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By Docket Room at 9:36 am, Oct 28, 2019

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October 28, 2019

Ms. Amy Sweeney
Director, Division of Natural Gas Regulation
Office of Fossil Energy
U.S. Department of Energy
Room 3E-052
1000 Independence Ave S.W.
Washington, DC 20585

Re: Golden Pass LNG Terminal LLC,
Docket Nos. FE12-156-LNG and FE12-88-LNG
Request for Extension of Commencement Deadlines

Dear Ms. Sweeney:

On April 25, 2017, the Office of Fossil Energy (“FE”) of the Department of Energy (“DOE”) issued DOE/FE Order No. 3978 in Docket No. FE12-156-LNG. Order No. 3978 granted Golden Pass LNG Terminal LLC (“GPLNG”) authorization pursuant to Section 3 of the Natural Gas Act (“NGA”) to export liquefied natural gas (“LNG”) to countries with which the United States has not entered into 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”) for a twenty-year term.¹ The authorized volume permitted under the order is equivalent to approximately 808 Bcf/yr of natural gas, not to exceed 15.6 metric tons per annum (“MTPA”) of LNG.

On September 27, 2012, the DOE/FE issued Order No. 3147 in Docket No. FE12-88-LNG. Order No. 3147 authorized GPLNG to export 740 Bcf/yr of natural gas to Free Trade Agreement countries, which would include any country with which the U.S. has, or in the future enters into, an FTA requiring national treatment for trade in natural gas.²

¹ *Golden Pass Products LLC*, FE Docket No. 12-156-LNG (DOE/FE Order No. 3978) (Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Golden Pass LNG Terminal Located in Jefferson County, Texas, to Non-Free Trade Agreement Countries) (April 25, 2017). On July 17, GPLNG filed with the DOE/FE a Change in Control notification, indicating that Golden Pass Products, LLC (“GPP”), the prior authorization holder, had merged with and into GPLNG effective June 18, 2019. For ease of reference, this Request will refer to both GPP and GPLNG as “GPLNG.”

² *Golden Pass Products LLC*, FE Docket No. 12-88-LNG (DOE/FE Order No.

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By this letter, GPLNG requests that the DOE/FE modify the terms of these authorizations to extend the deadline for commencement of commercial LNG export operations from the Golden Pass LNG terminal until September 30, 2025. This would amount to an extension of the current deadline for non-FTA exports of approximately 17 months, and an extension of the FTA commencement date by approximately 33 months.

Ordering Paragraph (D) of Order No. 3978 requires that “GPP [now Golden Pass LNG] must commence export operations using the planned liquefaction facilities no later than seven years from the date of issuance of this Order.” Thus, the deadline required by the Order for commencement of commercial exports is April 25, 2024.³ Ordering Paragraph (A) of Order No. 3147 provides that the 25-year term of GPLNG’s export of LNG to FTA countries shall begin on the earlier of (1) the date of first export or (2) ten years from the date the authorization was issued (September 27, 2022).

On December 21, 2016, the Federal Energy Regulation Commission (“FERC”) issued an order granting Golden Pass LNG Terminal LLC’s authorization under Section 3 of the Natural Gas Act (“NGA”) and 153 of the Commission’s regulations to site, construct, and operate facilities for the export of LNG located at the existing LNG import terminal owned and operated by GPLNG in the vicinity of Sabine Pass, Texas.⁴

The December 2016 FERC order also granted the application of Golden Pass Pipeline LLC (“GPPL”) under Section 7 of the Natural Gas Act and Part 157 of the FERC’s regulations for a certificate of public convenience and necessity to construct and operate compression and looping facilities in Texas and Louisiana to make GPPL’s existing pipeline facilities bi-directional and enable it to transport up to 2.5 billion cubic feet per

3147)(Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Golden Pass LNG Terminal to Free Trade Agreement Nations)(September 27, 2012).

