

The Honorable Secretary Ernest Moniz
US Department of Energy
Attn: Proposed Procedures
Office of Oil and Gas Global Security and Supply,
Office of Fossil Energy
Forrestal Building, Room 3E-042,
1000 Independence Avenue SW
Washington, D.C. 20585

Re: Proposed Procedures for LNG Export Decisions

Dear Secretary Moniz,

On June 4, 2014, the Department of Energy (“DOE”) published in the *Federal Register* a notice, *Proposed Procedures for Liquefied Natural Gas Export Decisions* (“Notice”), through which DOE has proposed to make final public interest determinations on applications to export liquefied natural gas (“LNG”) to non-free trade agreement countries (“non-FTA applications”) upon completion of a project’s review under the National Environmental Policy Act (“NEPA”). DOE also invited public comment on the proposal. In connection therewith, Cheniere Energy, Inc. (“Cheniere”) respectfully submits the following to supplement the public record and DOE’s consideration of this procedural matter.

Cheniere would like to express its support for the proposed revisions to the non-FTA application review procedures as detailed in the Notice. DOE notes in the Notice “the interconnected regulatory authority” the agency shares with the Federal Energy Regulatory Commission (“FERC”) for the permitting of LNG export facilities, including the review of LNG projects under NEPA. By considering progress through the comprehensive NEPA review coordinated by FERC, the changes proposed by DOE would assure that commercially mature LNG projects receive timely evaluation of their respective non-FTA export applications. The Energy Policy Act of 2005 (“EPA 2005”) appoints FERC “as the lead agency for the purposes of coordinating all applicable Federal authorizations” for reviewing LNG projects under NEPA, with a mandate that FERC “ensure expeditious completion of all such proceedings.”¹ EPA 2005 further sets a deadline of 90 days for those agencies “to complete all necessary reviews” and

¹ Pub. L. No. 109-58, § 313(a)(3), 119 Stat. 594, 689 (2005) (codified at 15 U.S.C. § 717n(b)(1), (c)(1)).

provide a final decision or authorization.² The procedure proposed in the Notice would align DOE's input as a cooperating agency in the NEPA review process with schedules set by FERC and, as required by EAct 2005, allow for the expeditious completion of those proceedings.

According to the Notice, DOE would deem the NEPA review process complete and a non-FTA application ready for final action:

“(1) For those projects requiring an [Environmental Impact Statement] (“EIS”), 30 days after publication of a Final EIS, (2) for projects for which an EA has been prepared, upon publication by DOE of a Finding of No Significant Impact ...”

These stated deadlines in our view represent reasonable time frames for DOE to review a non-FTA application and provide input as a participating agency in the NEPA review process. DOE's rigorous adherence to those schedules codified in the Notice and required under EAct 2005 will provide clarity, consistency and transparency to the regulatory review, and thereby avoid arbitrary regulation that would distort the development of the natural gas market.

DOE has demonstrated flexibility in adapting its review process of non-FTA applications with changing market conditions. As noted by DOE in the Notice, many LNG projects are moving forward with their review for NEPA permitting without the near-term prospect for the conditional non-FTA licenses granted under DOE's current order of processing. DOE's proposal would provide a rational path forward for evaluating projects and contributing to the NEPA review in a timely manner. We think this is the right approach, and we applaud DOE's effort to bring more clarity and certainty to the regulatory process.

Sincerely,

Charif Souki

² Id.