

[6450-01-P]

DEPARTMENT OF ENERGY

[FE Docket No. 16-98-LNG]

Carib Energy (USA) LLC; Application for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations in Central America, South America, or the Caribbean

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, filed on March 25, 2016 (Application), by Carib Energy (USA) LLC (Carib). Carib requests long-term, multi-contract authorization to export domestically produced liquefied natural gas (LNG) in a volume equivalent to approximately 1.3 billion cubic feet (Bcf) per year (0.0036 Bcf per day) of natural gas.¹ Carib Energy seeks to export the LNG by use of approved IMO7/TVAC-ASME LNG (ISO) containers transported on ocean-going carriers to any country within Central America, South America, or the Caribbean that has, or in the future develops, the capacity to import LNG delivered by ocean-going container vessels carrying ISO containers,² provided that trade is not prohibited by U.S. law or policy with that country, and provided further that the country has not entered into a free trade agreement with the United States requiring national treatment for trade in natural gas (non-FTA countries). Carib seeks to purchase the LNG for export from any of the existing natural gas liquefaction facilities listed in Appendix D of the Application (Facilities),³ which are owned and

¹ Carib clarified this requested quantity in an email to DOE/FE dated July 18, 2016.

² Carib clarified its proposed mode of transport in an email to DOE/FE dated August 9, 2016.

³ The Facilities include the following: the Trussville LNG facility (Trussville, Alabama), the Chattanooga LNG facility (Chattanooga, Tennessee), the Riverdale LNG facility (Riverdale, Georgia), the Cherokee LNG facility (Ball

operated by Pivotal LNG, Inc. (Pivotal) or by one of Pivotal's affiliates.⁴ Carib states that delivery of LNG will be taken at the Facilities, and the LNG transported within the United States over highways using approved ISO containers. Carib intends to export the LNG from the ports of Jacksonville, Florida; Port Everglades, Florida; Gulfport, Mississippi; and any port in the southeastern United States capable of accommodating LNG exports by ISO containers transported on ocean-going container vessels. Carib seeks authorization to export this LNG for a 20-year period, commencing on the earlier of the date of first export or five years from the date the requested authorization is granted. The Application was filed under section 3 of the Natural Gas Act (NGA). Additional details can be found in Carib's Application, posted on the DOE/FE website at:

http://energy.gov/sites/prod/files/2016/07/f33/CaribEnergy16_98_LNGapp.pdf

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

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)

Ground, Georgia), and the Macon LNG facility (Macon, Georgia). Specifically, Carib states that it "will purchase" LNG from the Trussville and Chattanooga LNG facilities, and that, in the future, Pivotal "also would have the ability to source LNG" for sale to Carib from the other three Facilities, subject to any applicable regulatory approvals. App. at 4.

⁴ In Appendix C to the Application, Carib provides a summary of the Master LNG Purchase and Sale Agreement between Carib and Pivotal, dated March 12, 2014. According to Carib, that Agreement provides Carib the right to purchase a firm or interruptible supply of LNG from the Facilities of up to 1.3 Bcf/d of natural gas for a term of 20 years.

Office of Regulation and International Engagement
Office of Fossil Energy
P.O. Box 44375
Washington, DC 20026-4375

Hand Delivery or Private Delivery Services (e.g., FedEx, UPS, etc.)

U.S. Department of Energy (FE-34)
Office of Regulation and International Engagement
Office of Fossil Energy
Forrestal Building, Room 3E-042
1000 Independence Avenue, SW
Washington, DC 20585

FOR FURTHER INFORMATION CONTACT:

Beverly Howard, or Larine Moore
U.S. Department of Energy (FE-34)
Office of Regulation and International Engagement
Office of Fossil Energy
Forrestal Building, Room 3E-042
1000 Independence Avenue, SW.,
Washington, DC 20585
(202) 586-9387; (202) 586-9478

Edward Myers
U.S. Department of Energy (GC-76)
Office of the Assistant General Counsel for
Electricity and Fossil Energy
Forrestal Building
1000 Independence Avenue, SW.,
Washington, DC 20585
(202) 586-3397

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, and U.S. energy security.

DOE may also consider other factors bearing on the public interest, including the impact of the proposed exports on the U.S. economy, 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. As part of this analysis, DOE will consider the following two studies examining the cumulative impacts of exporting domestically produced LNG:

- *Effect of Increased Levels of Liquefied Natural Gas on U.S. Energy Markets*, conducted by the U.S. Energy Information Administration upon DOE's request (2014 EIA LNG Export Study);⁵ and
- *The Macroeconomic Impact of Increasing U.S. LNG Exports*, conducted jointly by the Center for Energy Studies at Rice University's Baker Institute for Public Policy and Oxford Economics, on behalf of DOE (2015 LNG Export Study).⁶

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).⁷

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.

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

⁵ The 2014 EIA LNG Export Study, published on Oct. 29, 2014, is available at: <https://www.eia.gov/analysis/requests/fe/>.

⁶ The 2015 LNG Export Study, dated Oct. 29, 2015, is available at: http://energy.gov/sites/prod/files/2015/12/f27/20151113_macro_impact_of_lng_exports_0.pdf.

⁷ The Addendum and related documents are available at <http://energy.gov/fe/addendum-environmental-review-documents-concerning-exports-natural-gas-united-states>.

the Applicant, interested persons will be provided 60 days from the date of publication of this Notice in which to submit 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. 16-98-LNG in the title line; (2) mailing an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**; or (3) hand delivering an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**. All filings must include a reference to FE Docket No. 16-98-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 Office of Regulation and International Engagement 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 August 11, 2016.



John A. Anderson
Director, Office of Regulation and International Engagement
Office of Oil and Natural Gas