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

March 12, 2020

Mr. Steven Windberg
Assistant Secretary for Fossil Energy
U.S. Department of Energy (FE-34)
Attn: Term Extension – Proposed Policy Statement
Office of Regulation, Analysis, and Engagement
Office of Fossil Energy
P.O. Box 44375
Washington, D.C. 20026-4375

Re: Comments of Dominion Energy Cove Point, LP, On Extending Natural Gas Export Authorizations To Non-Free Trade Agreement Countries Through The Year 2050

Dear Mr. Windberg:

Pursuant to the Notice of proposed policy statement and request for comments issued by the Department of Energy (DOE) published in the Federal Register on February 11, 2020 (85 Fed. Reg. 7672), Dominion Energy Cove Point LNG, LP ("DECP") hereby submits these comments in support of the DOE's proposed policy change.

DECP owns and operates the Cove Point Terminal in Calvert County, Maryland (the "Terminal"), as well as an 88-mile natural gas pipeline connecting the Terminal to the interstate pipeline grid. The Terminal has long been used to import liquified natural gas (LNG). Beginning in 2018, DECP began to export LNG from the Terminal, rendering it a bi-directional facility capable of both imports and exports.

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 free trade agreement (FTA) requiring national treatment for trade in natural gas ("FTA countries") in a volume up to the equivalent of 365 Bcf of natural gas per year. In DOE/FE Order No. 3331, issued September 11, 2013, DOE/FE conditionally authorized DECP 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 counties") for a term of 20 years. 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 MTPA, the liquefaction capacity of DECP's Liquefaction Project. Following approval by the Federal Energy Regulatory Commission of the Liquefaction

Project, DOE/FE reaffirmed this authorization as a final order in Order No. 3331-A issued on May 7, 2015.

LNG exports are important to providing clean, safe, and affordable energy to countries around the world, as well as providing a significant economic benefit to the United States as DOE/FE has consistently recognized in a series of macro-economic studies it sponsored, as well as in numerous orders authorizing exports for particular projects. In Order No. 3331-A (at page 100), DOE/FE rejected DECP's request for a 25-year term authorization, explaining that the 2012 study contained projections extending only 20 years and with regard to specified LNG export volumes. The most recent DOE macroeconomic study, however, analyzes unconstrained, market-determined, export volumes through the year 2050.

Thus, the most recent study commissioned by the DOE supports the proposed policy of authorizing exports through 2050, for both new export authorizations and existing authorization holders that opt for such an extension. In addition, longer-term export authorizations would be more consistent with the expected economic life of facilities like DECP's Terminal, which is much longer than 20 years. Longer authorizations also will allow LNG exporters like DECP the ability to extend the term of existing contractual agreements for the benefit of their customers around the world. For these reasons, DECP fully supports DOE's proposal to change its standard 20-year export term for non-FTA exports to an extended term through 2050. DECP also supports the proposed simplified process for an administrative amendment to extend current authorizations to non-FTA countries through the year 2050 with an attendant increase in the total export volumes over the life of the authorization.

In addition, DECP respectfully requests clarification from DOE regarding the statement in the Notice (at 7678) stating that the proposed term extension "would not alter the maximum daily rate of export" approved under current export authorizations. Existing authorizations – like DECP's in Order No. 3331-A – are stated in terms of quantities of natural gas that may be exported per ***year***. Accordingly, to avoid any potential confusion, DECP requests clarification when DOE/FE acts on its policy proposal that export quantities on any given day are permissible so long as a non-FTA exporter does not exceed its authorized annual quantity.

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

Respectfully submitted,

/s/ *Colin J. Walthall*

Colin J. Walthall
Regulatory and Certificates Analyst