

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

SABINE PASS LIQUEFACTION, LLC

)
) DOCKET NO. 19-133-LNG
)

ORDER GRANTING BLANKET AUTHORIZATION
TO EXPORT LIQUEFIED NATURAL GAS
TO FREE TRADE AGREEMENT AND
NON-FREE TRADE AGREEMENT NATIONS

DOE/FE ORDER NO. 4487

JANUARY 15, 2020

I. DESCRIPTION OF REQUEST

On October 11, 2019, Sabine Pass Liquefaction, LLC (Sabine Pass) filed an application (Application)¹ with the Office of Fossil Energy (FE) of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA), 15 U.S.C. § 717b.² Sabine Pass requests blanket authorization to engage in short-term exports of domestically produced liquefied natural gas (LNG). Sabine Pass seeks to export this LNG in a volume up to the equivalent of 600 billion cubic feet (Bcf) of natural gas on a cumulative basis over a two-year period from the Sabine Pass Liquefaction Project (Liquefaction Project). The Liquefaction Project is currently operating at the Sabine Pass LNG Terminal, located in Cameron Parish, Louisiana.³

Sabine Pass requests authorization to export this LNG to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by U.S. law or policy. This includes: (i) any country with which the United States currently has, or in the future will have, a free trade agreement (FTA) requiring national treatment for trade in natural gas (FTA countries);⁴ and (ii) any other country with which trade is not prohibited by U.S. law or policy (non-FTA countries).⁵ Sabine Pass states that its existing blanket authorizations

¹ Sabine Pass Liquefaction, LLC, Application for Blanket Authorization to Export Liquefied Natural Gas, FE Docket No. 19-133-LNG (Oct. 11, 2019) [hereinafter Sabine Pass App.].

² Authority to regulate the imports and exports of natural gas, including liquefied natural gas (LNG), under section 3 of the NGA (15 U.S.C. § 717b) has been delegated to the Assistant Secretary for FE in Redelegation Order No. 00-002.04G, issued on June 4, 2019.

³ The Federal Energy Regulatory Commission (FERC) has authorized the construction and operation of six LNG production trains (*i.e.*, Trains 1-6) at the Sabine Pass LNG Terminal. As approved by FERC to date, the total authorized production capacity of the Sabine Pass Liquefaction Project is approximately 29 million metric tons per annum of LNG, or 4.14 Bcf per day of natural gas (1511.1 Bcf per year (Bcf/yr)). *See* Sabine Pass App. at 1 n.3; *see also Sabine Pass Liquefaction Expansion, LLC, et al.*, Order Granting Authorization Under Section 3 of the Natural Gas Act and Issuing Certificates, 151 FERC ¶ 61,012 (Apr. 6, 2015), *reh'g denied*, 151 FERC ¶ 61,253 (June 23, 2015).

⁴ 15 U.S.C. § 717b(c). The United States currently has FTAs requiring national treatment for trade in natural gas with Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore. FTAs with Israel and Costa Rica do not require national treatment for trade in natural gas.

⁵ 15 U.S.C. § 717b(a); *see* Sabine Pass App. at 1-2.

approving short-term exports of LNG to FTA and non-FTA countries, issued in FE Docket No. 17-161-LNG, will expire on January 15 and January 29, 2020, respectively.⁶ Accordingly, Sabine Pass requests that the term of this consolidated authorization commence on January 16, 2020. Sabine Pass seeks to export the LNG on its own behalf and as agent for other entities that hold title to the LNG at the time of export.⁷

In this consolidated Order, DOE/FE grants the Application and authorizes the requested export volume of 600 Bcf of natural gas over a two-year term to both FTA and non-FTA countries on a non-additive basis.

Specifically, DOE/FE grants the FTA portion of the Application under NGA section 3(c), 15 U.S.C. § 717b(c). Section 3(c) was amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486) to require that FTA applications “shall be deemed to be consistent with the public interest” and granted “without modification or delay.”⁸ The FTA portion of the Application falls within NGA section 3(c) and, therefore, DOE/FE approves the requested FTA authorization without modification or delay. Accordingly, none of the public interest analysis discussed below applies to the FTA portion of this authorization.