³ GPLNG construes the seven-year deadline as applicable to commencement of “commercial” exports, as referenced in Ordering Paragraph (B) of Order No. 3978. Thus, commencement of commissioning cargoes prior to the FERC in-service authorization and “commercial” exports would not satisfy the seven-year deadline. On page 167 of Order No. 3978, the order states in pertinent part that (emphasis added) “DOE/FE will add as a condition of the authorization that GPP must commence commercial LNG export operations from the Golden Pass LNG Terminal no later than seven years from the date of issuance of this Order.” Thus, it is GPLNG’s understanding that the term “commence export operations” in Ordering Paragraph (D) was not intended convey a different meaning than “commencement of commercial exports” in Ordering Paragraph (B).

⁴ *Golden Pass Products LLC and Golden Pass Pipeline LLC*, 157 FERC ¶ 61,222 (2016).

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day (“Bcf/d”) of natural gas to the proposed GPLNG export facilities.

GPLNG filed its respective FTA and NFTA export applications on August 17, 2012, and October 26, 2012, respectively. Thus, the DOE/FE’s authorization of GPLNG’s NFTA application did not occur until approximately four and one-half years following the filing of the applications. GPLNG and GPPL filed their respective applications with the FERC to construct and operate the facilities needed to engage in LNG exports on July 7, 2014, following a pre-filing procedure that commenced in May 2013. The FERC did not approve the applications until December 21, 2016. Thus, in all, GPLNG’s facilities application was pending before the FERC for approximately three years and seven months.

In support of this extension request, GPLNG states that in the time since issuance of Order No. 3978, it has proceeded diligently to enter into commercial arrangements for the export of LNG from the Golden Pass LNG Terminal, and to proceed with construction of the terminal facilities. Due to the length of time required to obtain the necessary authorizations both from the FERC as well as the DOE/FE, and the resulting uncertainty during the long pendency, GPLNG required additional time following receipt of the authorizations to finalize commercial arrangements and reach a final investment decision on the construction of the LNG export facilities.

Throughout this time, GPLNG has acted consistently with its intention to proceed expeditiously with construction and operation of the GPLNG LNG export terminal facilities and, ultimately, long-term exportation of LNG from those facilities in the quantities authorized by DOE/FE. GPLNG has proceeded with these activities in a manner consistent with its DOE/FE authorizations, which DOE/FE has subsequently reaffirmed.⁵

In February 2019, the owners of GPLNG announced their positive final investment decision to proceed with the construction and operation of both the export terminal facilities and the pipeline expansion in a public ceremony attended by Secretary Perry. The February 5, 2019 press release announcing that FID had been achieved is attached to this Request. As stated in the press release, GPLNG awarded the engineering, procurement and construction contracts for the project to a joint venture of Chiyoda International Corporation, McDermott International Inc. and Zachry Group. It also executed a 20-year firm transportation agreement with Enable Midstream Partners. In addition, GPLNG has secured pipeline capacity on Natural Gas Pipeline Company of America.

⁵ *Policy Statement Regarding Long-Term Authorizations to Export Natural Gas to Non-Free Trade Agreement Countries*, 83 *Fed. Reg.* 28841 (June 21, 2018)(affirming DOE/FE’s commitment to all export authorizations under the NGA, including long term authorizations approving the export of LNG to non-FTA countries.)

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GPLNG then consulted with the staff of the FERC toward commencing construction of the export terminal facilities, and filed a series of project implementation plans with the FERC. On April 12, 2019, GPLNG received authorization from the FERC Office of Energy Projects to proceed with initial site-clearing. Following receipt of this authorization, GPLNG commenced construction of the export terminal facilities, and construction continues at this time.

