

 ORIGINAL

TOTAL GAS & POWER NORTH AMERICA, INC.



March 29, 2010

Mr. John Anderson
Manager, Natural Gas Regulatory Activities
Office of Oil & Gas Global Security and Supply
Fossil Energy, U.S. Department of Energy
Docket Room 3E-042, Forrestal Building
1000 Independence, Avenue, S.W.
Washington, D.C. 20585

Via Federal Express
Overnight Priority Delivery

Re: ***TOTAL GAS & POWER NORTH AMERICA, INC.***
FE Docket No. 10-31-LNG

Dear Mr. Anderson:

Pursuant to Part 590 of the regulations of the Department of Energy ("DOE"), 10 C.F.R. Pt. 590 (2008), please find enclosed the application of TOTAL GAS & POWER NORTH AMERICA, INC. ("TGPNA") for long-term authorization to import liquefied natural gas from the country of Yemen pursuant to Section 3 of the Natural Gas Act, as amended. Also please find enclosed a check for \$50 made payable to the Treasury of the United States as required by 10 C.F.R. § 590.207.

Pursuant to 10 C.F.R. §§ 590.202(e) and 1004.11, TGPNA separately provided the DOE with a copy of the Sale and Purchase Agreement ("SPA"), both the "confidential" and public domain copies.

Attached as Exhibit B, TGPNA is providing one original copy of the application extract entitled "Application for LNG Sourced from Yemen" clearly marked "Contains Confidential Information—Do Not Release" and three copies with the confidential information redacted from the Exhibit. The redacted copies of the Exhibit are clearly marked "Privileged Information Removed for Confidential Treatment." Notwithstanding the filing of a redacted copy of the Exhibit, TGPNA reserves its right, pursuant to 10 C.F.R. § 1004.11(c), to be notified prior to any disclosure of the confidential information and to be allowed an opportunity to submit its views with respect to such disclosure. TGPNA further requests that you return the unredacted copy of the Exhibit to TGPNA following your Office's action on the application.



TOTAL GAS & POWER NORTH AMERICA, INC.

Mr. John Anderson
Manager, Natural Gas Regulatory Activities
March 29, 2010
Page 2

Please file stamp the enclosed extra copies of this application and return them to my attention using the enclosed self-addressed Federal Express Airbill. Thank you for your attention to this matter.

Respectfully submitted,



Rochelle M. Pleasant, CP
Corporate Paralegal & Sr. Contract Analyst

 ORIGINAL

UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY



TOTAL GAS & POWER NORTH
AMERICA, INC.

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)

FE Docket No. 10-~~38~~-LNG

APPLICATION OF TOTAL GAS & POWER NORTH AMERICA, INC.
FOR LONG-TERM AUTHORIZATION
TO IMPORT LIQUEFIED NATURAL GAS
FROM YEMEN

Bruce E. Henderson
President & General Manager
TOTAL GAS & POWER NORTH
AMERICA, INC.
Total Plaza
1201 Louisiana, Suite 1600
Houston, Texas 77002
(713) 647-4008

Fundi A. Mwamba
Managing Counsel
TOTAL GAS & POWER NORTH
AMERICA, INC.
Total Plaza
1201 Louisiana, Suite 1600
Houston, Texas 77002
(713) 647-4058

March 29, 2010

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



TOTAL GAS & POWER NORTH
AMERICA, INC.

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FE Docket No. 10-~~38~~-LNG

**APPLICATION OF TOTAL GAS & POWER NORTH AMERICA, INC.
FOR LONG-TERM AUTHORIZATION
TO IMPORT LIQUEFIED NATURAL GAS
FROM YEMEN**

Pursuant to Section 3 of the Natural Gas Act (“NGA”), as amended,¹ and Part 590 of the Regulations of the DOE, Office of Fossil Energy (“OFE”),² TOTAL GAS & POWER NORTH AMERICA, INC. (“TGPNA”) hereby submits this application for long-term authorization to import liquefied natural gas (“LNG”) from the country of Yemen for a term of 20 years commencing on April 1, 2010, pursuant to a Sale and Purchase Agreement (“SPA”) between TGPNA and TOTAL GAS & POWER LIMITED (“TGPL”), and an executed agreement between and TGPL and Yemen LNG Company Ltd. (“Yemen”). In support of this application, TGPNA respectfully shows as follows:

¹ 15 U.S.C. § 717b (2006). This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redlegation Order No. 00-002.04B (September 23, 2005).

² 10 C.F.R. Pt. 590 (2008).

