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

Cameron LNG, LLC

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FE Docket No. 20-__-LNG

**APPLICATION OF CAMERON LNG, LLC FOR BLANKET AUTHORIZATION TO
EXPORT LIQUEFIED NATURAL GAS ON A SHORT-TERM BASIS
TO FTA AND NON-FTA NATIONS**

Blair Woodward
General Counsel
2925 Briarpark Dr.
Suite 1000
Houston, TX 77042
(832) 783-5582
bwoodward@cameronlng.com

Brett A. Snyder
Lamiya Rahman
Blank Rome LLP
1825 Eye Street NW
Washington, DC 20006
(202) 420-2200
bsnyder@blankrome.com
lrahman@blankrome.com

January 31, 2020

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by affiliates of Semptra Energy, Total S.A., Mitsui & Co., Ltd., Mitsubishi Corporation, and Nippon Yusen Kabushiki Kaisha. Cameron LNG’s executive offices are located at 2925 Briarpark Drive, Suite 1000, Houston, Texas 77042. Cameron LNG is engaged in the business of owning and operating the Cameron LNG Terminal.

I. COMMUNICATIONS AND CORRESPONDENCE

All communications and correspondence concerning this Application, including all service of pleadings and notices, should be directed to the following persons:³

Blair Woodward
General Counsel
2925 Briarpark Dr.
Suite 1000
Houston, TX 77042
(832) 783-5582
bwoodward@cameronlng.com

Brett A. Snyder
Lamiya Rahman
Blank Rome LLP
1825 Eye Street NW
Washington, DC 20006
(202) 420-2200
bsnyder@blankrome.com
lrahman@blankrome.com

II. BACKGROUND

On June 19, 2014, the Federal Energy Regulatory Commission (“FERC”) granted Cameron LNG authorization to site, construct, and operate facilities for the liquefaction and export of domestically produced natural gas at Cameron LNG’s existing import terminal in Cameron and Calcasieu Parishes, Louisiana (the “Liquefaction Project”).⁴ The Liquefaction Project included, among other things, the construction and operation of three liquefaction trains (Trains 1–3). On May 5, 2016, FERC issued an order authorizing, among other things, the siting, construction, and operation of an additional two liquefaction trains (Trains 4 and 5) (the “Expansion Project”).⁵ Cameron LNG exported its first commissioning volumes from the Cameron LNG Terminal on

³ Cameron LNG requests waiver of section 590.202(a) of DOE’s regulations to the extent necessary to include outside counsel on the official service list for this proceeding. *See* 10 C.F.R. § 590.202(a).

⁴ *Cameron LNG, LLC*, 147 FERC ¶ 61,230 (2014).

⁵ *Cameron LNG, LLC*, 155 FERC ¶ 61,141 (2016).

May 31, 2019. On August 27, 2019, Cameron LNG exported its first commercial exports of domestically produced LNG from the Cameron LNG terminal. Cameron LNG has initiated commissioning activities for Train 2, and construction of Trains 3 is ongoing.⁶ Cameron LNG has not yet begun construction on the Expansion Project.⁷

DOE/FE has issued several orders authorizing Cameron LNG to export LNG produced at the Cameron LNG Terminal to Free Trade Agreement (“FTA”) and Non-FTA nations.⁸ Cameron LNG currently holds (i) three long-term export authorizations to export domestically produced LNG to FTA nations, and (ii) three long-term export authorizations to export domestically produced LNG to Non-FTA nations (“Long-Term Non-FTA Authorizations”). Cameron LNG’s authorized long-term FTA and non-FTA volumes are not additive. Cumulatively, Cameron LNG is authorized to export from Trains 1-5, on a long-term basis, up to 1,287 Bcf/y of domestically produced LNG to FTA and Non-FTA nations. Additionally, Cameron LNG holds a short-term

⁶ See *Cameron LNG, LLC*, November 2019 Monthly Construction Progress Report No. 65 at 1, Docket No. CP13-25 (Dec. 12, 2019); *Cameron LNG, LLC*, December 2019 Monthly Construction Progress Report No. 66 at 1, Docket No. CP13-25 (Jan. 14, 2020).

