

[6450-01-P]

DEPARTMENT OF ENERGY

[FE Docket No. 15-38-LNG]

Floridian Natural Gas Storage Company, LLC; Application for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations for a 20-Year Period

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of application.

SUMMARY: The Office of Fossil Energy (FE) of the Department of Energy (DOE) gives notice of receipt of an application (Application), filed on February 24, 2015, by Floridian Natural Gas Storage Company, LLC (Floridian), requesting long-term, multi-contract authorization to export domestically produced liquefied natural gas (LNG) produced from domestic sources at its proposed liquefaction and storage facility to be constructed and operated in Martin County, Florida (Floridian Facility). Floridian requests authorization to export this LNG to any country with which the United States does not have a free trade agreement (FTA) requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (non-FTA countries).¹ Floridian seeks to export the LNG in a volume equivalent to approximately 14.6 billion cubic feet per year (Bcf/yr) of natural gas (0.04 Bcf per day (Bcf/d)), less the portion of that volume that may be under firm contract directly or indirectly to Carib

¹ In the Application, Floridian also requests authorization to export LNG to any nation that currently has, or in the future may enter into, a FTA requiring national treatment for trade in natural gas and with which trade is not prohibited by U.S. law or policy (FTA countries). Concurrently with this notice, DOE/FE is granting Floridian's requested FTA authorization in DOE/FE Order No. 3691, pursuant to NGA § 3(c), 15 U.S.C. § 717b(c). *See Floridian Natural Gas Storage Company, LLC*, DOE/FE Order No. 3691, FE Docket No. 15-38-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas in ISO Containers Loaded at the Proposed Floridian Facility in Martin County, Florida, and Exported by Vessel to Free Trade Agreement Nations (July 31, 2015).

Energy (USA) LLC (Carib).² According to Floridian, the LNG will be delivered to its customers in approved ISO IMO7/TVAC-ASME LNG (ISO) containers.³ Floridian's customers (or their customers) will take delivery of the ISO containers, which the customers will transport via truck to the ports which will be the points of export (including the Port of Palm Beach, Port Everglades, Port of Miami, Port Canaveral, Port of Tampa, Port Manatee, and Port of Jacksonville, Florida). Upon arrival by truck at the point of export, the ISO containers will be loaded onto ocean-going marine vessels for transport to the destination countries. Floridian requests the authorization for a 20-year term to commence on the earlier of the date of first export or five years from the date the authorization is granted. Floridian seeks to export this LNG on its own behalf and as agent for other entities who hold title to the LNG at the time of export. The Application was filed under section 3 of the Natural Gas Act (NGA). Additional details can be found in Floridian's Application, posted on the DOE/FE website at:

<http://www.energy.gov/fe/downloads/floridian-natural-gas-storage-company-llc-fe-dkt-no-15-38-lng>.

Protests, motions to intervene, notices of intervention, and written comments are invited.

² On September 10, 2014, DOE/FE issued a final LNG export order, DOE/FE Order No. 3487, Carib to export LNG from the Floridian facility to non-FTA countries in Central America, South America, or the Caribbean "at a volumetric rate not to exceed 14.6 Bcf/yr (0.04 Bcf/d) of natural gas, which is equivalent to the maximum daily send out capacity of natural gas in [its] liquefied state via the ... truck loading station at the Floridian facility" *Carib Energy (USA) LLC*, DOE/FE Order No. 3487, FE Docket No. 11-141-LNG, Final Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas in ISO Containers by Vessel to Non-Free Trade Agreement Nations in Central America, South America, or the Caribbean, at 2-3 (Sept. 10, 2014). Floridian states that, to its knowledge, Carib has not yet contracted with either Floridian or any Floridian customer holding capacity in the Facility for delivery of any volumes of LNG, on either a firm or interruptible basis. Nonetheless, by excluding LNG volumes from the Floridian Facility that may come under firm contract to Carib pursuant to DOE/FE Order No. 3487, Floridian states that its requested authorization would be consistent with DOE/FE's policy not to authorize exports that exceed the liquefaction capacity at a LNG facility that will be used for the proposed export operations. Floridian App. at 2, n.2.

³ Floridian states that it has filed an application with the Federal Energy Regulatory Commission (FERC), seeking to amend FERC's original certification to scale back certain Phase 1 facilities proposed for the Floridian Facility. Floridian App. at 6-7. We note that FERC approved this project amendment in an Order Amending Certificate issued on July 16, 2015. See *Floridian Natural Gas Storage Co., LLC*, 152 FERC ¶ 61,041 (2015).