DOE/FE has reviewed the non-FTA portion of the Application under NGA section 3(a), 15 U.S.C. § 717b(a). On November 20, 2019, DOE/FE published a Notice of Application for the requested non-FTA export authorization in the *Federal Register*.⁹ The Industrial Energy

⁶ Sabine Pass App. at 4 n.16; *see also Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 4150, FE Docket No. 17-161-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal Located in Cameron Parish, Louisiana, to Non-Free Trade Agreement Countries (Jan. 30, 2018); *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 4137, FE Docket No. 17-161-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal Located in Cameron Parish, Louisiana to Free Trade Agreement Countries (Jan. 10, 2018).

⁷ Sabine Pass App. at 4.

⁸ 15 U.S.C. § 717b(c).

⁹ Sabine Pass Liquefaction, LLC, Application for Blanket Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations on a Short-Term Basis, 84 Fed. Reg. 64,054 (Nov. 20, 2019).

Consumers of America (IECA) filed a document entitled, “Notice of Intervention, Protest, and Comment” (or Pleading) on December 20, 2019,¹⁰ and Sabine Pass filed an Answer in Opposition to Deficient Notice of Intervention, Protest, and Comment on January 6, 2020.¹¹ As discussed below, DOE/FE is dismissing IECA’s Pleading on procedural grounds. DOE/FE has reviewed the record in this proceeding, and finds that it has not been demonstrated that Sabine Pass’s proposed exports to non-FTA countries are inconsistent with the public interest under NGA section 3(a). Additional terms and conditions are set forth below.

II. BACKGROUND

Applicant. Sabine Pass is a Delaware limited liability company with its principal place of business in Houston, Texas. Sabine Pass states that it is an indirect subsidiary of Cheniere Energy, Inc., a Delaware corporation with its principal place of business in Houston, Texas.¹²

Procedural History. DOE/FE has issued several long-term, multi-contract orders under NGA section 3 authorizing Sabine Pass to export LNG from the Liquefaction Project. These authorizations (and, where applicable, their amendments) include the following:

- DOE/FE Order No. 2833, authorizing the export of 803 Bcf/yr from Trains 1-4 to FTA countries;
- DOE/FE Order No. 2961-A, authorizing the export of 803 Bcf per year from Trains 1-4 to non-FTA countries;
- DOE/FE Order No. 3306, authorizing the export of 101 Bcf/yr from Trains 5 and 6 to FTA countries;

¹⁰ Industrial Energy Consumers of America, Notice of Intervention, Protest, and Comment, FE Docket No. 19-133-LNG (Dec. 20, 2019) [hereinafter IECA Notice]. Although IECA styled its Pleading to include a “Notice of Intervention,” IECA was seeking to intervene under 10 C.F.R. § 590.303(b), which involves a motion to intervene. A notice of intervention is available only to state commissions, as specified in 10 C.F.R. §§ 590.303(a) and 590.102(p).

¹¹ Sabine Pass Liquefaction, LLC, Answer in Opposition to Deficient Notice of Intervention, Protest, and Comment, FE Docket No. 19-133-LNG (Jan. 6, 2020) [hereinafter Sabine Pass Answer].

¹² Sabine Pass App. at 2.

- DOE/FE Order No. 3307, authorizing the export of 88.3 Bcf/yr from Trains 5 and 6 to FTA countries;
- DOE/FE Order No. 3384, authorizing the export of 314 Bcf/yr from Trains 5 and 6 to FTA countries;
- DOE/FE Order No. 3595, authorizing the export of 203 Bcf/yr from Trains 1-4 to FTA countries;
- DOE/FE Order No. 3669-B, authorizing the export of 503.3 Bcf/yr from Trains 5 and 6 to non-FTA countries; and
- DOE/FE Order No. 3792, authorizing the export of 203 Bcf/yr from Trains 1-4 to non-FTA countries.¹³

Under these long-term orders, Sabine Pass is authorized to export a total combined volume of LNG equivalent to 1509.3 Bcf/yr of natural gas from Trains 1-6 of the Liquefaction Project to FTA and non-FTA countries.¹⁴

Source of Natural Gas. Sabine Pass previously has stated that its LNG exports will come from natural gas available in the United States natural gas pipeline system.

