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Dominion Energy Cove Point LNG, LP
707 East Main Street, Richmond, VA 23219

August 24, 2020

Larine Moore
Docket Room Manager
Natural Gas Regulation
U.S. Department of Energy
1000 Independence Ave. S.W.
FE-34 – Room 3E-042
Washington, D.C. 20585
fergas@hq.doe.gov

Re: Dominion Energy Cove Point, LLC, FE Docket Nos. 11-115-LNG & 11-128-LNG, Application to Amend Export Term For Existing Long-Term Authorizations Through The Year 2050

Dear Ms. Moore:

Dominion Energy Cove Point LNG, LP (DECP) hereby submits for filing a consolidated application to amend its existing authorizations to export domestically produced natural gas to non-free trade agreement (non-FTA) and free trade agreement (FTA) countries for the term extending through December 31, 2050.

DECP is submitting this filing via e-mail and is submitting the non-refundable filing fee of fifty dollars (\$50) required by 10 C.F.R. § 590.207 electronically and concurrently with this Application. Pursuant to 10 C.F.R. § 590.103(b), a certified statement that the signatory is a duly authorized representative is attached in Appendix A.

If you have any questions, please contact Colin Walthall at (804) 771-4613.

Respectfully submitted,

/s/ *Matthew R. Bley*

Matthew R. Bley
Authorized Representative of Dominion
Energy Cove Point, LP.

Enclosures

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

In the Matter of)
)
DOMINION ENERGY COVE POINT LNG, LP) **FE Docket Nos. 11-115-LNG &
11-128-LNG**

**APPLICATION OF DOMINION ENERGY COVE POINT LNG, LP
TO AMEND EXPORT TERM FOR EXISTING LONG-TERM AUTHORIZATIONS THROUGH
DECEMBER 31, 2050**

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Counsel for
Dominion Energy Cove Point LNG, LP

Filed: August 24, 2020

**UNITED STATES OF AMERICA
BEFORE THE DEPARTMENT OF ENERGY
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**APPLICATION OF DOMINION ENERGY COVE POINT LNG, LP
TO AMEND EXPORT TERM FOR EXISTING LONG-TERM AUTHORIZATIONS THROUGH
DECEMBER 31, 2050**

On July 29, 2020, the Department of Energy’s (DOE) Office of Fossil Energy (FE) issued a final policy statement acting on applications and amendments requesting to export domestically produced natural gas—including liquified natural gas (LNG), compressed natural gas, and compressed gas liquid—from the lower-48 states to non-free trade agreement (non-FTA) countries for the term ending on December 31, 2050, discontinuing its practice of issuing standard 20-year export terms (“Extension Policy Statement”). The Extension Policy Statement establishes an implementation process for holders of long-term non-FTA export authorizations to request amendment of the term of their authorization.

Dominion Energy Cove Point LNG, LP (DECP) is authorized to export LNG to non-FTA countries under DOE’s standard 20-year term. In addition, DECP is authorized to export LNG to free trade agreement (FTA) countries for a 25-year term. Consistent with the Extension Policy Statement and in accordance with the procedures set forth in 10 C.F.R. Part 590, DECP requests amendment of its existing long-term export authorizations to extend the terms through December 31, 2050, and hereby submits a consolidated FTA and non-FTA extension application (consistent with the form of DOE’s suggested application template).

In support of this application, DECP respectfully shows as follows:

I. BACKGROUND AND EXISTING EXPORT AUTHORIZATIONS

DECP owns the Cove Point LNG Terminal in Calvert County, Maryland (“Terminal”), as well as natural gas pipelines connecting the Terminal to the interstate pipeline grid. The Terminal has long been used to import LNG. Beginning in 2018, DECP began to export LNG from the Terminal, rendering it a bi-directional facility capable of both imports and exports depending on market conditions.

DECP is a limited partnership organized and existing under the laws of the State of Delaware with its principal place of business at 2100 Cove Point Road, Lusby, Maryland, 20657. DECP also has business offices located at 707 East Main Street, Richmond, Virginia, 23219.