I.
CORRESPONDENCE AND COMMUNICATIONS

Correspondence and communications regarding this application should be addressed to the following:

Bruce E. Henderson
President & General Manager
TOTAL GAS & POWER NORTH
AMERICA, INC.
Total Plaza
1201 Louisiana, Suite 1600
Houston, Texas 77002
(713) 647-4008

Fundi A. Mwamba
Managing Counsel
TOTAL GAS & POWER NORTH
AMERICA, INC.
Total Plaza
1201 Louisiana, Suite 1600
Houston, Texas 77002
(713) 647-4058

And

John S. Decker
James E. Olson
Vinson & Elkins L.L.P.
The Willard Office Building
1455 Pennsylvania Avenue, N.W.
Washington, DC 20004
(202) 639-6599

II.
BACKGROUND

TGPNA is a corporation organized under the laws of the State of Delaware, with its principal place of business at 1201 Louisiana, Suite 1600, Houston, Texas 77002. TGPNA is an indirect wholly-owned subsidiary of TOTAL S.A., which has its principal place of business at 2, place Jean Miller – La Défense 6, 92078 La Défense Cedex, France. Pursuant to authorizations previously granted to TGPNA by the OFE, TGPNA engages in the business of importing LNG from various international sources.³

³ TGPNA also has authority to import LNG pursuant to DOE/FE Order Nos. 2598, 2598-A and 2609.

III. LONG-TERM AUTHORIZATION REQUESTED

TGPNA is seeking long-term authorization to import LNG from the country of Yemen effective on April 1, 2010, pursuant to the terms of the SPA and Exhibit B (the “Yemen Attachment”). TGPNA and TGPL have entered into the SPA, which contains the agreement between TGPNA and TGPL for the importation of LNG into the United States.

Pursuant to the terms of the SPA and Yemen Attachment, TGPNA will purchase LNG from TGPL for importation into the United States. Upon importation, TGPNA will sell the LNG and the natural gas resulting from vaporization of the LNG to various third parties in the regular course of business. The point of entry for the importation of LNG into the United States will be primarily the LNG terminalling and vaporization facilities located near Sabine Pass, Louisiana, as well as all other existing LNG receiving facilities in the United States and any such other LNG terminals as may be constructed in the future (the “LNG Terminal(s)”), though any such future construction is not necessary for the performance of the SPA or the Yemen Attachment.

Importation of LNG under the SPA will commence on April 1, 2010 and continue for 20 years. TGPNA will purchase LNG from TGPL under the SPA in an amount up to the annual contract quantity of approximately 104,200,000 MMBtu (approximately 105 Bcf) per year of LNG, with TGPL having the right to increase the annual quantity if there is sufficient supply and capacity. A portion of the contract quantity may be sourced from Yemen up to 105 Bcf per year.

The price TGPNA will pay TGPL for the LNG it purchases under the SPA is a formula based on published natural gas index prices appropriate for each receiving terminal. The price may also include an allocation of fixed and variable terminal costs. Because the contract price for LNG under the SPA is linked to published natural gas price indices, the price of LNG supplied during the term of the SPA will remain competitive.

V. ENVIRONMENTAL IMPACT

TGPNA intends to use existing facilities for importing LNG and, in the future, any other such facilities that happen to be constructed in the United States. However, no construction of new facilities in the United States is necessary in order for the parties to perform their obligations fully under the terms of the SPA and the Yemen Attachment. Consequently, granting this application will not involve a federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act.⁴ Accordingly, neither an environmental impact statement, nor an environmental assessment, is required.

VI. THE PUBLIC INTEREST

Section 3 of the NGA provides that an import or export of natural gas must be authorized unless there is a finding that it “will not be consistent with the public interest.”⁵ Under Section 3(c), the importation of LNG “shall be deemed to be consistent with the public interest, and applications for such importation ... shall be granted without modification or delay.”⁶ The long-term import authorization sought by TGPNA herein meets the Section 3(c) criterion and, therefore, is consistent with the public interest.

VII. REPORTING REQUIREMENTS

In accordance with DOE/FE Order No. 2464 and its other existing import authorization, TGPNA agrees to follow the reporting requirements listed below as a condition to receiving the requested long-term import authorization:

⁴ 42 U.S.C. § 431, *et seq.* (2000).

⁵ 15 U.S.C. § 717b(a) (2006).

⁶ 15 U.S.C. § 717b(c). *See also Sonat Energy Services Co.*, Order Granting Long-Term Authorization to Import Liquefied Natural Gas From Trinidad and Tobago, DOE/FE Order No. 1549, FE Docket No. 99-93-LNG (Dec. 8, 1999).