DATES: Protests, motions to intervene or notices of intervention, as applicable, requests for additional procedures, and written comments are to be filed using procedures detailed in the **Public Comment Procedures** section no later than 4:30 p.m., Eastern time, **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES:

Electronic Filing by email:

fergas@hq.doe.gov

Regular Mail

U.S. Department of Energy (FE-34)
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy
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Hand Delivery or Private Delivery Services (e.g., FedEx, UPS, etc.)

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FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

DOE/FE Evaluation

The Application will be reviewed pursuant to section 3(a) of the NGA, 15 U.S.C. § 717b(a), and DOE will consider any issues required by law or policy. To the extent determined to be relevant, these issues will include the domestic need for the natural gas proposed to be exported, the adequacy of domestic natural gas supply, U.S. energy security, and the cumulative impact of the requested authorization and any other LNG export application(s) previously approved on domestic natural gas supply and demand fundamentals. DOE may also consider other factors bearing on the public interest, including the impact of the proposed exports on the U.S. economy (including GDP, consumers, and industry), job creation, the U.S. balance of trade, and international considerations; and whether the authorization is consistent with DOE's policy of promoting competition in the marketplace by allowing commercial parties to freely negotiate their own trade arrangements. Additionally, DOE will consider the following environmental document: *Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States*, 79 FR 48132 (Aug. 15, 2014).⁴ Parties that may oppose this Application should address these issues in their comments and/or protests, as well as other issues deemed relevant to the Application.

The National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 *et seq.*, requires DOE to give appropriate consideration to the environmental effects of its proposed decisions. No final decision will be issued in this proceeding until DOE has met its environmental responsibilities.

⁴ The Addendum and related documents are available at: <http://energy.gov/fe/draft-addendum-environmental-review-documents-concerning-exports-natural-gas-united-states>.

Public Comment Procedures

In response to this Notice, any person may file a protest, comments, or a motion to intervene or notice of intervention, as applicable. Due to the complexity of the issues raised by the Applicant, interested parties will be provided 60 days from the date of publication of this Notice in which to submit their comments, protests, motions to intervene, or notices of intervention.

Any person wishing to become a party to the proceeding must file a motion to intervene or notice of intervention. The filing of comments or a protest with respect to the Application will not serve to make the commenter or protestant a party to the proceeding, although protests and comments received from persons who are not parties will be considered in determining the appropriate action to be taken on the Application. All protests, comments, motions to intervene, or notices of intervention must meet the requirements specified by the regulations in 10 CFR Part 590.

Filings may be submitted using one of the following methods: (1) e-mailing the filing to fergas@hq.doe.gov, with FE Docket No. 15-38-LNG in the title line; (2) mailing an original and three paper copies of the filing to the Office of Oil and Gas Global Security and Supply at the address listed in **ADDRESSES**; or (3) hand delivering an original and three paper copies of the filing to the Office of Oil and Gas Global Supply at the address listed in **ADDRESSES**. All filings must include a reference to FE Docket No. 15-38-LNG. PLEASE NOTE: If submitting a filing via email, please include all related documents and attachments (e.g., exhibits) in the original email correspondence. Please do not include any active hyperlinks or password protection in any of the documents or attachments related to the filing. All electronic filings submitted to DOE must follow these guidelines to ensure that all documents are filed in a timely

manner. Any hardcopy filing submitted greater in length than 50 pages must also include, at the time of the filing, a digital copy on disk of the entire submission.

A decisional record on the Application will be developed through responses to this notice by parties, including the parties' written comments and replies thereto. Additional procedures will be used as necessary to achieve a complete understanding of the facts and issues. If an additional procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final Opinion and Order may be issued based on the official record, including the Application and responses filed by parties pursuant to this notice, in accordance with 10 CFR 590.316.

The Application is available for inspection and copying in the Division of Natural Gas Regulatory Activities docket room, Room 3E-042, 1000 Independence Avenue, SW., Washington, DC 20585. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays. The Application and any filed protests, motions to intervene or notice of interventions, and comments will also be available electronically by going to the following DOE/FE Web address:

<http://www.fe.doe.gov/programs/gasregulation/index.html>.

Issued in Washington, D.C., on July 31, 2015.



John A. Anderson
Director, Office of Oil and Gas Global Security and Supply
Office of Oil and Natural Gas