestic Gas Supplies

As noted in Carib Energy’s original application, FECM Order No. 4545 authorized the export of previously imported LNG, citing authoritative data that substantiates U.S. consumer access to ample volumes of natural gas to meet domestic demand. In that order, FECM took administrative notice that the Energy Information Administration (“EIA”) Annual Energy Outlook 2020 (“AEO2020”) showed annual domestic dry natural gas production in 2021 of 33.70 Tcf, with total natural gas consumption projected at 31.92 Tcf in the same year. FECM found that AEO2020 supported the conclusion that volumes of foreign-sourced LNG proposed for re-export were not needed to meet domestic demand.

The domestic production and consumption trends relied on by FECM Order No. 4545 have continued in recent years. The EIA’s AEO2023 reveals that natural gas consumption has remained relatively flat in recent years and is projected to remain that way through 2024. In contrast, dry natural gas production has increased and is anticipated to continue doing so through 2024. Consequently, Carib Energy’s increased re-exports of LNG under an amended Order No. 4772 would not displace natural gas volumes needed to satisfy domestic demand in the United States.

Carib Energy also notes, based on similar EIA data regarding domestic natural gas production and consumption trends, FECM recently authorized the re-export of LNG equivalent to 182.5 Bcf of natural gas over a two-year period.¹⁰ Clearly, the same domestic natural gas supply circumstances that justified authorizing LNG exports equivalent to 182.5 Bcf of natural gas also support granting Carib Energy’s modest requested increase of 0.92 Bcf in its authorized export volumes under Order No. 4772.

¹⁰ See *Southern LNG Company, L.L.C.*, DOE/FECM Order No. 4982, Order Granting Blanket Authorization to Export Previously Imported Liquefied Natural Gas By Vessel to Free Trade Agreement and Non-Free Trade Agreement Nations (March 15, 2023)

B. Needs Served by Carib Energy Exports

As discussed below, Carib Energy's current LNG exports are integral to meeting gas supply needs in Barbados and the Dominican Republic and will meet gas supply needs in Antigua beginning in January 2024. In addition, Carib Energy's continued LNG exports will contribute to achieving the climate change and energy security policies underlying the U.S.-Caribbean Partnership to Address Climate Crisis 2030 ("PACC 2030") by reducing the use of heavy fuel oil.

In Barbados, beginning in April 2022, Carib Energy has exported LNG to the Barbados National Oil Company ("BNOC"), 75% of which is owned by the government and 25% of which is owned by the National Petroleum Corporation ("NPC"). NPC is a statutory body invested with responsibility for the management of the distribution of natural gas supply via a pipeline in Barbados for domestic, commercial, and industrial use. The purpose of the enterprise is to provide and maintain adequate, reliable, competitive, safe and efficient gas service to customers within the country. BNOC both produces natural gas and imports LNG into Barbados, and it is the only authorized importer of natural gas for Barbados. To its knowledge, Carib Energy currently is the sole contracted provider of LNG to BNOC. An interruption in Carib Energy's LNG exports would leave the homes, businesses, and industries that rely on the BNOC pipeline without gas supplies, causing a substantial disruption to the country's economy.

In the Dominican Republic, Carib Energy has been exporting LNG to the privately-held company LineaClave since April 2023. LineaClave is one of only three companies in the Dominican Republic authorized to distribute LNG, and it mainly serves industrial complexes. The Dominican Republic has executed a free trade agreement with the United States. Accordingly, Carib Energy's exports to the Dominican Republic are deemed to be consistent with the public interest pursuant to NGA Section 3(c).

In Antigua, Carib Energy will export LNG to Eagle LNG, a privately-held company that is developing a power generation project in that country. In partnership with Antigua Power Company, Eagle is building a 40 megawatt natural gas power plant on behalf of the Antigua Public Utilities Authority, which provides electric power for the businesses and residents on the island. Carib Energy will serve as the sole provider of LNG to the power plant. Because Antigua currently uses heavy fuel oil to generate electricity, the new gas-fired generation plant would reduce the country's carbon footprint. Thus, absent Carib Energy's projected LNG exports, Antigua would have no gas supply for this new power plant and would be denied the climate change benefits associated with that facility and in support of PACC 2030 goals.

C. Carib Energy's LNG Exports Support U.S. Climate Change Policies

PACC 2030 establishes a vital need for United States cooperation with Caribbean countries to support climate adaptation and strengthen energy security, while building the resilience of critical infrastructure and local economies to the climate crisis. Carib Energy's requested amendment to its authorized export volumes under Order No. 4772 in support of its continued LNG exports to Barbados, the Dominican Republic, and Antigua furthers these ends.