Business Model. Sabine Pass states that this short-term authorization will provide enhanced operational flexibility and the ability for Sabine Pass to export LNG cargoes under short-term contracts, rather than long-term contracts.¹⁵ Sabine Pass requests authorization to export LNG on its own behalf and as agent for other entities that may hold title to the LNG at the time of export. Sabine Pass states that it will comply with all DOE/FE requirements for both exporters and agents, as set forth in recent DOE/FE orders.¹⁶

Environmental Review for the Non-FTA Portion of Application. According to Sabine Pass, the authorization of the requested short-term LNG exports will not require any

¹³ See Sabine Pass App. at 3-4. The Appendix to this Order provides additional information about these authorizations.

¹⁴ Under the terms of the authorizations, the FTA and non-FTA volumes are not additive to one another. See, e.g., *id.* at 4.

¹⁵ *Id.* at 5-6.

¹⁶ *Id.* at 4.

changes to Sabine Pass’s existing facilities.¹⁷ Sabine Pass asserts that its requested non-FTA authorization thus qualifies for a categorical exclusion from the preparation of an environmental assessment (EA) or environmental impact statement (EIS) under the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. § 4321 *et seq.*¹⁸

III. APPLICANT’S PUBLIC INTEREST ANALYSIS FOR NON-FTA AUTHORIZATION

Sabine Pass asserts that its requested short-term authorization to export LNG to non-FTA countries is consistent with the public interest under NGA section 3(a). First, Sabine Pass states that DOE/FE previously has undertaken a robust public interest analysis in granting Sabine Pass’s requests for long-term, multi-contract export authorization to non-FTA countries, identified above in and in the Appendix.¹⁹ Sabine Pass states that, in granting applications for short-term blanket export authorization from projects that have previously received long-term export authorizations, DOE/FE has concluded that “no additional public interest review beyond that conducted in the earlier non-FTA export proceedings is warranted.”²⁰

Next, Sabine Pass contends that recent U.S. Energy Information Administration (EIA) projections confirm the adequacy of domestic natural gas supplies to meet demand during the two-year term for the requested export authorization. Sabine Pass states that EIA’s September 2019 *Short-Term Energy Outlook* forecasts that “U.S. dry natural gas production will average 91.4 billion cubic feet per day (Bcf/d) in 2019, up 8.0 Bcf/d from 2018.”²¹ Sabine Pass also

¹⁷ *Id.* at 4-6.

¹⁸ *See id.* at 6.

¹⁹ *See* Sabine Pass App. at 5.

²⁰ *Id.* at 6 (quoting, *e.g.*, *Dominion Energy Cove Point LNG, LP*, DOE/FE Order No. 4046, FE Docket No. 16-205-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas by Vessel from the Cove Point Terminal Located in Calvert County, Maryland, to Free Trade Agreement and Non-Free Trade Agreement Nations, at 13 (June 2, 2017)).

²¹ *Id.* (citing U.S. Energy Info. Admin., *Short-Term Energy Outlook* (Sept. 10, 2019), available at: <https://www.eia.gov/outlooks/steo/archives/sep19.pdf>).

notes that, in EIA’s 2019 *Annual Energy Outlook* (AEO 2019), EIA stated that the future “growth in natural gas production supports increasing domestic consumption . . . and higher levels of natural gas exports.”²² For these reasons, Sabine Pass maintains that its proposed exports are consistent with the public interest.²³

IV. DOE/FE PROCEEDING FOR NON-FTA AUTHORIZATION

A. Notice of Application

As noted above, DOE/FE gave public notice of the Application (Notice of Application) in the *Federal Register* on November 20, 2019, and invited interested persons to submit comments, motions to intervene, notices of intervention, and/or protests addressing the Application no later than December 20, 2019.²⁴ DOE/FE stated in the Notice of Application that all responsive filings “must meet the requirements specified by the regulations in 10 CFR [Part] 590.”²⁵

B. IECA’s Notice of Intervention, Protest, and Comment

In response to the Notice of Application published in the *Federal Register*, IECA filed a Pleading on December 20, 2019. In its Pleading, IECA argues that Sabine Pass’s Application to export LNG—and U.S. LNG exports generally—are not consistent with the public interest under NGA section 3(a). DOE/FE received no other filings in response to the Notice of Application.

C. Sabine Pass’s Answer to IECA’s Notice of Intervention, Protest, and Comment

On January 6, 2020, Sabine Pass filed an Answer to IECA’s Pleading, in which it opposes IECA’s Pleading on both substantive and procedural grounds. In relevant part, Sabine

²² *Id.* (citing U.S. Energy Info. Admin., *Annual Energy Outlook 2019 with Projections to 2050*, at 69 (Jan. 24, 2019), available at: <https://www.eia.gov/outlooks/aeo/pdf/aeo2019.pdf>).