⁷ See *Cameron LNG, LLC*, Third Quarter 2019 Status Report #18 at 1, Docket No. CP15-560 (Oct. 18, 2019); *Cameron LNG, LLC*, Fourth Quarter Status Report # 19 at 1, Docket No. CP15-560 (Jan. 17, 2020).

⁸ DOE/FE Order No. 3059, FE Docket No. 11-145-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal to Free Trade Agreement Nations (Jan. 17, 2012); DOE/FE Order No. 3391-A, FE Docket No. 11-162-LNG, Final Opinion and Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal in Cameron Parish, Louisiana to Non-Free Trade Agreement Nations (Sept. 10, 2014); DOE/FE Order No. 3620, FE Docket No. 14-204-LNG, Order Granting Long-term, Multi-contract Authorization to Export LNG by Vessel from the Cameron LNG Terminal in Cameron Parish, Louisiana, to Free Trade Agreement Nations (Apr. 9, 2015); DOE/FE Order No. 3680, FE Docket No. 15-36-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal in Cameron and Calcasieu Parishes, Louisiana, to Free Trade Agreement Nations (July 10, 2015); DOE/FE Order No. 3797, FE Docket No. 15-67-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron Terminal Located in Cameron and Calcasieu Parishes, Louisiana, to Non-Free Trade Agreement Nations (Mar. 18, 2016); 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 in Cameron and Calcasieu Parishes, Louisiana, to Non-Free Trade Agreement Nations (July 15, 2016); DOE/FE Order No. 3904, FE Docket No. 16-34-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal Located in Cameron and Calcasieu Parishes, Louisiana (Oct. 3, 2016); DOE/FE Order No. 3059-A, FE Docket No. 11-145-LNG, Order Amending Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron Terminal to Free Trade Agreement Nations (Aug. 13, 2018).

blanket authorization to export domestically produced LNG to FTA and Non-FTA nations, which will expire on June 30, 2020.⁹ These authorizations are summarized below:

Docket No.	Order No.	Date Issued	Volume	Type
11-145-LNG	3059 (amended 3059-A)	January 17, 2012	620.0 Bcf/yr	FTA, long-term, multi-contract
14-204-LNG	3620	April 9, 2015	152.0 Bcf/yr	FTA, long-term, multi-contract
15-36-LNG	3680	July 10, 2015	515.0 Bcf/yr	FTA, long-term, multi-contract
11-162-LNG	3391-A	September 10, 2014	620.0 Bcf/yr	Non-FTA, long-term, multi-contract
15-67-LNG	3797	March 18, 2016	152.0 Bcf/yr	Non-FTA, long-term, multi-contract
15-90-LNG	3846	July 15, 2016	515.0 Bcf/yr	Non-FTA, long-term, multi-contract
16-34-LNG	3904	October 3, 2016	254 Bcf	FTA/Non- FTA, short-term

III. REQUESTED AUTHORIZATION

As previously noted, Cameron LNG exported its first commissioning volumes from the Cameron LNG Terminal on May 31, 2019. Cameron LNG made its first commercial exports from the Cameron LNG Terminal on August 27, 2019. The authorization pursuant to which Cameron LNG has exported short-term volumes (DOE/FE Order No. 3904) will expire on June 30, 2020.

Cameron LNG respectfully requests herein short-term, blanket authorization to export LNG prior to commercial operations of individual trains, as well as subsequent to commercial operations as market opportunities may arise. Specifically, Cameron LNG requests short-term,

⁹ Cameron LNG also holds short-term authorization to export previously imported, foreign-sourced LNG. *See Cameron LNG, LLC*, DOE/FE Order No. 4425, FE Docket No. 19-62-LNG, Order Granting Blanket Authorization to Export Previously Imported Liquefied Natural Gas By Vessel to Free Trade Agreement and Non-Free Trade Agreement Countries (Aug. 21, 2019).

blanket authorization to export up to 254 Bcf of domestically produced LNG—the same volumes previously authorized in DOE/FE Order No. 3904—to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by United States law or policy (both FTA and non-FTA countries). Cameron LNG requests this authorization for a two-year term commencing on July 1, 2020 (*i.e.*, upon the expiration of the term authorized in DOE/FE Order No. 3904).

