

800 17th Street N.W., Suite 1100 | Washington, DC 20006 | T 202.955.3000 | F 202.955.5564
Holland & Knight LLP | www.hklaw.com

Paul F. Forshay
+1 202-469-5557
Paul.Forshay@hklaw.com

December 13, 2023

Ms. Amy Sweeney
U.S. Department of Energy
Office of Fossil Energy and Carbon Management
Room 3E-052, FE-34
Forrestal Building
1000 Independence Avenue, SW
Washington, DC 20585

**Re: Carib Energy (USA) LLC, DOE/FECM Docket No. 23-____-LNG
 Application for Blanket Authorization to Export Liquefied Natural Gas to
 Free Trade Agreement and Non-Free Trade Agreement Nations**

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 its Application for Blanket Authorization to Export Liquefied Natural Gas to Free Trade Agreement and Non-Free Trade Agreement Nations.

Carib Energy requests authorization to export up to 7.3 Bcf annually, or 14.6 Bcf over the requested two-year term. Carib Energy’s submits its request to export LNG to non-Free Trade Agreement nations pursuant to DOE/FECM’s “small-scale natural gas exports” rule codified at 10 C.F.R. §§ 590.208(a) and 590.102(p).

A Verification and Opinion of Counsel also are enclosed. Carib Energy has submitted the \$50 filing fee through the online payment portal.

Please contact the undersigned with any questions concerning the enclosed application.

Respectfully submitted,

/s/ Paul F. Forshay
Paul F. Forshay

Counsel for Carib Energy (USA) LLC

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

Carib Energy (USA) LLC) DOE/FECM Docket No. 23-____-LNG

**APPLICATION OF CARIB ENERGY (USA) LLC
FOR BLANKET AUTHORIZATION TO EXPORT
LIQUEFIED NATURAL GAS TO FREE TRADE AGREEMENT
AND NON-FREE TRADE AGREEMENT NATIONS**

Pursuant to Section 3 of the Natural Gas Act (“NGA”)¹ and Part 590 of the Department of Energy’s (“DOE”) regulations,² Carib Energy (USA) LLC (“Carib Energy”) hereby requests that DOE/Office of Fossil Energy and Carbon Management (“DOE/FECM”) issue an order granting blanket authorization for Carib Energy to export Liquefied Natural Gas (“LNG”) to Free Trade Agreement (“FTA”) nations and to make small-scale exports of LNG to non-FTA nations. More specifically, Carib Energy requests authorization to export up to 7.3 Bcf of LNG annually -- 14.6 Bcf over the requested two-year term – either previously imported into Puerto Rico from foreign sources or received from sources within the United States to (i) 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, and (ii) 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.

Carib Energy would export LNG from the Crowley LNG Puerto Rico Truck Loading Facility in Peñuelas, Puerto Rico (“Crowley Facility”) to (i) Barbados, the Dominican Republic,

¹ 15 U.S.C. §717b (a) and (c) (2018).

² 10 C.F.R. Part 590 (2023).

Antigua and (ii) any other FTA and non-FTA country in the Caribbean, Central America or South America that either has or develops the capacity to import LNG and with which trade is not prohibited by U.S. law or policy. Carib Energy would make these LNG exports either via approved IMO7/TVAC-ASME containers transported on ocean-going vessels or via small-scale LNG vessels.

As discussed below, Carib Energy's proposed LNG exports to FTA countries are deemed in the public interest pursuant to NGA Section 3(c). Carib Energy's application to make small-scale exports to Non-FTA countries, in turn, is filed under DOE/FECM's "small-scale natural gas exports" rule codified at 10 C.F.R. §§ 590.102(p) and 590.208(a) and should be deemed consistent with the public interest under NGA Section 3(a). Accordingly, Carib Energy respectfully requests that DOE/FECM approve this application without modification or delay.

I. COMMUNICATIONS

Communications regarding Carib Energy's application 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

II. DESCRIPTION OF THE APPLICANT

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.