²³ Sabine Pass App. at 6.

²⁴ See *supra* note 9 (84 Fed. Reg. 64,054).

²⁵ 84 Fed. Reg. at 64,055.

Pass asks DOE/FE to deny IECA’s Pleading on the grounds that the Pleading violates DOE’s regulations regarding proper intervention and service.²⁶

Specifically, Sabine Pass argues that its Application identifies three people at its parent company, Cheniere Energy, Inc., as the company’s “duly authorized representatives” designated to receive all correspondence and communications concerning the Application, including “service of pleadings and notices.”²⁷ Sabine Pass states, however, that “IECA failed to serve its filing on any of the individuals identified in [the] Application, despite the fact that the last page of the IECA Filing contains a certification pursuant to 10 C.F.R. § 590.103(b) that IECA ‘served the foregoing document upon the applicant’”²⁸

According to Sabine Pass, IECA should have been aware of the names of the individuals designated for service in the Application because, among other reasons, the Application was properly noticed in the *Federal Register* and made publicly available by DOE/FE.²⁹ Sabine Pass further argues that IECA’s conduct is “part of a persistent pattern of behavior” in which IECA’s intervention motions contain similar deficiencies. Pointing to DOE/FE’s dismissal of IECA’s pleading in two non-FTA proceedings in 2019, Sabine Pass argues that the same outcome is appropriate here.³⁰

V. DISCUSSION FOR REQUESTED NON-FTA AUTHORIZATION

A. IECA’s Notice of Intervention, Protest, and Comment

After reviewing the record, including Sabine Pass’s Answer, DOE/FE finds that IECA did not serve a copy of its Notice of Intervention, Protest, and Comment on Sabine Pass, as

²⁶ Sabine Pass Answer at 1.

²⁷ *See id.* at 4-5; *see also* Sabine Pass App. at 2 (section entitled “Communication and Correspondence”). In this Order, DOE/FE addresses only the procedural arguments raised by Sabine Pass in opposition to IECA’s Pleading.

²⁸ Sabine Pass Answer at 4-5.

²⁹ *See id.* at 5.

³⁰ *See id.* (citing IECA’s pleading in the *Driftwood LNG, LLC* proceeding (FE Docket No. 16-144-LNG) and the *Corpus Christi Liquefaction Stage III, LLC* proceeding (FE Docket No. 18-78-LNG)).

required by 10 C.F.R. §§ 590.107 and 590.304(d). Specifically, IECA did not comply with the requirement set forth in section 590.107(b) of DOE’s regulations regarding service obligations during the initial phase of an application proceeding:

When the parties are not known, such as during the initial comment period following publication of the notice of application, service requirements under paragraph (a) ... may be met by serving a copy of all documents on the applicant and on FE for inclusion in the FE docket in the proceeding.³¹

As Sabine Pass points out, the Application identifies three people at Cheniere Energy, Inc. to receive service of pleadings and notices.³² Sabine Point contends that IECA did not serve its Pleading on those listed individuals, as required under DOE’s regulations.³³ Although IECA’s certificate of service states that its Pleading was served on “the applicant,” the certificate of service does not identify the individuals who were served,³⁴ nor has IECA responded to Sabine Pass’s arguments.³⁵ On this basis, we find that IECA has not completed filing and service of its Pleading. DOE/FE has previously explained that persons seeking to participate in LNG export proceedings are expected to comply with DOE’s regulations set forth in 10 C.F.R. Part 590, including the service requirements.³⁶ For these reasons, we dismiss IECA’s Notice of Intervention, Protest, and Comment.³⁷

³¹ 10 C.F.R. § 590.107(b) (emphasis added).

³² See Sabine Pass App. at 2; Sabine Pass Answer at 2.

³³ See Sabine Pass Answer at 2-5. IECA has complied with the service requirement under the same regulations in other LNG export proceedings. See, e.g., Industrial Energy Consumers of America, Comments and Motion to Intervene, FE Docket Nos. 13-30-LNG and 13-42-LNG (Sept. 23, 2013), available at: https://fossil.energy.gov/ng_regulation/sites/default/files/programs/gasregulation/authorizations/2013/applications/IECA13_42_Ing09_23_13.pdf (IECA serving Sabine Pass’s authorized representatives).