Cameron LNG requests to engage in exports on a short-term basis on its own behalf and as agent for other entities who will hold title to the LNG at the time of export. Cameron LNG will comply with all applicable procedures established by DOE/FE in prior proceedings.¹⁰

No new construction or facility modifications are required for Cameron LNG to engage in the exports requested herein.

IV. PUBLIC INTEREST STANDARD

DOE/FE grants the FTA portion of the Application under section 3(c) of the NGA. Section 3(c) requires that FTA applications “shall be deemed to be consistent with the public interest” and granted “without modification or delay.”¹¹ In light of this statutory obligation, DOE/FE has found that it need not engage in any analysis of factors affecting the public interest.¹² Cameron LNG’s application to export to FTA countries should be processed and approved in accordance with this standard.

¹⁰ See, e.g., *Freeport LNG Expansion, L.P.*, DOE/FE Order No. 2913, FE Docket No. 10-160-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Freeport LNG Terminal to Free Trade Nations (Feb. 10, 2011); *Cameron LNG, LLC*, DOE/FE Order No. 3680, FE Docket No. 15-36-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal in Cameron and Calcasieu Parishes, Louisiana, to Free Trade Agreement Nations (July 10, 2015).

¹¹ 15 U.S.C. § 717b(c).

¹² See, e.g., *Cameron LNG, LLC*, DOE/FE Order No. 3680 at 7.

The Non-FTA portion of the Application is governed by section 3(a) of the NGA, which provides that:

[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 Commission authorizing it to do so. The Commission shall issue such order upon application, unless, after opportunity for hearing, it finds that the proposed exportation or importation will not be consistent with the public interest.¹³

NGA section 3(a) creates a rebuttable presumption that a proposed export of natural gas is in the public interest.¹⁴ DOE/FE has explained that it must grant an application requesting the export of natural gas unless the presumption favoring exports is overcome by an affirmative showing that the application is inconsistent with the public interest.¹⁵

Although the NGA does not define “public interest,” DOE/FE has identified several factors that it considers when reviewing Non-FTA export applications, including economic impacts, international impacts, security of natural gas supply, and environmental impacts.¹⁶ In conducting its public interest review, DOE/FE is also guided by the 1984 Policy Guidelines¹⁷ and DOE

¹³ *Id.* § 717b(a).

¹⁴ *See, e.g., Sierra Club v. U.S. Dep’t of Energy*, 867 F.3d 189, 203 (D.C. Cir. 2017).

¹⁵ *See, e.g., Golden Pass Prods. LLC*, DOE/FE Order No. 3978, FE Docket No. 12-156-LNG, 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 Nations at 11 (Apr. 25, 2017).

¹⁶ *See, e.g., Venture Global Plaquemines LNG, LLC*, DOE/FE Order No. 4446, FE Docket No. 16-28-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations at 19 (Oct. 16, 2019) [hereinafter *Venture Global*]; *Eagle LNG Partners Jacksonville LLC*, DOE/FE Order No. 4445, FE Docket No. 16-15-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations at 19 (Oct. 3, 2019) [hereinafter *Eagle LNG*]; *Gulf LNG Liquefaction Co., LLC*, DOE/FE Order No. 4410, FE Docket No. 12-101-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations at 19-20 (July 31, 2019) [hereinafter *Gulf LNG*].

¹⁷ *See* New Policy Guidelines and Delegations Order Relating to Regulation of Imported Natural Gas, 49 Fed. Reg. 6684 (Feb. 22, 1984). The goals of the 1984 Policy Guidelines are to “minimize federal control and involvement in energy markets and to promote a balanced and mixed energy resource system.” *Venture Global* at 19. The 1984 Policy Guidelines indicated that “[t]he federal government’s primary responsibility in authorizing imports [or exports] will be to evaluate the need for the gas and whether the import [or export] arrangement will provide the gas on a competitively priced basis for the duration of the contract while minimizing regulatory impediments to a freely operating market.” 49 Fed. Reg. at 6685. DOE/FE has explained that while the 1984 Policy Guidelines are nominally applicable to natural gas import cases, they are applicable to export applications. *See, e.g., Venture Global* at 20.

