

ORIGINAL

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY



IN THE MATTER OF)
) FE DOCKET NO. 11-98-LNG
DOMINION COVE POINT LNG, LP)

**MOTION OF SHELL NA LNG LLC TO INTERVENE AND COMMENTS ON
APPLICATION TO RE-EXPORT LNG**

Pursuant to 10 C.F.R. § 590.303 of the Administrative Procedures with respect to the Import and Export of Natural Gas,¹ Shell NA LNG LLC ("Shell LNG") submits this motion to intervene, as well as comments, respecting the application of Dominion Cove Point LNG, LP ("Dominion Cove Point") for blanket authorization to re-export foreign sourced liquefied natural gas ("LNG") from its LNG terminal in Lusby, Maryland on a short-term basis, filed in this docket on August 8, 2011 ("Application"). In support hereof, Shell LNG states as follows:

I.
COMMUNICATIONS AND CORRESPONDENCE

All communications and correspondence regarding this pleading or docket should be directed to the following representatives of Shell LNG:

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and

¹ 10 C.F.R. § 590.303 (2011)

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II. DOMINION COVE POINT'S APPLICATION

On August 8, 2011, Dominion Cove Point filed its Application with the Department of Energy, Office of Fossil Energy ("DOE/FE"). In the Application, Dominion Cove Point sought blanket authority to re-export foreign-sourced LNG from its Lusby, Maryland LNG terminal, up to a cumulative total of the equivalent of 150 Bcf over a period of two years commencing December 1, 2011. If granted, the authority requested would permit Dominion Cove Point to act as agent for others (after registering the others with DOE/FE) to re-export LNG to any country with the capacity to import LNG via ocean going carrier and with which trade is not prohibited by United States law or policy.² Dominion Cove Point states that it does not intend to hold title to LNG itself; rather, Dominion Cove Point would act as agent for LNG owners that wish to re-export LNG.

Dominion Cove Point states that it intends to file an application in the near future with the Federal Energy Regulatory Commission ("FERC") seeking authority to allow the re-export of foreign-sourced LNG from Dominion Cove Point's LNG terminal.³ Dominion Cove Point states that this change in operation will require only minimal facility

² According to Dominion Cove Point, these "others" would be LNG import customers. See Application at p. 3.

³ See Application at p. 4.

modifications.⁴ Dominion Cove Point states that, as a practical matter, the authorization it is requesting in this docket from DOE/FE “will not be actionable” until FERC grants authorization for the re-export of LNG, and that DOE/FE may condition any authorization it may issue in this docket on Dominion Cove Point’s acceptance of a FERC authorization.⁵

Dominion Cove Point states that the authorization it has requested in this docket is consistent with the public interest and is similar to authorizations granted in prior orders by DOE/FE.⁶

III. INTERVENTION

Shell LNG is an affiliate of Shell Oil Company and is headquartered in Houston, Texas. Shell LNG is an importer of LNG and a potential exporter of LNG. Shell LNG is currently a firm capacity holder at Dominion Cove Point’s LNG terminal and on its pipeline. The services that Shell LNG takes from Dominion Cove Point include firm LNG tanker discharging service and firm transportation service. These services are subject to FERC’s comprehensive certificate, rate and tariff jurisdiction under the Natural Gas Act. Shell LNG’s firm service agreements with Dominion Cove Point extend into 2023. Shell LNG thus has a direct and immediate in interest in this docket which cannot be adequately protected by any other party. Accordingly, Shell LNG should be permitted to intervene in this docket with full rights as a party.

⁴ *Id.*

⁵ See Application at pp. 4-5.

⁶ See Application at p. 3.

IV. COMMENTS

Shell LNG does not object in principle to Dominion Cove Point's Application in this docket. Nonetheless, Shell LNG has an interest in assuring that the services Dominion Cove Point currently provides for Shell LNG are not disrupted or degraded by Dominion Cove Point's proposed LNG export operations, and that Dominion Cove Point's LNG import and related transportation service customers do not subsidize Dominion Cove Point's proposed LNG export services. Through its payment of rates to Dominion Cove Point over the years, Shell LNG has provided Dominion Cove Point with a return of and on its investment at Cove Point in return for the right to use Dominion Cove Point's facilities to import LNG. It is not clear from Dominion Cove Point's Application in this docket how Dominion Cove Point's proposed LNG re-export operations will affect the firm LNG import and related firm transportation services that Dominion Cove Point currently provides to Shell LNG. Accordingly, Shell LNG reserves the right to raise in the appropriate forum any issues concerning degradation of Shell LNG's services on Dominion Cove Point or rate subsidization associated with Dominion Cove Point's LNG export activities and operations.

**V.
CONCLUSION**

WHEREFORE, Shell LNG requests that its motion to intervene in this docket be granted, and that DOE/FE consider the comments of Shell LNG on Dominion Cove Point's Application.

Respectfully submitted,

By: 

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**Attorneys for
SHELL NA LNG LLC**

October 19, 2011

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

Dominion Cove Point LNG, LP

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FE Docket No. 11-98-LNG

VERIFICATION

WASHINGTON

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DISTRICT OF COLUMBIA

Pursuant to 10 C.F.R. § 590.103(b) (2010), Charles H. Shoneman, being duly sworn, affirms that he is authorized to execute this verification, that he has read the foregoing document, and that all facts stated herein are true and correct to the best of his knowledge, information, and belief.



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Subscribed and sworn to before me this 19th day of October, 2011.

Aryn Blanton

Notary Public

My Commission Expires:

January 31, 2012

ARYN BLANTON
Notary Public
My Commission Expires 01/31/2012

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

Dominion Cove Point LNG, LP

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FE Docket No. 11-98-LNG

CERTIFIED STATEMENT OF AUTHORIZED REPRESENTATIVE

Pursuant to 10 C.F.R. § 590.103(b) (2010), I, Charles H. Shoneman, hereby certify that I am a duly authorized representative of Shell NA LNG LLC, and that I am authorized to sign and file with the Department of Energy, Office of Fossil Energy, on behalf of Shell NA LNG LLC, the foregoing document in the above-captioned docket.

Served and dated at Washington, D.C., on this 19th day of October, 2011.



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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon on the applicant and all parties on the official service list in this docket in accordance with 10 C.F.R. § 590.107. Dated at Washington, D.C. this 19th day of October 2011.

By:



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