- A. Within two weeks after deliveries begin, TGPNA must provide written notification to OFE of the date on which the first import of LNG occurred pursuant to the authorization requested herein.
- B. With respect to the LNG imports authorized in this docket, TGPNA will file within 30 days following the last day of each calendar month a report indicating whether imports have been made describing: (1) the name of the U.S. receiving terminal; (2) the name of the LNG tanker; (3) the date of arrival at the U.S. receiving terminal; (4) the country of origin; (5) the name of the supplier/seller; (6) the volume in Mcf; (7) the landed price per MMBtu at the point of import; (8) the duration of the supply agreement (indicating spot purchases); (9) the name(s) of the purchaser(s); and (10) the geographic market(s) served (listing state(s), U.S. Census Region(s), or general U.S. geographic area(s));

VIII. CORPORATE POWER OF COMPANY

The opinion of counsel, required by 10 C.F.R. § 590.202(c) (2008), showing that the proposed importation of LNG is within the corporate powers of TGPNA, is attached as Exhibit A.

IX. RELATED REGULATORY PROCEEDINGS

TGPNA's request for long-term import authorization is not being considered by any other part of DOE, including the Federal Energy Regulatory Commission, or any other federal agency or department.

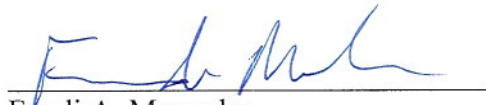
IX.
RELATED REGULATORY PROCEEDINGS

TGPNA's request for long-term import authorization is not being considered by any other part of DOE, including the Federal Energy Regulatory Commission, or any other federal agency or department.

X.
CONCLUSION

WHEREFORE, for the foregoing reasons, TGPNA respectfully requests that OFE grant the instant application for long-term import authorization to import LNG from the country of Yemen commencing upon approval of this request by the OFE. TGPNA submits that a grant of such authorization would be consistent with the public interest.

Respectfully submitted,



Fundi A. Mwamba
Managing Counsel
TOTAL GAS & POWER NORTH
AMERICA, INC.
Total Plaza
1201 Louisiana, Suite 1600
Houston, Texas 77002

Bruce E. Henderson
President & General Manager
TOTAL GAS & POWER NORTH
AMERICA, INC.
Total Plaza
1201 Louisiana, Suite 1600
Houston, Texas 77002

Dated: March 29, 2010

EXHIBIT A

CORPORATE POWER OF ATTORNEY

TOTAL GAS & POWER NORTH AMERICA, INC.

March 29, 2010

Mr. John Anderson
Manager, Natural Gas Regulatory Activities
Office of Oil & Gas Global Security and Supply
Fossil Energy, U.S. Department of Energy
Docket Room 3E-042, Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Mr. Anderson:

This opinion is furnished in accordance with the requirements of 10 C.F.R. § 590.202(c), in conjunction with the application of TOTAL GAS & POWER NORTH AMERICA, INC. ("TGPNA") for an order requesting long-term authorization to import liquefied natural gas into the United States pursuant to Section 3 of the Natural Gas Act, as amended.

I am counsel for TGPNA in the above-referenced matter, and as such, I am familiar with the Articles of Incorporation, By-laws, and corporate records of TGPNA. I have examined these and other relevant documents and am of the opinion that the proposed importation of liquefied natural gas by TGPNA is within the corporate powers of TGPNA.

This opinion is submitted solely for the purpose of this matter, and may not be relied upon by the Office of Fossil Energy, or by any other governmental entity, or any person, for any other purpose.

Respectfully Submitted,



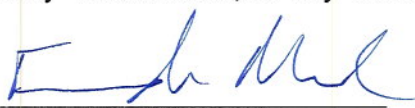
Fundi A. Mwamba
Attorney for
TOTAL GAS & POWER NORTH AMERICA, INC.



VERIFICATION

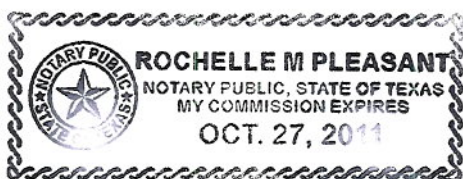
The State of Texas)
)
County of Harris)

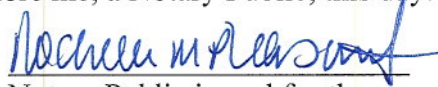
Fundi Mwamba, declares before me on this date and says that he is Managing Counsel for TOTAL GAS & POWER NORTH AMERICA, INC., the applicant in this document; that he is authorized to verify the foregoing document pursuant to 10 C.F.R. § 590.103; that he has examined the statements contained therein and that all such statements are true and correct to the best of his knowledge, information and belief; and that he is the duly authorized representative of TOTAL GAS & POWER NORTH AMERICA, INC.; and that to the best of his knowledge, neither this nor any related matter is being considered by any other part of the Department of Energy, including the Federal Energy Regulatory Commission, or any other federal agency or department.



