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

In the Matter of:)
)
Cheniere Marketing, LLC and)
Corpus Christi Liquefaction, LLC)
)

FE Docket No. 20-127-LNG

**APPLICATION OF CHENIERE MARKETING, LLC
AND CORPUS CHRISTI LIQUEFACTION, LLC
FOR BLANKET AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS**

Pursuant to Section 3 of the Natural Gas Act (“NGA”),¹ and Part 590 of the Department of Energy’s (“DOE”) regulations,² Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC (collectively, “Corpus Christi”) hereby request that the DOE, Office of Fossil Energy (“DOE/FE”) issue an order granting blanket authorization for Corpus Christi to engage in short-term exports of liquefied natural gas (“LNG”), from the Corpus Christi Liquefaction Project (“Liquefaction Project”) in Corpus Christi, Texas.³ Corpus Christi is seeking authorization to export volumes in an amount up to 767 billion cubic feet (“Bcf”) on a cumulative basis over a two-year period 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.⁴ Corpus Christi requests that the term of this authorization commences December 12, 2020.

In support of this application, Corpus Christi states as follows:

¹ 15 U.S.C. § 717b.

² 10 C.F.R. Part 590.

³ Corpus Christi is authorized by the Federal Energy Regulatory Commission (“FERC”) to construct, operate and maintain LNG storage and export facilities in San Patricio and Nueces Counties, Texas. As approved by FERC to date, the LNG production capacity at the facility is approximately 15 million metric tons per annum (MMTPA). See *Corpus Christi Liquefaction, LLC, et al.*, 149 FERC ¶ 61,283 (Dec. 30, 2014).

⁴ 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, and with which trade is not prohibited by U.S. law or policy (“FTA countries”), and (ii) any other country with which trade is not prohibited by U.S. law or policy (“non-FTA countries”).

I.
DESCRIPTION OF THE APPLICANT

Corpus Christi Liquefaction, LLC is a Delaware limited liability company authorized to do business in Texas, with its principal place of business in Houston, Texas. Cheniere Marketing, LLC is a Delaware limited liability company authorized to do business in Texas and Louisiana, with its principal place of business in Houston, Texas. Corpus Christi Liquefaction, LLC and Cheniere Marketing, LLC are wholly-owned indirect subsidiaries of Cheniere Energy, Inc., a Delaware corporation with its principal place of business in Houston, Texas.

II.
COMMUNICATIONS AND CORRESPONDENCE

All correspondence and communications concerning this application, including all service of pleadings and notices, should be directed to the following persons:⁵

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Pursuant to Section 590.103(b) of DOE's regulations,⁶ Corpus Christi certifies that the persons listed above, and the undersigned, are the duly authorized representatives of

⁵ Corpus Christi requests waiver of Section 590.202(a) of DOE's regulations, to the extent necessary to include those listed above on the official service list in this proceeding. 10 C.F.R. § 590.202(a).

⁶ *Id.* at § 590.103(b).

Corpus Christi.

III. BACKGROUND

Corpus Christi holds the following NGA Section 3 authorizations allowing long-term export of LNG from the Liquefaction Project in Corpus Christi, Texas:

- DOE/FE Order No. 3164, authorizing export of 767 Bcf/year to FTA countries;⁷
- DOE/FE Order No. 3638, authorizing export of 767 Bcf/year to non-FTA countries.⁸

In sum, Corpus Christi is currently authorized to export LNG from the Liquefaction Project to FTA and non-FTA countries in a total, non-additive volume equivalent to 767 Bcf/yr of natural gas, pursuant to long-term authorizations.

IV. AUTHORIZATION REQUESTED

Corpus Christi requests blanket authorization to engage in short-term exports of LNG in an amount up to 767 Bcf cumulatively over a two-year period commencing December 12, 2020⁹ 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.

