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Submitted electronically

<http://www.energy.gov/fe/2015-lng-study>

Mr. Robert Smith  
U.S. Department of Energy (FE-1)  
Office of Fossil Energy  
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1000 Independence Avenue SW.,  
Washington, DC 20585

Mr. Edward Myers  
U.S. Department of Energy (GC-76)  
Office of the Assistant General Counsel for  
Electricity and Fossil Energy  
Forrestal Building  
1000 Independence Avenue SW.,  
Washington, DC 20585

Re: 2014 EIA LNG Export Study  
and  
2015 LNG Export Study  
and  
Jordan Cove Energy Project LP, FE Docket No. 12-32-LNG

Dear Mr. Smith and Mr. Myers,

The U.S. Department of Energy (DOE) issued a “Notice of availability of the 2014 EIA LNG Export Study and the 2015 LNG Export Study, and request for comments” (Notice) that was published in the Federal Register on December 29, 2015. The Notice invites comments on the 2014 EIA LNG Export Study and/or the 2015 LNG Export Study to help inform DOE in its public interest determinations of the authorizations sought in the 29 non-FTA export applications identified in the Notice, one of which is the application of Jordan Cove Energy Project LP (Jordan Cove).

Neither the 2014 EIA LNG Export Study nor the 2015 LNG Export Study addresses the regional impact of LNG exports within the United States. While the models used in these studies are based on more granular regional data, the conclusions do not include regional impacts. As a result, the studies overlook regional economic contributions of LNG projects on the U.S. West Coast and potentially overestimate the price impact in a regional market where available supply is far greater than expected demand.

Jordan Cove will export LNG sourced from more abundant and less costly regional natural gas supplies that are not directly accessible to Gulf Coast markets, namely resources from the U.S. Rockies and Western Canada. The lower average cost of the natural gas supply available to Jordan Cove, coupled with abundant supply, underutilized pipeline capacity connecting Jordan Cove to the US Rockies and Western Canada, and a low regional gas

demand growth forecast, means (a) the likelihood of supply shortages and price increases is low in that regional market and (b) LNG exports from Jordan Cove will have little impact on the U.S. energy market as a whole.

The DOE should not disadvantage specific US LNG export projects like Jordan Cove as they must compete not only with other US projects but with Canadian LNG export projects on the West Coast, where, in many cases, export licenses are already in place without conditions. LNG exports from Canada would not only displace LNG exports from the US, and therefore displace the economic benefits of such LNG exports, but they would have the same price impact on the US gas market as a US LNG export project because of the connectivity of the US and Canadian markets.

Finally, the DOE should allow the market to pick the winners amongst the 29 non-FTA export applications on file. Receipt of a non-FTA export license does not necessarily mean that a project sponsor will develop the project (final investment decisions are only made after all permits and licenses have been received), so limiting export licenses to an arbitrary LNG export ceiling may lead to exports far below that prescribed level, which means the US would forgo the economic benefits. Furthermore, even if export capacity is overbuilt the market will ultimately determine the level of LNG exports from the US such that the domestic price of natural gas should stay below the global price of LNG less transportation costs.

In conclusion, while both studies verify that an increase in LNG exports from 12 to 20 Bcf/d would have a positive macroeconomic impact on the United States, those studies do not differentiate between the impact, both in terms of natural gas pricing and economic benefit, on different regions of the United States and the US West Coast stands out as uniquely positioned to benefit from LNG exports relative to other regions of the country. Thank you for your consideration of Jordan Cove's comments.

Sincerely,



Elizabeth Spomer  
Executive Vice President, Veresen, Inc.  
President & CEO, Jordan Cove LNG