Attached to this Request is GPLNG's most recent Monthly Status Report filed with the FERC on October 2, 2019, as an indication of construction progress. As stated in that report, GPLNG has received all of the required federal authorizations for the project. GPLNG present is engaged in, among other things, site raising, test pile pad construction, test pile program, soil stabilization and wetland restoration activities. GPLNG also continues the dredging of the ship slip s part of the compensatory mitigation program. GPLNG plans to begin offloading the aggregate needed for site raised from barges, and to commence construction of the Material Offloading Facility. Moreover, GPLNG has expedited construction by, among other things, extending the weekly construction schedule to a seven-day schedule,⁶ and to extend to 24- hour construction for certain tasks at the terminal site.⁷

The FERC's December 2016 Order requires that GPLNG's project facilities be made available for service within five years of the date of the December 2016 Order. GPLNG intends in the near future to file a request with the FERC to extend this December 21, 2021 deadline. GPLNG representatives have discussed the need for this extension with FERC Staff, and GPLNG is in the process of completing a projection of the timetable for completion of the project facilities prior to submitting the formal extension request to the FERC.

GPLNG respectfully submits that due to the length of the authorization process, and the resulting need for additional time to reach final investment decision, and the time needed for construction of the terminal, the LNG export commencement deadlines of April 25, 2024 (FE Order No. 3978, non-FTA authorization) and September 27, 2022 (FE Order No. 2147, FTA authorization), will not provide sufficient time for GPLNG to complete the construction of the export facilities and place them in service.

Accordingly, GPLNG requests approximately an additional seventeen-month

⁶ See attached FERC Office of Energy Projects Letter Order issued June 28, 2019 granting Golden Pass LNG's variance request to extend the weekly construction hours.

⁷ See attached Office of Energy Projects Letter Order issued June 28, 2019 granting Golden Pass LNG's variance request to extend to 24 hours for certain tasks as set forth in the request.

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period beyond the current non-FTA in-service deadline, until September 30, 2025, to place the terminal facilities in-service and commence of LNG exports. GPLNG respectfully submits that the public interest is served by this request, and the diligence with which they have undertaken to advance the export project further supports its request for a short additional time to commence exports.

GPLNG further requests that the DOE/FE approve this amendment to the commencement of export deadlines promptly, to enable GPLNG to proceed with the necessary commercial arrangements for supply acquisition and with export markets.

Please contact the undersigned if you have any questions or require additional information. Thank you, in advance, for your attention to this request.

Respectfully submitted,

/s/ Kevin M. Sweeney
Kevin M. Sweeney

Counsel for Golden Pass LNG Terminal LLC

cc: Parties, Docket Nos. FE12-156-LNG and FE12-88-LNG

ATTACHMENT 1:

Press Release

**Golden Pass Products Export Project to Begin Construction
Qatar Petroleum and ExxonMobil Announce Final Investment Decision**

February 5, 2019



(/)

PRINT CLOSE

Golden Pass Products export project to begin construction

Qatar Petroleum and ExxonMobil announce final investment decision

February 05, 2019

**FOR IMMEDIATE
RELEASE**

Contact:

877-246-4728



Golden Pass President Sean C. Ryan speaks during the announcement of Qatar Petroleum and ExxonMobil's final investment decision to fund the approximately \$10 billion Golden Pass LNG export project.



info@goldenpassproducts.com (mailto:info@goldenpassproducts.com)

SABINE PASS, TX – The Golden Pass Products LLC export project at the existing Golden Pass LNG facility in Sabine Pass, Texas, is moving forward following a positive final investment decision from its owners, affiliates of Qatar Petroleum and ExxonMobil.

Golden Pass awarded the engineering, procurement and construction contracts for the project to a joint venture of Chiyoda International Corporation, McDermott International Inc. and Zachry Group. It also executed a 20-year firm transportation agreement with Enable Midstream Partners. Golden Pass has also secured pipeline capacity on NGPL. The project will have a capacity of around 16 million tons of LNG per year.

“Our team has worked diligently on the design, development and permitting for this world-class LNG export facility, and we are eager to begin construction to bring this exciting project to life,” Sean Ryan, president of Golden Pass Products, said. “We are extremely grateful to our employees, our community and all those who have supported us to help make this happen. This support has been absolutely critical in getting to this point, and we look forward to a long partnership going forward.”

