

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

In the matter of:

Flint Hills Resources, LP

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FE Docket No. 15-168-LNG

**MOTION TO INTERVENE AND COMMENTS IN SUPPORT OF
THE AMERICAN PETROLEUM INSTITUTE**

Pursuant to 10 C.F.R. 590.303, the American Petroleum Institute (“API”) files this motion to intervene and comments in support in the above-captioned docket. In support, API states as follows.

COMMUNICATIONS

Any communications regarding this pleading should be addressed to:

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BACKGROUND

On November 5, 2015, Flint Hills Resources, LP (“Flint Hills”) filed an application with the Department of Energy’s Office of Fossil Energy (“DOE/FE”) seeking a long-term multi-contract authorization to export domestically produced liquefied natural gas (“LNG”) up to the equivalent of 3.62 billion cubic feet (“Bcf”) of natural gas per year over a 20-year term to non-Free Trade Agreement (“non-FTA”) countries. Flint Hills seeks this authorization to export

natural gas as LNG on its own behalf and as agent for others, commencing on the earlier of the date of first export or three months after the final authorization is granted. Flint Hills proposes to purchase LNG for export from a facility in George West, Texas, owned by Stabilis LNG Eagle Ford, LLC. Flint Hills will export the LNG by use of approved ISO containers transported on ocean-going carriers to any nation that currently has or develops the capacity to import LNG, with which the United States does not have an FTA requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (“non-FTA nations”).

The deadline to intervene in the above-captioned proceeding is April 18, 2016.¹

INTERVENTION

API is a national trade association representing more than 650 member companies involved in all aspects of the oil and natural gas industry in the United States. API’s members include owners and operators of LNG import and export facilities in the United States and around the world, as well as owners and operators of LNG vessels, global LNG traders, and manufacturers of essential technology and equipment used all along the LNG value chain. API’s members also have extensive experience with the drilling and completion techniques used in shale gas development and in producing America’s natural gas resources in a safe and environmentally responsible manner. API thus has a direct and immediate interest in this docket which cannot be adequately protected by any other party. Accordingly, API should be permitted to intervene in this docket with full rights as a party.

COMMENTS IN SUPPORT

API supports Flint Hills’s application to export LNG to non-FTA nations. As the world’s leading producer of natural gas, the United States has the opportunity to use the development of

¹ 81 Fed. Reg. 7,776 (Feb. 16, 2016).

LNG export projects to grow the domestic economy and create jobs, reduce global greenhouse gas emissions, and support America's allies and trading partners with a reliable source of energy. As two DOE-commissioned studies have concluded, increasing LNG exports will have net positive economic benefits for the U.S. economy.² Increased U.S. LNG exports will create up to 452,300 American jobs and support more than \$73 billion in domestic economic activity through 2035.³ Expanding U.S. LNG exports will allow the United States to accrue these economic benefits in an environmentally responsible manner, reducing carbon emissions and other air pollutants such as mercury, sulfur dioxide, nitrogen oxide, and particulate matter. DOE has determined that exporting LNG from the United States will reduce global greenhouse gas emissions by lowering emissions from combustion in Europe or Asia.⁴

Increased U.S. LNG exports also will have geopolitical benefits for the United States. Adding U.S. natural gas supplies to the global gas market will enhance competition that will benefit U.S. allies and trading partners around the world by helping to stabilize energy prices and supporting economic development. U.S. natural gas exports, like those proposed in the instant application, will introduce an alternative and reliable source of energy to the global marketplace, providing international consumers with greater choice and helping to curb the use of energy as a political weapon.

² NERA ECONOMIC CONSULTING, MACROECONOMIC IMPACTS OF LNG EXPORTS FROM THE UNITED STATES at 1 (2012); OXFORD ECONOMICS, ET AL., THE MACROECONOMIC IMPACT OF INCREASING U.S. LNG EXPORTS at 8 (2015).

³ ICF INTERNATIONAL, U.S. LNG EXPORTS: IMPACTS ON ENERGY MARKETS AND THE ECONOMY at 2 (2013).

⁴ U.S. DEPT. OF ENERGY, LIFE CYCLE GREENHOUSE GAS PERSPECTIVE ON EXPORTING LIQUEFIED NATURAL GAS FROM THE UNITED STATES at 9 (2014).

CONCLUSION

For the reasons stated above, API respectfully requests that DOE/FE grant this timely motion to intervene, accept these comments in support, and that API be accorded fully party status in any proceedings held by DOE/FE in this docket.

Respectfully submitted,

/s/ David L. Wochner

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Counsel for American Petroleum Institute

Dated: April 18, 2016

CERTIFICATE OF SERVICE

I certify that I have this 18th day of April, 2016, serviced copies of the foregoing document filed with the DOE/FE on the designated representatives of all parties to this proceeding, in accordance with 10 C.F.R. § 590.107(a).

Dated: April 18, 2016

/s/ Michael L. O'Neill
Michael L. O'Neill
Counsel for American Petroleum Institute