Delegation Order No. 0204-111.¹⁸ While the Delegation Order is no longer in effect, DOE/FE continues to look to the following factors in its review of export applications: (i) the domestic need for the natural gas 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.¹⁹

In approving the Long-Term Non-FTA Authorizations, DOE/FE conducted an extensive public interest review of exports from the Cameron LNG Terminal, including an evaluation of domestic need for the natural gas proposed for export. Based on these reviews, DOE/FE found that the proposed exports were not shown to be inconsistent with the public interest.²⁰

Cameron LNG requests herein authorization to export up to 254 Bcf of LNG on a short-term basis. This volume is substantially lower than the 1,287 Bcf/yr of exports that DOE/FE has previously reviewed and authorized for export to date. The volumes proposed for export herein, when added to any volumes exported under Cameron LNG's existing authorizations, will not exceed the 1,287 Bcf/yr already approved for export in any annual (*i.e.*, consecutive 12-month) period. In granting Cameron LNG short-term export authorization in DOE/FE Order No. 3904, DOE/FE found that under these same circumstances, "the public interest impacts of the total exports will not increase as a consequence of our approval of the Application in this proceeding. Consequently, no additional public interest review beyond that conducted in the earlier non-FTA export proceedings is warranted."²¹ Accordingly, consistent with DOE/FE's findings in Order No.

¹⁸ U.S. Department of Energy, Delegation Order No. 0204-111 (Feb. 22, 1984). Delegation Order No. 0204-111 based the regulation of exports "on a consideration of the domestic need for the gas to be exported and such other matters [found] in the circumstances of a particular case to be appropriate." *Id.* at 1.

¹⁹ See, e.g., *Venture Global* at 20; *Eagle LNG* at 20; *Gulf LNG* at 21.

²⁰ See DOE/FE Order No. 3391-A at 87; DOE/FE Order No. 3797 at 25; DOE/FE Order No. 3846 at 121-22.

²¹ See DOE/FE Order No. 3904 at 8-9.

3904 and in other similar proceedings,²² approval of the authorization requested in this Application will not change the public interest impacts of total exports from the Cameron LNG Terminal, and no further public interest review is warranted.

Moreover, current market data and studies demonstrate that the export of domestically produced LNG remains in the public interest. The U.S. Energy Information Administration (“EIA”) continues to project that domestic natural gas supply will be adequate to meet domestic demand during the authorization period requested herein. For example, EIA’s most recent Short-Term Energy Outlook “forecasts that annual U.S. dry natural gas production will average 92.1 billion cubic feet per day (Bcf/d) in 2019, up 10% from 2018. . . . EIA forecasts natural gas production in 2020 will average 95.1 Bcf/d.”²³ EIA’s 2019 Annual Energy Outlook projected natural gas “production growth [as] outpacing natural gas consumption in all cases.”²⁴ Additionally, the DOE/FE’s 2018 LNG Export Study found several macroeconomic benefits resulting from increased LNG exports, including higher levels of GDP and consumer wellbeing; according to the study, these factors “more than make up for the dampening economic effects that are observed in these scenarios . . . [e]ven the most extreme scenarios of high LNG exports that are outside the more likely probability range . . . show higher overall economic performance in

²² See *Cheniere Mktg. LLC*, DOE/FE Order No. 4298, FE Docket No. 18-137-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas By Vessel From the Corpus Christi Liquefaction Project Located in Corpus Christi, Texas, to Non-Free Trade Agreement Nations at 8-9 (Nov. 1, 2018); *Freeport LNG Expansion, L.P.*, DOE/FE Order No. 4244, FE Docket No. 18-03-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas By Vessel From the Freeport LNG Terminal Located on Quintana Island, Texas, to Free Trade Agreement and Non-Free Trade Agreement Nations at 10-11 (Sept. 6, 2018); *Southern LNG Co., L.L.C.*, DOE/FE Order No. 4206, FE Docket No. 18-15-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas By Vessel From the Elba Island Terminal Located in Chatham County, Georgia, to Free Trade Agreement and Non-Free Trade Agreement Nations at 11-12 (July 6, 2018); *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 Nations at 8-9 (Jan. 30, 2018).