Construction on the project is expected to begin in the first quarter of 2019 and will take about five years. The facility is expected to be operational in 2024.

“The Lone Star State leads the nation in domestic oil and gas production, and today’s announcement further solidifies that reputation,” Texas Governor Greg Abbott said. “Texas is proud that Golden Pass has chosen to expand its operations in Sabine Pass. This expansion represents not only an investment in creating jobs and growing our state’s economy, but also in expanding our nation’s international export reach and energy independence. I look forward to building upon our strong relationship with Golden Pass to keep Texas an energy leader at home and abroad.”

Golden Pass expects to support about 9,000 construction jobs over the five-year construction period and more than 200 permanent jobs once the facility is operational. According to a preliminary independent study, the \$10+ billion infrastructure investment is projected to generate up to \$31 billion in U.S. economic gains and \$4.6 billion in taxes for the United States at local, state and national levels.

“Jefferson County is ready to see this project come to life,” Jefferson County Judge Jeff Branick said. “After the devastation of Hurricane Harvey, our region looks forward to the economic boost this project will bring, and through its Opportunity Roadmap (<http://www.opportunityroadmap.com>) program Golden Pass has laid the groundwork to make sure local residents and businesses have access to the opportunities.”

The project will include three liquefaction trains, each approximately 5.2 million tons per year, as well as other associated utility systems, interconnections to the existing facility and the expansion of the facility’s storm protection levee system. It will utilize the existing infrastructure including five 155,000 m³ LNG storage tanks, two marine berths to accommodate the largest LNG carriers, and the existing 69-mile Golden Pass Pipeline system with access to U.S. markets. Additionally, the project contemplates the addition of compressor stations to the existing pipeline to facilitate receipt and redelivery of 2.6 billion cubic feet per day of natural gas supply to the facility.

For more information about the project, and to view photos (</index.cfm/gallery/category/1>) and video from the announcement visit www.goldenpassproducts.com (/).

About Golden Pass Products

Golden Pass Products LLC is affiliated with Golden Pass LNG Terminal LLC and Golden Pass Pipeline LLC, which since 2005 have constructed and operated the LNG import facility and distribution pipeline in Sabine Pass, Texas. Houston-headquartered Golden Pass Products LLC was formed by affiliates of Qatar Petroleum and Exxon Mobil Corporation. Golden Pass Products is an Equal Opportunity Employer. For more information, visit: www.goldenpassproducts.com (<http://www.goldenpassproducts.com>).

ATTACHMENT 2:

**Golden Pass LNG and Golden Pass Pipeline LLC
FERC Docket Nos. CP14-517-000 and CP14-518-000**

Monthly Export Terminal Project Status Report No. 32

Filed October 2, 2019

Reporting Period: September 2019



October 2, 2019

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE, Room 1A
Washington, DC 20426

Re: OEP/DG2E/Gas 2
Golden Pass LNG and Golden Pass Pipeline LLC
Docket Nos. CP14-517-000 and CP14-518-000
Monthly Export Terminal Project Status Report No. 32
Reporting Period: September 2019

Dear Ms. Bose:

By Order dated December 21, 2016, the Federal Energy Regulatory Commission (“Commission”) authorized Golden Pass LNG Terminal LLC and Golden Pass Pipeline LLC, collectively referred to as “Golden Pass”, to construct and operate the Golden Pass LNG Export Project. *Golden Pass LNG, and Golden Pass Pipeline LLC*, 157 FERC ¶ 61,222 (the “Order”).