Fundi Mwamba

SUBSCRIBED and SWORN TO before me, a Notary Public, this day: March ^{29th}, 2010.





Notary Public in and for the
State of Texas

My Commission Expires: 10.27.2011

EXHIBIT B

APPLICATION EXTRACT TITLED “LNG SOURCED FROM YEMEN”

**BY AGREEMENT BETWEEN YEMEN LNG COMPANY LTD.
AND TOTAL GAS & POWER LIMITED**

(addresses 10 C.F.R. § 590.202(b) (1), (2) and (3))

Application for LNG Sourced from Yemen

Section 1: LNG Project Details

Name of LNG Project

Yemen LNG

Size of Project

Plant	Name	Start-Up	Design capacity (MT/Y)	Design capacity BTU approximate equivalent (1mtpa = 52 TBTU)
Yemen LNG T1	Train 1	2009	<input type="text"/>	<input type="text"/> BTU
Yemen LNG T2	Train 2	2010	<input type="text"/>	<input type="text"/> BTU

Yemen LNG Shareholders:

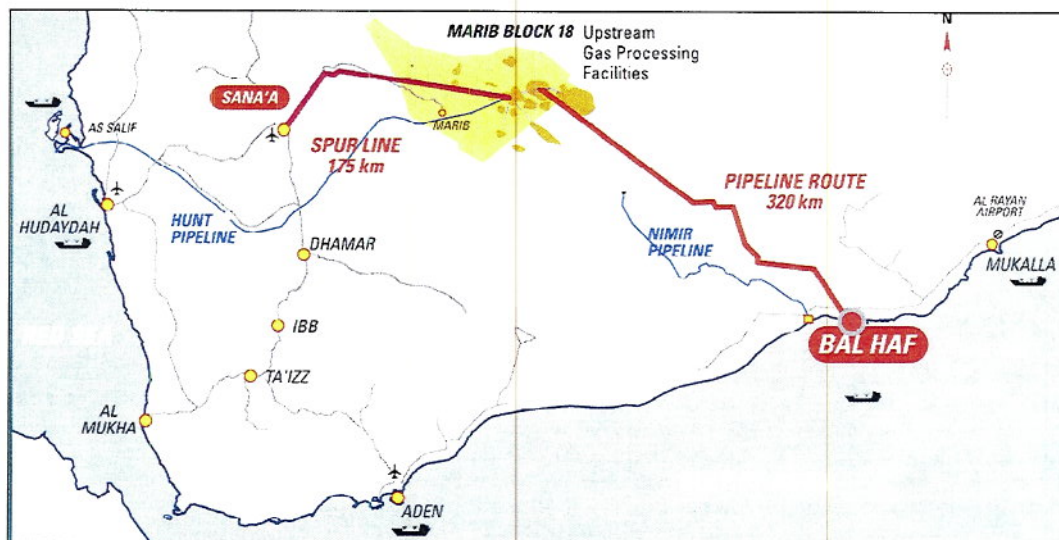
Shareholder	
Hunt Oil	17.22 %
Hyundai LNG	5.88 %
Kogas	6.00 %
SK Energy	9.55 %
Total	39.62 %
Yemen Gas Company	16.73 %
GAASP (Yemeni Government Pension Authority)	5.00%

Date of Commencement / Completion of Supplies

[NOTE: Information in this section is Confidential and Not for the Public Domain]

Location of Facilities

The Yemen LNG plant is located in Bal Haf, Yemen.



Red dot: YLNG plant location

Section 2: Details of the LNG to be sourced for the TGP-TGPNA LNG SPA

Volumes Contracted by Total Gas & Power Limited

Total Gas & Power Limited signed a contract with Yemen LNG Company Ltd (YLNG) on 26 August 2005 for the purchase of of LNG per annum.

Security of Supply

[NOTE: Information in this section is Confidential and Not for the Public Domain]

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Description of project gas reserves

[NOTE: Information in this section is Confidential and Not for the Public Domain]

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Section 3: Information on Transaction Participants

Full Chain Contract Structure

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Total Entity Relationships including Shareholding Structure

[NOTE: Information in this section is Confidential and Not for the Public Domain]