III. BACKGROUND AND EXISTING AUTHORIZATIONS

Carib Energy currently exports previously imported LNG purchased at the Crowley Facility in Peñuelas, Puerto Rico. The Crowley Facility receives LNG that has been imported into Puerto Rico via the EcoElectrica LNG Terminal. The Crowley Facility has an annual LNG send out capability equivalent to approximately 7.3 Bcf of natural gas. Carib Energy currently exports the LNG via approved IMO7/TVAC-ASME LNG containers transported on ocean-going vessels. At present, Carib Energy exports LNG to Barbados (a non-FTA country) and the Dominican Republic (an FTA country). In addition, Carib Energy currently anticipates commencing exports to Antigua (a non-FTA country) in January 2024.

Carib Energy currently holds a short-term blanket authorization to export to FTA and non-FTA countries LNG previously imported into Puerto Rico from foreign sources pursuant to DOE/FECM Order No. 4772.³ Carib Energy has requested an increase of 0.92 Bcf to the overall LNG volumes previously authorized for export over the two-year period covered by Order No. 4772 from 0.48 Bcf to 1.4 Bcf, effective June 1, 2023 through April 6, 2024.⁴ Carib Energy's request remains pending before DOE/FECM.

³ *Carib Energy (USA) LLC*, DOE/FECM Order No. 4772, Order Granting Blanket Authorization to Export Previously Imported Liquefied Natural Gas in ISO Containers By Vessel to Free Trade and Non-Free Trade Agreement Nations (Dec. 20, 2021).

⁴ *Carib Energy (USA) LLC*, DOE/FECM Docket No. 21-99-LNG, Request for Amendment to Order No. 4772 (Sept. 6, 2023) and Supplemental Information Supporting Request for Export Authorization Amendment (Sept. 21, 2023).

IV. AUTHORIZATION REQUESTED

Carib Energy requests blanket authorization to make small-scale LNG exports to FTA and non-FTA nations. Carib Energy would export LNG either previously imported from sources outside the United States or received from sources within the United States. Carib Energy would export these LNG volumes from the Crowley Facility either via approved IMO7/TVAC-ASME LNG containers transported on ocean-going vessels or via small-scale LNG vessels to (i) Barbados, the Dominican Republic, Antigua and (ii) any other FTA country or non-FTA country within the Caribbean, Central America or South America which has, or in the future develops, the capacity to import LNG, provided that trade with that country is not prohibited by United States law or policy. The authorization requested by this application would extend for a two-year period, commencing on the earlier of April 7, 2024 or the date of an order granting the requested authorization. Carib Energy requests this authorization both on its own behalf and when acting on behalf of other entities who themselves hold title to the LNG, after registering each such entity with DOE/FECM in accordance with the established procedures.

There are no other proceedings related to this application currently pending before DOE/FECM or any other federal agency. As noted earlier, Carib Energy's request to amend its existing short-term export authorization in DOE/FECM Docket No. 21-99-LNG remains pending before DOE/FECM. Should DOE/FECM issue an order granting this application prior to April 7, 2024, Carib Energy requests that the authorization issued in Order No. 4772, as may be amended, be vacated and replaced with the authorization requested herein as of the date of that order.

V. STANDARD OF REVIEW

LNG exports to FTA nations and small-scale LNG exports to non-FTA countries are deemed consistent with the public interest under Sections 3(a) and (c) of the NGA⁵ and DOE/FECM regulations. NGA Section 3(c) provides that the 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 are deemed consistent with the public interest. Section 3(c) directs that applications for such exports must be granted without modification or delay.

Small-scale exports to non-FTA countries are deemed consistent with the public interest under NGA Section 3(a) pursuant to DOE/FECM regulations. Section 590.208(a) of DOE's regulations provides:

Small-scale natural gas exports are deemed to be consistent with the public interest under section 3(a) of the Natural Gas Act, 15 U.S.C. 717b(a). DOE will issue an export authorization upon receipt of any complete application to conduct small-scale natural gas exports. DOE's regulations regarding notice of applications, 10 CFR 590.205, and procedures applicable to application proceedings, 10 CFR part 590, subpart C (10 CFR 590.303 to 10 CFR 590.317), are not applicable to small-scale natural gas exports.