Corpus Christi is requesting authorization to export LNG for itself and as agent for third parties who themselves may hold title to the LNG at the time of export. Corpus Christi will comply with all DOE/FE requirements for exporters and agents, including the registration

⁷ *Cheniere Marketing, LLC*, DOE/FE Order No. 3164, FE Docket No. 12-99-LNG (Oct. 16, 2012). *See also Cheniere Marketing, LLC*, DOE/FE Order No. 3164-A, FE Docket No. 12-99-LNG et al. (Oct. 29, 2014) (adding Corpus Christi Liquefaction, LLC as authorization holder).

⁸ *Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC*, DOE/FE Order No. 3638, FE Docket No. 12-97-LNG (May 12, 2015).

⁹ Corpus Christi's existing blanket authorizations expire on December 31, 2020 and December 11, 2020, respectively. *Cheniere Marketing, LLC, et al.*, DOE/FE Order No. 4263, FE Docket No. 18-137-LNG (Sept. 28, 2018) (commenced December 31, 2018); *Cheniere Marketing, LLC, et al.*, DOE/FE Order No. 4298, FE Docket No. 18-137-LNG (Nov. 1, 2018) (commenced on the date of first export: December 11, 2018). For ease of administration, Corpus Christi requests that new authorizations commence on the same date and seeks any waivers that may be necessary to end the authorization granted under DOE/FE Order No. 4263 commensurate with effective date of the new authorizations requested herein.

requirements as first established in *Freeport LNG Expansion, L.P.*, DOE/FE Order No. 2913.¹⁰ In this regard, Corpus Christi, when acting as agent, will register with DOE/FE each LNG title holder for whom it seeks to export as agent, and will provide DOE/FE with a written statement by the title holder acknowledging and agreeing to: (1) comply with all requirements in Corpus Christi's export authorization; and (2) include those requirements in any subsequent purchase or sale agreement entered into by the title holder. No additional modifications to the Liquefaction Project are required to accommodate the export authorization requested herein. There are no other proceedings related to this application currently pending before any other federal agency.

III. **PUBLIC INTEREST**

Pursuant to Section 3 of the NGA, DOE/FE is required to authorize exports of natural gas to a foreign country unless there is a finding that such exports "will not be consistent with the public interest."¹¹ Courts have held that this provision in Section 3 creates a statutory presumption in favor of approving this application, which opponents bear the burden of overcoming.¹² Further, in evaluating an export application, DOE/FE applies the principles described in DOE Delegation Order No. 0204-111 (which focuses primarily on domestic need for the gas to be exported) and the Secretary's natural gas policy guidelines.¹³ As detailed

¹⁰ See *Freeport LNG Expansion, L.P. et al.*, DOE/FE Order No. 2913, FE Docket No. 10-160-LNG (Feb. 10, 2011), Errata Notice, DOE/FE Order No. 2913, FE Docket No. 10-160-LNG (Feb. 17, 2011).

¹¹ 15 U.S.C. 717b.

¹² In *Panhandle Producers & Royalty Owners Ass'n v. ERA*, 822 F.2d 1105, 1111 (D.C. Cir. 1987), the court found that Section 3 of the NGA "requires an affirmative showing of inconsistency with the public interest to deny an application" and that a "presumption favoring ... authorization ... is completely consistent with, if not mandated by, the statutory directive." See also *Indep. Petroleum Ass'n v. ERA*, 870 F.2d 168, 172 (5th Cir. 1989); *Panhandle Producers and Royalty Owners Ass'n v. ERA*, 847 F.2d 1168, 1176 (5th Cir. 1988).

¹³ See *Policy Guidelines and Delegation Orders From Secretary of Energy to Economic Regulatory Administration and Federal Energy Regulatory Commission Relating to the Regulation of Imported Natural Gas*, 49 Fed. Reg. 6,684 (Feb. 22, 1984).

below, Corpus Christi's proposal to export LNG on a short-term blanket basis to those countries with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by U.S. law or policy is consistent with Section 3 of the NGA and DOE/FE policy.

DOE/FE previously conducted an extensive public interest analysis in granting Corpus Christi's request for long-term multi contract export authorization.¹⁴ Granting the short-term blanket export authorization requested herein would provide Corpus Christi, with enhanced operational flexibility and the ability to export produced LNG cargoes under short-term contracts rather than under long-term contracts.