²³ U.S. Energy Information Administration, Short-Term Energy Outlook (Dec. 10, 2019), *available at* <https://www.eia.gov/outlooks/steo/archives/dec19.pdf>.

²⁴ U.S. Energy Information Administration, Annual Energy Outlook 2019 (Jan. 24, 2019), *available at* <https://www.eia.gov/outlooks/aeo/pdf/aeo2019.pdf>.

terms of GDP, household income, and consumer welfare than lower export levels associated with the same domestic supply scenarios.”²⁵ Therefore, the exports requested herein continue to be consistent with the public interest.

V. ENVIRONMENTAL IMPACTS

No construction or other modifications are required to the Cameron LNG Terminal to allow the proposed exports requested herein. Accordingly, this Application qualifies for a B5.7 categorical exclusion pursuant to 10 C.F.R. Part 1021, Subpart D, Appendix B5, pursuant to which neither an environmental assessment nor an environmental impact statement is required. Cameron LNG therefore respectfully requests that DOE/FE issue a categorical exclusion finding Cameron LNG’s proposed exports are categorically excluded from further review under the National Environmental Policy Act.

VI. APPENDICES

Appendix A: Verification

Appendix B: Opinion of Counsel

²⁵ NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* at 18-21 (June 7, 2018), available at <https://www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf>.

CONCLUSION

WHEREFORE, for the foregoing reasons, Cameron LNG respectfully requests that DOE/FE grant its request for short-term, blanket authorization to export LNG in an amount up to 254 billion Bcf to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by United States law or policy, for a two-year period commencing July 1, 2020.

Respectfully submitted,

/s/ Brett A. Snyder

Brett A. Snyder
Lamiya Rahman
Blank Rome LLP
1825 Eye Street NW
Washington, DC 20006
(202) 420-2200
bsnyder@blankrome.com
lrahman@blankrome.com

Counsel to Cameron LNG, LLC

Dated: January 31, 2020

APPENDIX A

Verification

VERIFICATION

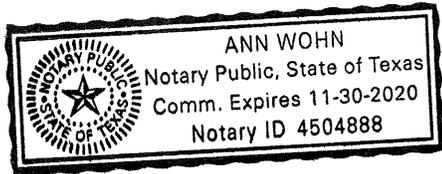
County of Harris)
)
State of Texas)

BEFORE ME, the undersigned authority, on this day personally appeared Blair Woodward, who, having been by me first duly sworn, on oath says that he is General Counsel for Cameron LNG, LLC, and is duly authorized to make this Verification on behalf of such company, that he has read the foregoing instrument, and that the facts therein stated are true and correct to the best of his knowledge, information and belief.



Blair Woodward

SWORN TO AND SUBSCRIBED before me on this 30th day of January, 2020.


Notary Public

APPENDIX B

Opinion of Counsel

OPINION OF COUNSEL

January 30, 2020

Amy Sweeney
Director, Division of Natural Gas Regulation
Office of Regulation, Analysis and Engagement
Office of Fossil Energy, FE-34
1000 Independence Ave, SW
Washington, DC 20585

**Re: Cameron LNG, LLC
Application for Blanket Authorization to Export Liquefied Natural
Gas on a Short-Term Basis to FTA and Non-FTA Nations**

Dear Ms. Sweeney:

This opinion of counsel is submitted pursuant to Section 590.202(c) of the regulations of the United States Department of Energy, 10 C.F.R. § 590.202(c) (2019). I am in house counsel to Cameron LNG, LLC (“Cameron LNG”).

I have reviewed the organizational and internal governance documents of Cameron LNG and it is my opinion that the proposed export of natural gas as described in the application filed by Cameron LNG, to which this Opinion of Counsel is attached as Appendix B, is within the company powers of Cameron LNG.

Respectfully submitted,



Blair Woodward
General Counsel
Cameron LNG, LLC
2925 Briarpark Dr.
Suite 1000
Houston, TX 77042
Tel: (832) 783-5582
Fax: (832) 783-5503
bwoodward@cameronlng.com