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

**Annova LNG Common  
Infrastructure, LLC**

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**FE Docket No. 13-140-LNG**

**APPLICATION OF ANNOVA LNG COMMON INFRASTRUCTURE, LLC  
TO AMEND LONG-TERM, MULTI-CONTRACT AUTHORIZATION  
TO EXPORT LIQUEFIED NATURAL GAS TO  
FREE TRADE AGREEMENT NATIONS**

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Pursuant to section 3 of the Natural Gas Act (“NGA”)<sup>1</sup> and Part 590 of the United States Department of Energy’s (“DOE”) regulations,<sup>2</sup> Annova LNG Common Infrastructure, LLC (“Annova” or “Applicant”) hereby submits this application (“Application”) to amend its existing authorization granted in the DOE Office of Fossil Energy’s (“DOE/FE”) Order No. 3394,<sup>3</sup> as amended by DOE/FE Order No. 3464 (the “FTA Authorization”).<sup>4</sup> DOE/FE Order No. 3394 granted Annova LNG, LLC long-term, multi-contract authorization to engage in exports of domestically produced liquefied natural gas (“LNG”) in a volume equivalent to 342 billion cubic feet per year (Bcf/yr) of natural gas, for a 30-year term to any country with which the United States currently has, or in the future will have, a Free Trade Agreement (“FTA”) requiring the

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<sup>1</sup> 15 U.S.C. § 717b (2018).

<sup>2</sup> 10 C.F.R. Part 590 (2019).

<sup>3</sup> *Annova LNG, LLC*, DOE/FE Order No. 3394, FE Docket No. 13-140-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Annova LNG Terminal in Brownsville, Texas, to Free Trade Agreement Nations (Feb. 20, 2014) (“DOE/FE Order No. 3394”).

<sup>4</sup> *Annova LNG Common Infrastructure, LLC*, DOE/FE Order No. 3464, FE Docket Nos. 14-004-CIC & 13-140-LNG, Order Approving Change in Control to Annova LNG Common Infrastructure, LLC of Authorization Allowing Exports of Liquefied Natural Gas to Free Trade Agreement Nations (July 17, 2014) (“DOE/FE Order No. 3464”).

national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy. DOE/FE Order No. 3464 authorized Annova LNG, LLC to transfer the FTA Authorization to Applicant.

This Application seeks to amend the FTA Authorization as follows: (1) increase the volume of exports authorized in the FTA Authorization by 18 Bcf/yr to 360 Bcf/yr; (2) request a 30-year term for the FTA Authorization, commencing on the earlier of the date of first commercial export or eight years from the date DOE/FE issues an order approving this Application; and (3) request authorization to continue exports for a total of three years following the end of the export term to export make-up volumes. This Application seeks to align the volume authorized under the FTA Authorization with the maximum output at optimal operating conditions of Annova's proposed natural gas liquefaction and export facilities located on the Brownsville Ship Channel in Cameron County, Texas ("Project"), as established in Annova's application to construct and operate the Project before the Federal Energy Regulatory Commission ("FERC").<sup>5</sup>

In support of this Application, Annova states as follows:

## **I. COMMUNICATIONS AND CORRESPONDENCE**

All correspondence and communications concerning this Application, including all service of pleadings and notices, should be directed to the following persons:<sup>6</sup>

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<sup>5</sup> Application of Annova LNG Common Infrastructure, LLC, et al. for Authorization Under Section 3 of the Natural Gas Act, *Annova LNG Common Infrastructure, LLC*, Docket No. CP16-480-000 (July 13, 2016) ("FERC Application").

<sup>6</sup> Annova requests waiver of Section 590.202(a) of DOE's regulations to the extent necessary to include outside counsel on the official service list for this proceeding. *See* 10 C.F.R. § 590.202(a).