³⁴ See IECA Notice (Certificate of Service).

³⁵ See, e.g., 10 C.F.R. §§ 590.303(d), 590.304(e).

³⁶ See, e.g., *Corpus Christi Liquefaction Stage III, LLC*, FE Docket No. 18-78-LNG, Order Dismissing Industrial Energy Consumers of America’s Notice of Intervention, Protest, and Comment, at 5-6 (Apr. 10, 2019).

³⁷ Although this Order dismisses IECA’s Pleading on procedural grounds, DOE/FE notes that IECA makes only generalized arguments addressing DOE’s public interest factors, prior export authorizations, and the export of U.S. LNG. IECA does not address the specific blanket authorization requested by Sabine Pass in this proceeding. See generally IECA Pleading.

B. Standard of Review

Section 3(a) of the NGA sets forth the applicable standard of review for the non-FTA portion of Sabine Pass's Application. Section 3(a) provides:

[N]o person shall export any natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having secured an order of the [Secretary of Energy] authorizing it to do so. The [Secretary] shall issue such order upon application, unless after opportunity for hearing, [he] finds that the proposed exportation or importation will not be consistent with the public interest. The [Secretary] may by [the Secretary's] order grant such application, in whole or part, with such modification and upon such terms and conditions as the [Secretary] may find necessary or appropriate.³⁸

DOE, as affirmed by the D.C. Circuit, has consistently interpreted NGA section 3(a) as creating a rebuttable presumption that a proposed export of natural gas is in the public interest.³⁹

Accordingly, DOE will conduct an informal adjudication and grant a non-FTA application unless DOE finds that the proposed exportation will not be consistent with the public interest.⁴⁰

In evaluating an export application under this standard, DOE/FE applies the principles described in DOE Delegation Order No. 0204-111;⁴¹ the principles described in DOE's 1984 Policy Guidelines;⁴² and other factors set forth in prior DOE export authorizations. These factors include economic impacts, international impacts, security of natural gas supply, and environmental impacts, among others.

³⁸ 15 U.S.C. § 717b(a).

³⁹ See *Sierra Club v. U.S. Dep't of Energy*, 867 F.3d 189, 203 (D.C. Cir. 2017) ("We have construed [NGA section 3(a)] as containing a 'general presumption favoring [export] authorization.'" (quoting *W. Va. Pub. Serv. Comm'n v. U.S. Dep't of Energy*, 681 F.2d 847, 856 (D.C. Cir. 1982))).

⁴⁰ See *id.* ("there must be 'an affirmative showing of inconsistency with the public interest' to deny the application" under NGA section 3(a)) (quoting *Panhandle Producers & Royalty Owners Ass'n v. Econ. Regulatory Admin.*, 822 F.2d 1105, 1111 (D.C. Cir. 1987)).

⁴¹ DOE Delegation Order No. 0204-111 (Feb. 22, 1984).

⁴² New Policy Guidelines and Delegations Order Relating to Regulation of Imported Natural Gas, 49 Fed. Reg. 6684 (Feb. 22, 1984) (incorporating DOE Delegation Order No. 0204-111).

In sum, DOE/FE's review of export applications under NGA section 3(a) focuses on: (i) the domestic need for the natural gas proposed to be exported, (ii) whether the proposed exports pose a threat to the security of domestic natural gas supplies, (iii) whether the arrangement is consistent with DOE/FE's policy of promoting market competition, and (iv) any other factors bearing on the public interest described herein. In addition, NEPA requires DOE to give appropriate consideration to the environmental effects of its proposed decisions.

C. Public Interest Review

In several long-term orders, DOE/FE has authorized Sabine Pass to export domestically produced LNG from the Sabine Pass Liquefaction Project to FTA and non-FTA countries in a combined volume equivalent to 1,509.3 Bcf/yr of natural gas.⁴³ In those orders, DOE conducted a public interest review for the non-FTA exports, including an evaluation of the domestic need for the natural gas proposed for export. Based on that review, DOE determined that Sabine Pass's long-term exports were not inconsistent with the public interest under NGA section 3(a).⁴⁴

In this proceeding, Sabine Pass requests a short-term blanket authorization to export LNG in a volume equivalent to 600 Bcf of natural gas over two years, which averages to 300 Bcf each year. This volume is significantly less than the long-term non-FTA exports that DOE/FE has previously authorized, which total 1509.3 Bcf/yr of natural gas. Provided that the proposed exports—when added to any volumes exported under Sabine Pass's long-term authorizations—do not exceed 1,509.3 Bcf on an annual (*i.e.*, consecutive 12-month) basis, the public interest impacts of Sabine Pass's exports to non-FTA countries will not increase as a consequence of DOE/FE's approval of this Application.