10 C.F.R. § 590.208(a) (2023). Section 590.102(p) of DOE's regulations, in turn, defines a "small-scale natural gas export" as:

An export of natural gas to nations with which there is not in effect a free trade agreement with the United States requiring national treatment for trade in natural gas and with which trade is not prohibited by U.S. law or policy that the application for such export authority satisfies the following two criteria:

- (1) The application proposes to export natural gas in a volume up to and including 51.75 billion cubic feet per year, and
- (2) DOE's approval of the application does not require an environmental impact statement or an environmental assessment

⁵ 15 U.S.C. §§ 717b (a) and (c) (2018).

under the National Environmental Policy Act, 42 U.S.C. 4321 et seq.

10 C.F.R. § 590.102(p) (2023).

VI. PUBLIC INTEREST

Carib Energy’s proposed LNG exports are consistent with the public interest and merit prompt authorization. More specifically, Carib Energy’s request for authorization to make small-scale exports of up to 7.3 Bcf of LNG annually from the Crowley Facility (14.6 Bcf over a two-year period) to FTA and non-FTA countries is deemed consistent with the public interest pursuant to NGA Section 3 and DOE/FECM regulations.

Carib Energy’s proposed LNG exports to FTA countries are deemed in the public interest pursuant to NGA Section 3(c). As noted earlier, DOE/FECM must approve such LNG exports without modification or delay.

Carib Energy’s proposed small-scale exports to non-FTA countries, meanwhile, are deemed in the public interest under NGA Section 3(a) pursuant to Sections 590.208(a) and 590.102(p) of DOE/FECM’s regulations due to their modest annual volumes in combination with the applicable DOE/FECM categorical exclusion from NEPA review (discussed below). Indeed, the proposed small-scale LNG export volumes, which would serve the immediate, ongoing needs of countries in the Caribbean region, as well as emerging needs in Central American and South American markets, are precisely the type of small-scale exports that DOE/FECM authorized to “allow for greater diversity and competition in the natural gas market, consistent with the public interest under NGA section 3(a).”⁶

⁶ Final Rule, Small-Scale Natural Gas Exports, DOE/FECM Docket No. 17-86-R, Fed. Reg. Vol. 83, No. 143 at 35107 (July 25, 2018).

VII. ENVIRONMENTAL IMPACT

As described earlier, Carib Energy intends to export LNG from the Crowley Facility either via IMO7/TVAC-ASME LNG transported on ocean-going vessels or via small-scale LNG vessels to Barbados, the Dominican Republic, Antigua and potentially other markets in the Caribbean, Central America and South America developed during the requested two-year authorization term.

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

Because Carib Energy seeks a new two-year authorization to export natural gas either via IMO7/TVAC-ASME LNG containers transported on ocean-going vessels or via small-scale LNG vessels, its filing falls within categorical exclusion B5.7 and requires no further environmental analysis under NEPA.

VIII. APPENDICES

The following appendices are included with this Application:

Appendix A: Verification

Appendix B: Opinion of Counsel

IX. CONCLUSION

For the foregoing reasons, Carib Energy respectfully requests that DOE/FECM grant the requested two-year blanket authorization for LNG exports up to 7.3 Bcf annually (14.6 Bcf over

⁷ See 10 C.F.R. Part 1021, Subpart D. App. B, Categorical Exclusion B5.7.

the two-year term) from the Crowley Facility to Barbados, the Dominican Republic, Antigua and other FTA and non-FTA countries in the Caribbean, Central America and South America without modification or delay.

Respectfully submitted,

/s/ Paul Forshay

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

Counsel for Carib Energy (USA) LLC

December 13, 2023

APPENDIX A

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

Carib Energy (USA) LLC) DOE/FECM Docket No. 23-____-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 December 13, 2023.

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

APPENDIX B

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

Carib Energy (USA) LLC) DOE/FECM Docket No. 23-____-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 blanket authorization to export liquefied natural gas. I am counsel for Carib Energy. I have reviewed and relied upon the corporate 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 application to the Office of Fossil Energy and Carbon Management, I am of the opinion that the proposed exports as described in the application are within the corporate powers of Carib Energy.

Respectfully submitted,

/s/ Paul Forshay

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

December 13, 2023