As required under Environmental Condition No. 9 of Appendix A of the Order, Golden Pass hereby submits its Monthly Export Terminal Project Status Report No. 32 for the period of September, 2019. Consistent with Golden Pass’ Implementation Plan No. 1 and discussions with Commission Staff, Golden Pass is including the status of the Pipeline Expansion in this status report in lieu of filing a separate weekly report on the status of construction of the Pipeline Expansion, which will not commence until well after commencement of construction of the Export Terminal. Once construction of the Pipeline Expansion is initiated, Golden Pass will begin to file status reports on a weekly basis for the Pipeline Expansion.

If you have any questions or concerns, please contact Elaine Beck at 281-753-0476 (email: elaine.beck@gpterminal.com).

Respectfully submitted,

A handwritten signature in blue ink that reads "Joel Hindman".

Joel Hindman
Regulatory Manager
Golden Pass Products LLC
Golden Pass Pipeline LLC

cc: Anthony E. Howard, FERC Staff



Golden Pass LNG Export Project

Docket Nos. CP14-517-000 & CP14-518-000

Monthly Export Terminal Project Status Report No. 32

Period: September, 2019

Monthly Export Terminal Project Status Report No. 32

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2.0 Export Terminal Project

2.1 Update on Federal Authorizations

On September 24, 2019 the US Army Corps of Engineers amended permit no. SWG-2004-02118 to include a simplified design of the Material Offloading Facility (MOF).

On September 25, 2019 FERC authorized Implementation Plan 7 allowing Golden Pass to construct the MOF.

On September 26, 2019 FERC approved a variance request authorizing extended work hours and days through YE2020.

2.2 Construction Activity Status

2.2.1 Activities This Reporting Period

Golden Pass is continuing to carry out storm water protection, site raising, test pile pad construction, test pile program, soil stabilization, and wetland restoration activities.

Dredging of the ship slip continues as part of the Compensatory Wetland Mitigation program in the J.D. Murphree Wildlife Management Area.

2.2.2 Work Planned for the Next Reporting Period

Golden Pass will continue construction activities described in section 2.2.1. Additionally, Golden Pass plans to begin offloading of aggregate needed for site raising from barges via the access channel. Construction activities for the MOF are also anticipated to begin.

2.2.3 Scheduled Changes for Environmentally Sensitive Areas

No scheduled changes have been identified for environmentally sensitive areas.

2.3 Observed Problems and/or Non-Compliance Activity

Nothing to report this period.

2.3.1 Corrective Actions Implemented

Nothing to report this period.

2.3.2 Effectiveness of Implemented Corrective Actions

Nothing to report this period.

2.4 Landowner Issues

Nothing to report this period.

2.5 Agency Correspondence

On September 9, 2019 Golden Pass formally submitted to USACE information regarding inadvertent wetland impacts previously reported informally.

3.0 Pipeline Expansion

3.1 Update on Federal Authorizations

On September 11, 2019 Golden Pass submitted a pre-construction notification for authorization under Nation Wide Permit 12 for a 24" pipeline spur from the Sabine Compressor Station to the Golden Pass LNG Terminal inlet.

3.2 Construction Activity Status

3.2.1 Activities This Reporting Period

Construction has not yet commenced for the Pipeline Expansion Project.

3.2.2 Work Planned for the Next Reporting Period

No construction work is planned for the next reporting period.

3.2.3 Scheduled Changes for Environmentally Sensitive Areas

No scheduled changes have been identified for environmentally sensitive areas.

3.3 Observed Problems and/or Non-Compliance Activity

Not applicable during this reporting period.

3.3.1 Corrective Actions Implemented

Not applicable during this reporting period.

3.3.2 Effectiveness of Implemented Corrective Actions

Not applicable during this reporting period.

3.4 Landowner Issues

Not applicable during this reporting period.

3.5 Agency Correspondence

Not applicable during this reporting period.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Houston, Texas this 2nd day of October 2019.



Joel Hindman
Regulatory Manager
Golden Pass LNG Terminal LLC
Golden Pass Pipeline LLC

SWORN TO AND SUBSCRIBED BEFORE ME, this 2nd day of October 2019 in Harris County, Texas.



Document Content(s)

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