⁴³ See *supra* at 4-5 and Appendix.

⁴⁴ See *id.*

Accordingly, DOE/FE agrees with Sabine Pass that no additional public interest review beyond that conducted in the earlier non-FTA export proceeding is warranted. For these reasons, DOE/FE has determined that it has not been demonstrated that the proposed exports of LNG will be inconsistent with the public interest, as would be required to deny Sabine Pass's non-FTA request under NGA section 3(a).

C. Environmental Review

In issuing Sabine Pass's existing long-term non-FTA authorizations, DOE/FE considered the potential environmental impacts of Sabine Pass's proposals to export LNG from the Liquefaction Project. DOE/FE considered both its obligations under NEPA and its obligation under NGA section 3(a) to ensure that the proposals were not inconsistent with the public interest. In conducting these reviews, DOE/FE considered a wide range of information, such as FERC's environmental approvals for the Liquefaction Project, DOE's economic studies, DOE's Addendum,⁴⁵ DOE's 2014 Life Cycle Greenhouse Gas Report,⁴⁶ and various intervenor arguments opposing those non-FTA exports.

In addition, as explained above, the requested authorization will not result in an increase of LNG exports previously approved for export under Sabine Pass's long-term non-FTA authorizations in any 12-month period. Under these circumstances, DOE/FE finds that approval of the Application will not result in any incremental environmental impacts as compared to the environmental impacts previously reviewed by FERC and DOE.

Sabine Pass further states that approval of the Application will not require additional

⁴⁵ See U.S. Dep't of Energy, Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States, 79 Fed. Reg. 48,132 (Aug. 15, 2014).

⁴⁶ Dep't of Energy, Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States, 79 Fed. Reg. 32,260 (June 4, 2014). DOE recently updated this Life Cycle Greenhouse Gas Report. See Dep't of Energy, Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update – Response to Comments, 85 Fed. Reg. 72 (Jan. 2, 2020).

construction or modification to its previously approved facilities at the Sabine Pass LNG Terminal. The Department's regulations at 10 CFR Part 1021, Subpart D, Appendix B provide a list of categorical exclusions from preparation of either an EA or EIS under NEPA. Categorical exclusion B5.7 applies to natural gas import or export activities requiring minor operational changes to existing projects, but no new construction. On January 14, 2020, DOE/FE issued a categorical exclusion under this provision.⁴⁷ This Order grants the non-FTA portion of the Application, in part, on the basis of this Categorical Exclusion.

VI. FINDINGS

(1) Section 3(c) of the NGA was amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486) to require that applications requesting authority for (a) the import and export of natural gas, including LNG, from and to a nation with which there is in effect a FTA requiring national treatment for trade in natural gas, and/or (b) the import of LNG from other international sources, be deemed consistent with the public interest and granted without modification or delay. The FTA portion of Sabine Pass's Application falls within section 3(c), as amended, and therefore, DOE/FE grants the requested FTA authorization without modification or delay.⁴⁸

(2) The countries with which the United States has an FTA requiring national treatment for trade in natural gas currently are: Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore.

⁴⁷ U.S. Dep't of Energy, Categorical Exclusion Determination, *Sabine Pass Liquefaction, LLC*, FE Docket No. 19-133-LNG (Jan. 14, 2020) [hereinafter Categorical Exclusion].

⁴⁸ DOE further finds that the requirement for public notice of applications and other hearing-type procedures in 10 C.F.R. Part 590 are applicable only to applications seeking to export natural gas, including LNG, to non-FTA countries.

(3) Upon a review of the record, DOE/FE finds that a grant of the non-FTA portion of the Application has not been shown to be inconsistent with the public interest under NGA section 3(a). Additionally, the proposed exports qualify for a categorical exclusion under NEPA, such that no EA or EIS will be required. DOE/FE therefore grants the non-FTA portion of Sabine Pass's Application.