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## **II. DESCRIPTION OF APPLICANT**

The exact legal name of Applicant is Annova LNG Common Infrastructure, LLC. Applicant is a limited liability company organized under the laws of Delaware. The purpose of Applicant is to facilitate financing of the Project, to construct and operate the export facilities, to own certain common facilities, and to hold the Project's permits. Applicant's principal place of business is 1221 Lamar Street, Suite 750, Houston, TX 77010.<sup>7</sup> Applicant is an indirect subsidiary of Exelon Corporation, in which subsidiary also each of Black & Veatch Corporation, Kiewit Corporation, and Enbridge Inc. indirectly holds respective minority membership interests.

## **III. BACKGROUND**

On October 9, 2013, Annova LNG, LLC filed with DOE/FE an application for long-term, multi-contract authorization to export LNG from the Project to FTA nations, requesting approval to export 342 Bcf/yr of natural gas.<sup>8</sup> On February 20, 2014, DOE/FE issued the FTA

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<sup>7</sup> Effective July 1, 2019, Applicant's principal place of business will be 1001 Louisiana, Suite 2300, Houston, TX 77002.

<sup>8</sup> Application of Annova LNG, LLC for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas, *Annova LNG, LLC*, FE Docket No. 13-140-LNG (Oct. 9, 2013).

Authorization, approving exports of domestically-produced LNG from the Project in volumes equivalent to 342 Bcf/y of natural gas for a 30-year term, beginning on the earlier of the date of first export or eight years from the date the FTA Authorization was issued.<sup>9</sup> The FTA Authorization authorized Annova LNG, LLC to export such LNG on its own behalf or as agent for other entities who hold title to the natural gas, pursuant to one or more long-term contracts.<sup>10</sup> DOE/FE subsequently issued an order approving the assignment of the FTA Authorization from Annova LNG, LLC to Applicant.<sup>11</sup>

On July 13, 2016, Applicant, along with Annova LNG Brownsville A, LLC, Annova LNG Brownsville B, LLC, and Annova LNG Brownsville C, LLC, filed with FERC an application for authorization under section 3 of the Natural Gas Act (“FERC Application”), seeking authorization to site, construct, and operate the Project in FERC Docket No. CP16-480-000.<sup>12</sup> In the FERC Application, Annova requested authorization to construct and operate liquefaction and marine transfer facilities that include, among other things, six liquefaction trains, each with a nameplate capacity of 1.0 million tonnes per annum (“mtpa”), for an aggregate nameplate capacity of 6 mtpa and a maximum output at optimal operating conditions of 6.95 mtpa.

On February 26, 2019, Annova filed with DOE/FE an Application for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations

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<sup>9</sup> See DOE/FE Order No. 3394 at Ordering Para. A.

<sup>10</sup> *Id.*

<sup>11</sup> See DOE/FE Order No. 3464 at Ordering Para. B.

<sup>12</sup> See FERC Application, *supra* note 5.

(“Non-FTA Application”).<sup>13</sup> Consistent with the Project’s maximum output at optimal operating conditions as set forth in the FERC Application, the Non-FTA Application requested authorization to export domestically-produced LNG in an amount equivalent to 360 Bcf/yr.<sup>14</sup>

#### **IV. REQUESTED AMENDMENT**

Annova hereby requests that DOE/FE amend the FTA Authorization to permit it to export LNG from the Project in volumes equivalent to 360 Bcf/yr. Annova requests a 30-year term for the amended FTA Authorization, commencing on the earlier of the date of first commercial export or eight years from the date DOE/FE issues an order approving this Application. Additionally, Annova requests that it be permitted to continue exports for a total of three years following the end of the export term requested herein, solely to export any make-up volumes that it was unable to export during the original export period. This Application does not otherwise seek to modify the remaining terms of the FTA Authorization.

#### **V. STANDARD OF REVIEW**

Section 3(c) of the NGA requires that applications for authorization to export natural gas, including LNG, to countries with which there is in effect an FTA requiring the national treatment of trade in natural gas “be deemed to be consistent with the public interest” and “granted without modification or delay.”<sup>15</sup> The DOE/FE has found that, in light of its statutory obligation to grant such applications without delay or modification, there is no need for it to review factors affecting

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<sup>13</sup> Application of Annova LNG Common Infrastructure, LLC for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations, *Annova LNG Common Infrastructure, LLC*, FE Docket No. 19-34-LNG (Feb. 26, 2019).