In DOE/FE Order No. 3019, issued on October 7, 2011, DOE/FE authorized DECP to export domestically produced LNG by vessel from the Terminal to countries with which the United States has, or in the future enters into, a FTA requiring national treatment for trade in natural gas (“FTA countries”), in a volume up to the equivalent of 365 billion cubic feet (Bcf) of natural gas per year for a term of 25 years.¹

In DOE/FE Order No. 3331, issued September 11, 2013, DOE/FE conditionally authorized DECP long-term, multi-contract authority to export domestically produced LNG by vessel from the Terminal to countries with which the United States has not entered a FTA providing for national treatment for trade in natural gas (“non-FTA countries”) for a term of 20 years, conditioned on the satisfactory completion of the environmental review process for the Liquefaction Project that was then on-going in the Federal Energy Regulatory Commission (FERC) proceedings. Order No. 3331 authorized export of LNG to non-FTA countries in volumes equivalent to 281 Bcf of natural gas per year or approximately 5.75 million metric tonnes per annum (MTPA), the liquefaction capacity of DECP’s Liquefaction Project.

¹ *Dominion Cove Point LNG, LP*, DOE/FE Order No. 3019, FE Docket No. 11-15-LNG (Oct. 7, 2011), amended Order No. 3019-A (Aug. 4, 2017)(reflecting corporate name change to DECP).

FERC in 2014 authorized DECP, pursuant to NGA Section 3, to site, construct, and operate its Liquefaction Project at the Terminal.² DOE/FE then reaffirmed DECP's non-FTA export authorization in Order No. 3331-A issued on May 7, 2015, for a term of twenty years commencing on the earlier of the date of first *commercial* export or seven years from the date of order issuance. DOE/FE later denied a request for rehearing and affirmed its previous findings and conclusions in DOE/FE Order No. 3331-B, issued on April 16, 2016.³ Petitions for review of the non-FTA export authorizations issued to DECP were dismissed by the U.S. Court of Appeals for the D.C. Circuit.⁴

The export volumes authorized in Order No. 3019 and No. 3331-A are not additive. In both orders, DOE/FE authorized DECP to export the LNG solely as agent for other entities that will hold title to the LNG pursuant to one or more long-term (greater than two year) contracts, after registering each such entity with DOE/FE.

The Liquefaction Project includes one liquefaction train with capacity to produce up to 5.75 MTPA of LNG, as well as other related facilities, as fully explained in the FERC orders. DECP placed its Liquefaction Project in service on April 9, 2018, and exported LNG from the Terminal pursuant to its long-term authorizations for the first time on April 15, 2020.

DECP respectfully requests amendment of its current long-term export authorizations to allow the same authorization provided by DOE/FE Order Nos. 3019 and 3331 through December 31, 2050. Specifically, DECP requests authorization for that term to export the previously authorized quantity of LNG to both (1) any country which has, or in the future develops, the capacity to import LNG via ocean-going carriers and with which the U.S. has, or in the future enters into, an FTA requiring the national treatment for trade in natural gas or is otherwise deemed by the United States as being treated as an FTA

² *Dominion Cove Point LNG, LP*, 148 FERC ¶ 61,244 (2014), *reh'g denied*, 151 FERC ¶ 61,095 (2015), *petition for review denied sub nom. Earth Reports, Inc. v. FERC*, 828 F.3d 949 (D.C. Cir. 2016).

³ *Dominion Cove Point LNG, LP*, DOE/FE Order No. 3331, FE Docket No. 11-128-LNG (Sept. 11, 2013)(conditional order), Order No. 3331-A (May 7, 2015)(final order), *reh'g denied*, Order No. 3331-B (April 18, 2016), *amended* Order No. 3331-C (Aug. 4, 2017)(reflecting corporate name change to DECP).

⁴ *Sierra Club v. U.S. Dep't of Energy*, 703 Fed. App'x 1 (D.C. Cir. Nov. 1, 2017).

nation, and (2) any country with the capacity to import LNG via ocean-going carriers and with which the United States does not have such an FTA but with which trade is not prohibited by United States law or policy. In other words, DECP requests that its existing authorization for export to both FTA countries and non-FTA countries be extended through December 31, 2050.

In accordance with Section 3 of the Natural Gas Act, the portion of this Application that requests to extend the term of the authorization to export LNG from the DECP Terminal to FTA countries should be granted without modification or delay.