(4) Sabine Pass requests authorization to export LNG on its own behalf and as agent for other entities that hold title to the LNG at the time of export. DOE/FE previously has determined that, in LNG export orders in which Agency Rights have been granted, DOE/FE shall require registration materials filed for, or by, an LNG title-holder (Registrant) to include the same company identification information and long-term contract information of the Registrant as if the Registrant had filed an application to export LNG on its own behalf.⁴⁹

To ensure that the public interest is served, this authorization shall be conditioned to require that where Sabine Pass proposes to export LNG from the Liquefaction Project as agent for other entities that hold title to the LNG (Registrants), it must register with DOE/FE those entities on whose behalf it will export LNG in accordance with the procedures and requirements described herein.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Sabine Pass Liquefaction, LLC (Sabine Pass) is authorized to export domestically produced LNG by vessel from the Sabine Pass Liquefaction Project at the Sabine Pass LNG

⁴⁹ See, e.g., *Cameron LNG, LLC*, DOE/FE Order No. 3846, FE Docket No. 15-90-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from Trains 4 and 5 of the Cameron LNG Terminal to Non-Free Trade Agreement Nations, at 128-29 (July 15, 2016); *Freeport LNG Expansion, L.P., et al.*, DOE/FE Order No. 2913, FE Docket No. 10-160-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas from the Freeport LNG Terminal to Free Trade Agreement Nations, at 7-8 (Feb. 10, 2011).

Terminal, in a volume equivalent to 600 Bcf of natural gas, pursuant to transactions that have terms of no longer than two years. Sabine Pass is authorized to export this LNG on its own behalf or as agent for other entities who hold title to the natural gas at the time of export. This authorization shall be effective for a two-year term, beginning on January 16, 2020, and extending through January 15, 2022.

B. The volume of LNG authorized for export in this Order, when combined with the volume of LNG approved for export to FTA and non-FTA countries in Sabine Pass's long-term export authorizations, shall not exceed the maximum production capacity of the Sabine Pass Liquefaction Project at the Sabine Pass LNG Terminal, as approved by FERC.⁵⁰ Under the terms of prior authorizations, the volumes approved in Sabine Pass's long-term export authorizations to FTA and non-FTA countries are not additive to one another.

C. This LNG may be exported by vessel from the Sabine Pass Liquefaction Project to any country with the capacity to import ocean-going LNG carriers and with which trade is not prohibited by U.S. law or policy.

D. Sabine Pass shall ensure that all transactions authorized by this Order are permitted and lawful under U.S. laws and policies, including the rules, regulations, orders, policies, and other determinations of the Office of Foreign Assets Control of the United States Department of the Treasury and FERC. Failure to comply with this requirement could result in rescission of this authorization and/or other civil or criminal remedies.

E. Sabine Pass shall include, and require others for whom Sabine Pass acts as agent to include, the following provision in any agreement or other contract for the sale or transfer of LNG exported pursuant to this Order:

⁵⁰ See *supra* at 1 n.3.

Customer or purchaser acknowledges and agrees that it will resell or transfer LNG purchased hereunder for delivery only to countries with the capacity to import ocean-going LNG carriers and identified in Ordering Paragraph C of DOE/FE Order No. 4487, issued January 15, 2020, in FE Docket No. 19-133-LNG, and/or to purchasers that have agreed in writing to limit their direct or indirect resale or transfer of such LNG to such countries. Customer or purchaser further commits to cause a report to be provided to Sabine Pass Liquefaction, LLC that identifies the country (or countries) into which the LNG was actually delivered, and to include in any resale contract for such LNG the necessary conditions to ensure that Sabine Pass Liquefaction, LLC is made aware of all such actual destination countries.

F. Sabine Pass is permitted to use its authorization in order to export LNG as agent for other entities, after registering the other entities with DOE/FE. Registration materials shall include an acknowledgement and agreement by the Registrant to supply Sabine Pass with all information necessary to permit Sabine Pass to register that person or entity with DOE/FE, including: (1) the Registrant's agreement to comply with this Order and all applicable requirements of DOE's regulations at 10 C.F.R. Part 590, including but not limited to destination restrictions; (2) the exact legal name of the Registrant, state/location of incorporation/registration, primary place of doing business, and the Registrant's ownership structure, including the ultimate parent entity if the Registrant is a subsidiary or affiliate of another entity; and (3) the name, title, mailing address, e-mail address, and telephone number of a corporate officer or employee of the Registrant to whom inquiries may be directed.

