

May 26, 2011

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VIA HAND DELIVERY
Mr. John A. Anderson
Office of Fossil Energy
U.S. Department of Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, DC 20585



RE: Lake Charles Exports, LLC, Docket No. 11-59-LNG
Amendment to Application for Long-Term Authorization to Export Liquefied Natural Gas

Dear Mr. Anderson:

On May 6, 2011, Lake Charles Exports, LLC ("LCE") filed an Application for Long-Term Authorization to Export Liquefied Natural Gas in Docket No. 11-59-LNG ("Application"). LCE is hereby submitting an amendment to the Application. Please contact Betsy Spomer at (713) 599-3744 if you have any questions regarding this filing.

Respectfully submitted,

Robert O. Bond
Senior Vice President
Pipeline Operations
Southern Union Company

Elizabeth Spomer
Senior Vice President
Americas and Global LNG Region
BG North America, LLC

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

Lake Charles Exports, LLC)
)
) Docket No. 11-59-LNG

**AMENDMENT TO APPLICATION OF LAKE CHARLES EXPORTS, LLC FOR
LONG-TERM AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS**

On May 6, 2011, Lake Charles Exports, LLC (“LCE”) filed an Application for Long-Term Authorization to Export Liquefied Natural Gas in Docket No. 11-59-LNG (“Application”). In the Application, LCE requested long-term authorization to export up to 15 million tons per year of liquefied natural gas (“LNG”) (approximately equivalent to 2 billion cubic feet of gas per day (“bcf/d”)) produced from domestic sources for a 25-year period commencing on the earlier of the date of first export or ten years from the date the requested authorization is granted.

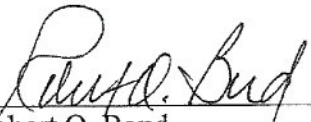
LCE is hereby submitting an amendment to the Application with respect to two issues. First, LCE amends the Application to request authorization to export LNG on its own behalf or as agent for BG LNG Services, LLC (“BGLS”). As set forth in the Application, LCE will enter into a long-term LNG export contract with BGLS on a date that is closer to the date of first export. Pursuant to the agreement, LCE will purchase LNG from BGLS at the Lake Charles Terminal for delivery to markets around the world. LCE is aware the DOE/FE has established a non-binding policy that title for all LNG authorized for export must be held by the authorization holder at the point of export.¹ LCE prefers to take title from BGLS at the point of export (*i.e.*, the flange between the Lake Charles Terminal and the offloading LNG tanker) and requests that DOE/FE waive the *Dow Chemical* policy to permit LCE to be the exporter under such an arrangement. It would be administratively difficult for LCE to take title from BGLS prior to the

¹ *The Dow Chemical Co.*, DOE/FE Order No. 2859 (Oct. 5, 2010).


point of export while complying with the Federal Energy Regulatory Commission's policy that a shipper must hold title to all gas (including LNG) being transported or stored using the shipper's capacity. If DOE/FE determines that it will not waive its non-binding policy, then LCE will use its authorization to export LNG as agent for BGLS. If LCE uses its authorization to export LNG as agent for BGLS, LCE will comply with the requirements of ordering paragraphs J, K, and L of Order No. 2961 to the extent applicable.²

Second, LCE clarifies that its agreement with BGLS will have a 25-year term that will run concurrently with LCE's export authorization, not a 20-year term as stated in the Application.³

Respectfully submitted,



Robert O. Bond
President and COO
Trunkline LNG Holdings, LLC
Member of Lake Charles Exports, LLC



Elizabeth Spomer
Senior Vice President
BG LNG Services, LLC
Member of Lake Charles Exports, LLC

Dated May 26, 2011

² *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 2961 (May 20, 2011). LCE notes that certain aspects of ordering paragraphs J, K, and L, which contemplate multiple parties exporting under multiple agreements, may not be applicable here as LCE is requesting authorization to act as agent for BGLS only, and the only export contract will be the LCE/BGLS agreement.

³ Application at p. 5.