The authorization requested here for an amended authorization to export LNG to non-FTA countries should be granted as consistent with the public interest. As detailed in the Extension Policy Statement, extending the term of existing natural gas export authorizations is supported by DOE's 2018 LNG Export Study, which concluded that the United States will experience net economic benefits from LNG exports through the period 2020-2050.⁵ As also noted in the Extension Policy Statement, to the extent U.S. exports can diversify global LNG supplies and increase the volumes of LNG available globally, these exports will improve energy security for many U.S. allies and trading partners. Furthermore, the DECP Terminal will have an operational life that is expected to extend past 2040, when its existing long-term authorizations will expire. Granting the term extensions requested in this Application will increase the volume of LNG that DECP is able to export over the life of its authorizations. The requested extensions also will provide greater certainty about the long term regulatory support for LNG exports from the Terminal and, thereby, assist DECP in contracting for the use of the Terminal on a very long-term basis.

⁵ DOE/FE published the 2018 LNG Export Study on its website on June 7, 2018, and concurrently provided notice of the availability of the Study. See NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (June 7, 2018), available at <https://www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf>

II. ENVIRONMENTAL IMPACT

The final NEPA document (Environmental Assessment) issued by FERC as part of the DECP's Liquefaction Project was issued on May 15, 2014 (FERC Accession No. 20140515-4002). The DOE participated as a cooperating agency in the preparation of that Assessment and, based on that Assessment and its own independent review and study, issued a Finding of No Significant Impact on November 25, 2014. DOE/FE also addressed environmental issues related to long-term exports by DECP in detail in Order No. 3331-A.

The requested amended authorization and the related LNG exports will not require the construction of any new or additional facilities, nor any modification of the DECP facilities or operations previously authorized by FERC. DOE regulations at 10 CFR Part 1021, Subpart D, Appendix B5, provide a list of categorical exclusions from the preparation of an environmental analysis or environmental impact statement under NEPA. Specifically, categorical exclusion B5.7 provides for an exclusion where approvals of authorizations to import or export natural gas under NGA section 3 involve minor operational changes but no new construction. DECP's request to extend the term of its existing export authorizations falls within this categorical exclusion and no further environmental analysis is required.

Therefore, the proposal does not constitute a major federal action significantly affecting the quality of the human environment, within the meaning of the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321, *et seq.*).

III. REGULATORY REQUIREMENTS AND APPENDICES

Pursuant to 18 C.F.R. § 590.103(c), DECP represents that, to the best of its knowledge, the same or a related matter is not being considered by any other part of the Department of Energy, including FERC, or any other Federal agency or department. DECP further represents that it is submitting the non-refundable filing fee of fifty dollars (\$50) required by 10 C.F.R. § 590.207 electronically and concurrently with this Application.

In addition, the following appendices are attached to this Application to comply with DOE/FE regulations:

Appendix A: Verification

Appendix B: Opinion of Counsel

IV. CONCLUSION

Based on the reasons set forth above, DECP respectfully requests that the DOE/FE grant DECP's application to extend its existing long-term authorizations to export LNG through December 31, 2050—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, whether or not the country has a Free Trade Agreement with the United States requiring national treatment for trade in natural gas.

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Respectfully submitted,

/s/ Matthew R. Bley

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Counsel for
Dominion Energy Cove Point LNG, LP

Dated: August 24, 2020

Appendix A

Verification

VERIFICATION

Matthew R. Bley, being first duly sworn on his oath deposes and says: that he is the Director, Gas Transmission Certificates, for Dominion Energy Cove Point LNG, LP.; that he is duly authorized to make this Verification; that he has read the foregoing submittal and is familiar with the contents thereof; that all the statements and matters contained therein are true and correct to the best of his information, knowledge and belief; and that he is authorized to execute and file the same with the U.S. Department of Energy.

/s/ Matthew R. Bley

Matthew R. Bley

Director, Gas Transmission Certificates

Authorized Representative for Dominion Energy Cove Point LNG, LP.

Date: August 24, 2020

Appendix B

OPINION OF COUNSEL

Opinion of Counsel

This opinion is submitted pursuant to 10 C.F.R. 590.202(c) of the Department of Energy administrative procedures. The undersigned is counsel to Dominion Energy Cove Point LNG, LP.

I have reviewed the organizational documents of Dominion Energy Cove Point LNG, LP and it is my opinion that the proposed export of natural gas is within the company's limited partnership powers.

Respectfully submitted.

/s/ Arminda Spencer

Arminda I. Spencer

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Dated: August 24, 2020