Specifically, Antigua requires increased LNG to power a new power plant to generate electricity that will provide a more reliable and cleaner source of power for its residents. As the sole provider of imported LNG to Barbados, Carib Energy provides LNG critical to meeting the increased demand of homes, businesses, and industries in that country. Finally, several major industries in the Dominican Republic depend on LNG provided by Carib Energy to operate their facilities. Thus, the increased level of LNG volumes requested by Carib Energy would support the climate change and energy security goals that animate PACC 2030.

For all of these reasons, Carib Energy’s request for an amendment increasing the overall volumes in its re-export authorization is consistent with the public interest and should be granted without modification or delay.

VI. ENVIRONMENTAL IMPACT

No new construction will be required to accommodate the amended export volume level requested by Carib Energy. In addition, the IMO7/TVAC-ASME LNG containers utilized for Carib Energy’s re-exports of LNG will be transported on ocean-going vessels to Barbados, the Dominican Republic and Antigua.

DOE regulations¹¹ provide a list of categorical exclusions from the preparation of an environmental analysis or environmental impact statement under the National Environmental Policy Act of 1969 (“NEPA”).¹² Categorical exclusion B5.7 affords an exclusion, in relevant part, for “amendments of existing authorizations to export natural gas under section 3 of the Natural Gas Act and any associated transportation of natural gas by marine vessel.”

Because Carib Energy seeks an amendment to its existing authorization to export natural gas in IMO7/TVAC-ASME LNG containers via ocean-going vessels, its filing falls within categorical exclusion B5.7 and requires no further environmental analysis under NEPA.¹³ Accordingly, Carib Energy’s amendment request does not constitute a major federal action

¹¹ 10 C.F.R. Part 1021, Subpart D, Appendix B5 (2020).

¹² 42 U.S.C. 4321, i.

¹³ 42 U.S.C. §§ 4321, *et seq.*; *see Southern LNG Company, L.L.C.*, DOE/FECM Order No. 4982 at 9, Order Granting Blanket Authorization to Export Previously Imported Liquefied Natural Gas By Vessel to Free Trade Agreement and Non-Free Trade Agreement Nations (March 15, 2023); *see also Cameron LNG, LLC*, DOE/FECM Order No. 3904 at 11, Order Granting Blanket Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal Located in Cameron and Calcasieu Parishes, Louisiana, (Oct. 3, 2016); *Sabine Pass Liquefaction, LLC*, DOE/FECM Order No. 3767 at 13, Order Granting Blanket Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal Located in Cameron Parish, Louisiana, (Jan. 13, 2016).

significantly affecting the quality of the human environment within the meaning of NEPA, consistent with FECM regulations and precedent.

VII. CONCLUSION

Carib Energy submits the foregoing supplemental information to demonstrate that its requested amendment to Order No. 4772's authorized export volumes is consistent with the public interest. Carib Energy respectfully requests that FECM amend the cumulative level of re-exported LNG volumes previously authorized by Order No. 4772 from 0.48 Bcf to 1.4 Bcf of natural gas equivalent.

Respectfully submitted,

/s/ Matthew Jackson

Matthew Jackson

Vice President

Crowley Advanced Energy

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Jacksonville, FL 32225

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On behalf of

Carib Energy (USA) LLC

Dated: September 21, 2023

**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT**

Carib Energy (USA) LLC) FECM Docket No. 21-99-LNG

VERIFICATION

I, Matthew Jackson, declare that I am Vice President – Crowley Advanced Energy and am duly authorized to make this Verification on behalf of Carib Energy (USA) LLC; that I have read the foregoing instrument and that the facts therein stated are true and correct to the best of my knowledge, information, and belief.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Jacksonville, Florida on September 21, 2023.

/s/ Matthew Jackson
Matthew Jackson
Vice President
Crowley Advanced Energy
9487 Regency Square Blvd.
Jacksonville, FL 32225

**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT**

Carib Energy (USA) LLC FECM Docket No. 21-99-LNG

OPINION OF COUNSEL

This opinion is furnished pursuant to Section 590.202(c) of the Department of Energy's Regulations, 10 C.F.R. § 590.202(c) and in connection with the request of Carib Energy (USA) LLC (Carib Energy) for an amendment to the blanket authorization to export previously imported liquefied natural gas volumes previously granted by DOE/FECM Order No. 4772. I am counsel for Carib Energy. I have reviewed and relied upon the corporation formation documents of Carib Energy and information provided to me by its upstream parent company, Crowley Maritime Corporation. Based on the foregoing, and for the purposes of Carib Energy's request to amend the export authorization previously granted by DOE/FECM Order No. 4772, I am of the opinion that the proposed exports as described in the request for an authorization amendment are within the corporate powers of Carib Energy.

Respectfully submitted,

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September 21, 2023