In granting recent applications for short-term blanket export authorization from facilities that have previously received long-term export authorizations, and therefore undergone an extensive public interest review, DOE/FE has concluded that "no additional public interest review beyond that conducted in the earlier non-FTA export proceedings is warranted."¹⁵ Nevertheless, the most recent U.S. Energy Information ("EIA") projections confirm a surplus of domestic natural gas supplies during the two-year term for which Corpus Christi seeks blanket export authorization.

EIA's 2020 Annual Energy Outlook states that the United States continues to produce historically high levels of natural gas, and that "[s]low growth in domestic consumption ... leads to increasing exports of ... liquefied natural gas."¹⁶ Further, the EIA's September 2020 Short-Term Energy Outlook forecasts that, despite a slight decline in U.S. dry natural gas production in 2020 compared to 2019 levels, U.S. natural gas consumption forecasts reflect that declines in

¹⁴ See *supra*, n. 7.

¹⁵ *Dominion Cove Point LNG, LP*, DOE/FE Order No. 4046, FE Docket No. 16-205-LNG (June 2, 2017).

¹⁶ *U.S. Energy Information Administration*, Annual Energy Outlook 2020 with Projections to 2050, pg. 2 (Jan. 29, 2020), available at <https://www.eia.gov/outlooks/aeo/pdf/AEO2020%20Full%20Report.pdf>.

consumption will outpace production declines.”¹⁷ As such, the requested export authorization does not warrant a finding that such exports are not consistent with the public interest.

VI. **ENVIRONMENTAL IMPACT**

Corpus Christi does not require any changes to existing facilities for the short-term exports for which blanket authorization is requested. Therefore, consistent with DOE/FE precedent and regulations, DOE action on this blanket application qualifies for categorical exclusion from the National Environmental Policy Act.¹⁸

VII. **APPENDICES**

The following appendices are attached hereto and incorporated by reference herein:

Appendix A: Verification

Appendix B: Opinion of Counsel

VIII. **CONCLUSION**

For the foregoing reasons, Corpus Christi respectfully requests that DOE/FE grant its request for blanket authorization, as discussed herein, to enable it to export LNG on a short-term basis in an amount up to 767 Bcf cumulatively over a two-year period commencing December 12, 2020 to any country with the ability to import LNG via ocean-going carrier and with which trade is not prohibited by U.S. law or policy. Corpus Christi

¹⁷ *U.S. Energy Information Administration*, Short-Term Energy Outlook, September 2020 (September 9, 2020), “STEO Current/Previous Forecast Comparisons: U.S. Energy Supply and Demand Summary,” at <https://www.eia.gov/outlooks/steo/pdf/compare.pdf>.

¹⁸ *See Dominion Cove Point LNG, LP* at pp. 14-15, *supra* n. 14; 10 C.F.R. Part 1021, Appendix B: Categorical Exclusions Applicable to Specific Agency Actions, at B5.7.

respectfully requests that DOE/FE grant such authorization as expeditiously as possible, but no later than December 1, 2020.

Respectfully submitted,



Florian Pintgen
Vice President, Commercial Operations
Cheniere Energy, Inc.

Dated: October 2, 2020



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October 2, 2020

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**Re: In the Matter of Cheniere Marketing, LLC and Corpus Christi Liquefaction,
LLC FE Docket No. 20-127-LNG
Application for Short-Term Blanket Authorization to Export LNG**

Dear Sir or Madam:

This opinion of counsel is provided in accordance with the requirements of section 590.202(c) of the U.S. Department of Energy's regulations, 10 C.F.R. § 590.202(c) (2020). I have examined the Limited Liability Company Agreements of the above referenced entities and other authorities as necessary and have concluded that the proposed exportation of LNG is within their respective corporate powers. Further, Corpus Christi Liquefaction, LLC is authorized to do business in Texas, and to engage in foreign commerce. Cheniere Marketing, LLC is authorized to do business in Texas and Louisiana, and to engage in foreign commerce.

Respectfully submitted,

Sean Markowitz

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