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*By Docket Room at 4:22 pm, April 29, 2024*



April 29, 2024

Office of Fossil Energy and Carbon Management  
U.S. Department of Energy  
Washington, DC 20585

RE: Docket No. 13-147-LNG | Delfin LNG LLC Request of March 1, 2024

TO WHOM IT MAY CONCERN:

The undersigned organizations support the request of Delfin LNG LLC for an extension of the June 1, 2024, deadline to commence exports under the non-FTA authorization issued by the Department of Energy (DOE) in Docket No. 13-147-LNG.

We believe that Delfin's request raises issues not contemplated in the policy statement of April 26, 2023. Specifically, the policy statement appears to have overlooked the differences between land-based projects, which fall under the jurisdiction of the Federal Energy Regulatory Commission (FERC), and deep-water offshore U. S. LNG export facilities which are under the joint jurisdiction of the United States Coast Guard and the U. S. Maritime Administration (MARAD).

Prior to April 26, 2023, the de facto policy of DOE with regard to the seven-year "commencement of exports" deadline was to grant an extension of the deadline if the authorization holder had either physically commenced construction on the associated export facility or could not comply with the existing export commencement deadline due to extenuating circumstances.

Beginning on April 26, 2023, DOE implemented the new written policy which requires that both the "under construction" and "extenuating circumstances" tests be met in order for an extension of the "commencement of exports" deadline to be granted. This change in policy was opposed by many within the U. S. LNG industry because it was too stringent and represented a departure from the project-by-project evaluation process that DOE had successfully implemented for several decades.

The present case underscores the need to return to project-by-project reviews. While land-based projects can commence physical construction as soon as a final FERC order is received, that is not true for deepwater projects, which cannot begin construction until all MARAD conditions are satisfied. This is thoroughly explained in Delfin's extension request dated March 1, 2024.

With respect to "extenuating circumstances," as noted in its filing, Delfin's project has been delayed by a series of circumstances outside its control, including the continuing evolution of FLNG technology as well as significant challenges with the MARAD licensing process.

Delfin's extension request should not be impacted by DOE's "pause" on export authorizations to non-FTA countries as its authorized export volumes are included in the already authorized level of exports of approximately 48 bcf/d in place before the "pause."

We would like to highlight that Delfin's largest single customer, with a commitment to purchase 1.0 mtpa of LNG for a 15-year term, is Centrica LNG, whose parent company is the largest energy supplier in the United Kingdom. Thus a significant amount of the LNG produced by this project will go to the U.K. or elsewhere in Europe, enhancing the energy security of our allies.

We also want to draw attention to the discussion in Delfin's submittal regarding the additional supplemental environmental analysis prepared by the company on its greenhouse gas emissions (submitted in June 2023). That analysis details the significant reductions in the project's direct emissions compared to the Final EIS analysis based on the preliminary design. That analysis estimated that Delfin's project will result in a net decrease of 200 million metric tons of carbon dioxide equivalents being emitted over the life of the project as a result of fuel switching overseas.

For the above reasons, plus the jobs, economic development, support to the U.S. maritime and natural gas industries, and the utilization of new technology in the United States, we urge DOE to grant the extension request from this authorization holder, and to grant similar fair and reasonable extension requests made in the future by other non-FTA authorization holders. In addition, we respectfully request DOE to return to the flexible, project-by-project adjudicatory process that was so successfully employed prior to April 26, 2023.

Sincerely,

/s/ Fred H. Hutchison  
The USLNG Association ("LNG Allies")

/s/ David Callahan  
Marcellus Shale Coalition

/s/ Toby Mack  
Energy Equipment and Infrastructure Alliance