<sup>14</sup> *Id.*

<sup>15</sup> 15 U.S.C. § 717b(c).

the public interest.<sup>16</sup> This Application falls within the scope of Section 3(c) of the NGA, and should be processed and approved in accordance with this standard.

## VI. APPENDICES

The following appendices are attached hereto:

Appendix A: Verification

Appendix B: Opinion of Counsel

## VII. CONCLUSION

For the reasons set forth above, Annova respectfully requests that the DOE/FE issue an order amending the FTA Authorization granted in DOE/FE Order No. 3394, as discussed herein.

Respectfully submitted,

*/s/ Brett A. Snyder*

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*Counsel to Annova LNG Common  
Infrastructure, LLC*

Dated: June 4, 2019

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<sup>16</sup> See, e.g., *Fourchon LNG, LLC*, DOE/FE Order No. 4162, FE Docket No. 17-105-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Fourchon LNG Facility in Lafourche Parish, Louisiana, to Free Trade Agreement Nations at 6 (Mar. 11, 2018); *Venture Global Plaquemines LNG, LLC*, DOE/FE Order No. 3866, FE Docket No. 16-28-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Plaquemines LNG Terminal in Plaquemines Parish, Louisiana, to Free Trade Agreement Nations at 6 (July 21, 2016); *Cameron LNG, LLC*, DOE/FE Order No. 3059, FE Docket No. 11-145-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas By Vessel From the Cameron LNG Terminal to Free Trade Agreement Nations at 5 (Jan. 17, 2012); *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 2833, FE Docket No. 10-85-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas From Sabine Pass LNG Terminal to Free Trade Nations at 5 (Sept. 7, 2010).

## **APPENDIX A**

### **Verification**



VERIFICATION

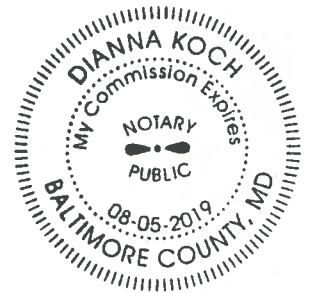
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State of Maryland    )

BEFORE ME, the undersigned authority, on this day personally appeared Susan B. Bergles, who, having been by me first duly sworn, on oath says that she is legal counsel for Annova LNG Common Infrastructure, LLC, and is duly authorized to make this Verification on behalf of such company, that she has read the foregoing instrument, and that the facts therein stated are true and correct to the best of her knowledge, information and belief.

  
Susan B. Bergles

SWORN TO AND SUBSCRIBED before me on this 29 day of May, 2019.

  
Notary Public



**APPENDIX B**

**Opinion of Counsel**

OPINION OF COUNSEL

May 29, 2019

Amy Sweeney  
Director, Division of Natural Gas Regulation  
Office of Regulation, Analysis and Engagement  
Office of Fossil Energy, FE-34  
1000 Independence Ave, SW  
Washington, DC 20585

**Re: Annova LNG Common Infrastructure, LLC  
Application to Amend Long-Term, Multi-Contract Authorization to  
Export Liquefied Natural Gas to Free Trade Agreement Nations**

Dear Ms. Sweeney:

This opinion of counsel is submitted pursuant to Section 590.202(c) of the regulations of the United States Department of Energy, 10 C.F.R. § 590.202(c) (2019). I am in house counsel to Annova LNG Common Infrastructure, LLC (“Annova”).

I have reviewed the organizational and internal governance documents of Annova and it is my opinion that the proposed export of natural gas as described in the application filed by Annova, to which this Opinion of Counsel is attached as Appendix B, is within the company powers of Annova.

Respectfully submitted,



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## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list in this proceeding.

Dated at Washington, DC this 4<sup>th</sup> day of June, 2019.

*/s/ Lamiya Rahman*

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