G. Each registration submitted pursuant to this Order shall have current information on file with DOE/FE. Any changes in company name, contact information, or other relevant modification shall be filed with DOE/FE within 30 days of such change(s).

H. Sabine Pass shall ensure that all persons required by this Order to register with DOE/FE have done so.

I. Monthly Reports: With respect to the LNG exports authorized by this Order, Sabine Pass shall file with the Office of Regulation, Analysis, and Engagement, within 30 days

following the last day of each calendar month, a report on Form FE-746R indicating whether exports of LNG have been made. The first monthly report required by this Order is due not later than the 30th day of the month following the month of first export. In subsequent months, if exports have not occurred, a report of “no activity” for that month must be filed. If exports of LNG have occurred, the report must give the following details of each LNG cargo: (1) the name(s) of the authorized exporter; (2) the name of the U.S. export terminal; (3) the name of the LNG tanker; (4) the date of departure from the U.S. export terminal; (5) the country (or countries) into which the LNG was actually delivered; (6) the name of the supplier/seller; (7) the volume in thousand cubic feet (Mcf); (8) the price at point of export per million British thermal units (MMBtu); (9) the duration of the supply agreement (indicate spot sales); and (10) the name(s) of the purchaser(s).

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

J. All monthly report filings on Form FE-746R shall be made to the U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Regulation, Analysis, and Engagement, according to the methods of submission listed on the Form FE-746R reporting instructions available at <https://www.energy.gov/fe/services/natural-gas-regulation>.

K. IECA’s Notice of Intervention, Protest, and Comment is dismissed.

Issued in Washington, D.C., on January 15, 2020.

Shawn Bennett
Deputy Assistant Secretary for Oil and Natural Gas
Office of Fossil Energy

APPENDIX

The long-term orders issued by DOE to Sabine Pass authorizing exports of LNG to FTA countries and non-FTA countries are identified in the following tables:

Table 1: Orders Issued by DOE/FE to Sabine Pass for the Long-Term Export of Domestic LNG from the Sabine Pass LNG Terminal to FTA Countries

Docket No.	Order No.	Date Issued	Trains	Volume (Bcf/yr)	Term/Type
10-85-LNG	2833	Sept. 7, 2010	1-4	803.0	30 years, ⁵¹ multi-contract
13-30-LNG	3306-A	July 11, 2013, as amended ⁵²	5-6	101.0	20 years, multi-contract
13-42-LNG	3307-A	July 12, 2013, as amended ⁵³	5-6	88.3	20 years, multi-contract
13-121-LNG	3384-A	Jan. 22, 2014, as amended ⁵⁴	5-6	314.0	20 years, multi-contract
14-92-LNG	3595	Feb. 12, 2015	1-4	203.0	25 years, multi-contract
Total Volume				1,509.3	

⁵¹ See *Sabine Pass Liquefaction, LLC*, Errata to DOE/FE Order Nos. 3595 & 3384, FE Docket Nos. 14-92-LNG & 13-121-LNG (Feb. 24, 2015).

⁵² See *Sabine Pass Liquefaction, LLC*, DOE/FE Order Nos. 3306-A, 3307-A, 3384-A, and 3669-B, FE Docket Nos. 13-30-LNG, 13-42-LNG, and 13-121-LNG (Consolidated), Order Granting Withdrawal of Filing and Request for Clarification (Oct. 31, 2017).

⁵³ See *id.*

⁵⁴ See *id.*

Table 2: Orders Issued by DOE/FE to Sabine Pass for the Long-Term Export of Domestic LNG from the Sabine Pass LNG Terminal to Non-FTA Countries

Docket No.	Order No.	Date Issued	Trains	Volume (Bcf/yr)	Term/Type
10-111-LNG	2961-A	Aug. 7, 2012, as amended ⁵⁵	1-4	803.0	20 years, multi-contract
13-30-LNG 13-42-LNG 13-121-LNG	3669-B	June 26, 2015, as amended	5-6	503.3	20 years, multi-contract
15-63-LNG	3792	March 11, 2016	1-4	203.0	20 years, multi-contract
Total Volume				1,509.3	

⁵⁵ See *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 2961-C, FE Docket No. 10-111-LNG, Order Amending DOE/FE Order Nos. 2961-A and 2961-B (May 4, 2016).