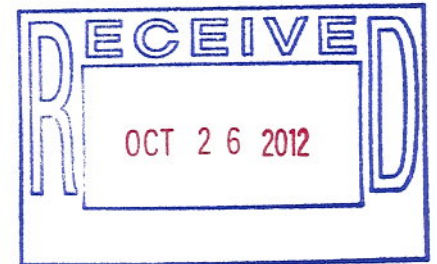


ORIGINAL

Sempra LNG Marketing, LLC



October 26, 2012

Mr. John Anderson
Office of Fuels Programs, Fossil Energy
U.S. Department of Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

**Re: Sempra LNG Marketing, LLC
FE Docket No. 12-152 LNG
Application for Blanket Authorization to Export Liquefied Natural Gas on a
Short-Term Basis**

Dear Mr. Anderson:

Sempra LNG Marketing, LLC ("Sempra LNG Marketing") hereby submits one original and 15 copies of an application for blanket authorization to export up to a cumulative total of 250 billion cubic feet ("Bcf") of previously imported, foreign-sourced liquefied natural gas ("LNG") over a two-year period commencing on February 1, 2013. Sempra LNG Marketing currently has blanket authorization to export foreign-sourced LNG pursuant to DOE/FE Order No. 2885. In the enclosed application, Sempra LNG Marketing is seeking a new two-year blanket authorization to become effective upon expiration of its existing authorization under Order No. 2885. Sempra LNG Marketing is requesting that such blanket authorization permit it to continue to export foreign-sourced LNG to countries with which trade is not prohibited by United States law or policy.

Enclosed is a check in the amount of \$50.00 in payment of the applicable filing fee.

Respectfully submitted,

A handwritten signature in blue ink that reads "William D. Rapp".

William D. Rapp
101 Ash Street, HQ 15
San Diego, CA 92101
619-699-5050
wraapp@sempraglobal.com

Enclosures

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

Sempra LNG Marketing, LLC)

Docket No. 12-____-LNG

**APPLICATION OF SEMPRA LNG MARKETING, LLC FOR A SHORT-TERM
BLANKET AUTHORIZATION TO EXPORT LIQUIFIED NATURAL GAS**

Pursuant to Section 3 of the Natural Gas Act¹ and Part 590 of the regulations of the Department of Energy (“DOE”),² Sempra LNG Marketing, LLC (“Sempra LNG Marketing”) submits this application for blanket authorization to export up to a total of 250 billion cubic feet (“Bcf”) of foreign-sourced liquefied natural gas (“LNG”) for a two-year period commencing on February 1, 2013 (“Application”). Sempra LNG Marketing requests that such authorization allow it to export foreign-sourced LNG from the Cameron LNG terminal in Cameron Parish, Louisiana (“Cameron Terminal”) 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.

In support of this Application, Sempra LNG Marketing respectfully states the following:

I.

DESCRIPTION OF APPLICANT

The exact legal name of the applicant is Sempra LNG Marketing, LLC. Sempra LNG Marketing is a limited liability company organized under the laws of the State of Delaware. Sempra LNG Marketing is a wholly-owned subsidiary of Sempra LNG, a Delaware corporation. Sempra LNG, through its other subsidiaries, owns and operates LNG receipt and storage

¹ 15 U.S.C. § 717b.

² 10 C.F.R. Part 590 (2012).

terminals in North America, including the Cameron Terminal.³ Sempra LNG Marketing is engaged in the business of purchasing and marketing supplies of LNG. Sempra LNG Marketing is a customer of the Cameron Terminal. On June 22, 2012, the Office of Fossil Energy ("OFE") issued DOE/OFE Order No. 3112,⁴ which granted Sempra LNG Marketing blanket authorization to import LNG from various international sources for a two-year period that commenced on September 1, 2012. On December 3, 2010, OFE issued DOE/OFE Order No. 2885,⁵ which authorizes Sempra LNG Marketing to export from the Cameron Terminal a cumulative total of 250 Bcf of previously-imported LNG to any country with which trade is not prohibited by U.S. law or policy. The export authorization granted by Order No. 2885 is effective for a two-year period that commenced on February 1, 2011.

II.

COMMUNICATIONS

Communications regarding this filing should be directed to the following individual:

William D. Rapp
101 Ash Street, HQ 15
San Diego, CA 92101
619-699-5050
wrapp@semprausgp.com

III.

REQUESTED AUTHORIZATION

Pursuant to this Application, Sempra LNG Marketing is seeking blanket authorization to export for a two-year period up to a cumulative total of 250 Bcf of LNG that has been imported

³ Cameron LNG, LLC, an affiliate of Sempra LNG Marketing, owns and operates the Cameron Terminal.

⁴ *Sempra LNG Marketing, LLC*, DOE/OFE Order No. 3112 (June 22, 2012).

⁵ *Sempra LNG Marketing, LLC*, DOE/OFE Order No. 2885 (December 3, 2011).

into the United States from foreign sources. Sempra LNG Marketing requests that the blanket authorization provide for export 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. The exports would be from the Cameron Terminal.

Sempra LNG Marketing requests that this blanket export authorization become effective immediately upon expiration of its existing blanket export authorization granted pursuant to DOE/OFE Order No. 2885. The requested blanket export authorization would provide Sempra LNG Marketing the ability to continue to export volumes of foreign-sourced LNG that are not needed to serve the domestic market. Sempra LNG Marketing is not proposing, and is not hereby seeking authorization, to export domestically produced natural gas or LNG. This Application seeks authorization only to export LNG that has previously been imported into the United States.⁶

No facility modifications or additions are required in order for Sempra LNG Marketing to export foreign-sourced LNG from the Cameron Terminal. The Federal Energy Regulatory Commission has authorized the Cameron Terminal to provide LNG export services to its customers, including Sempra LNG Marketing.⁷

⁶ In DOE/OFE Order No. 3059, Cameron LNG, LLC (“Cameron LNG”) an affiliate of Sempra LNG Marketing, was granted authorization to export domestically-sourced LNG to countries with which the U.S. has free trade agreements requiring national treatment in the trade of natural gas. Cameron LNG also currently has pending before DOE/OFE an application for a long-term, multi-contract authorization to export domestic LNG to countries with which the U.S. currently does not have free trade agreements. That application was filed on December 21, 2011, and is currently pending in FE Docket No. 11-162-LNG.

⁷ *Cameron LNG, LLC*, 134 FERC ¶ 61,049 (2011).

IV.

PUBLIC INTEREST

The purpose of this Application is to enable Sempra LNG Marketing to export quantities of LNG that have been imported into the United States and that are not needed to serve domestic markets. The requested blanket export authorization will allow Sempra LNG Marketing to purchase LNG at prevailing international prices for import to the United States, even when prices in other markets may be higher, by giving it the ability to store LNG at the Cameron Terminal and later sell it in the most competitive market.

This ability to react to changing market conditions by either importing LNG for sale in the U.S. or importing LNG for subsequent export to other markets will enhance the potential supply of natural gas in the U.S. market. When gas supplies are in balance with domestic demand, LNG will be imported and used to supplement domestic gas supplies. When there is a surplus of domestic gas supplies, as at the present time, there will be the opportunity to import LNG with the ability to later export it to serve other markets.

The requested authorization, of course, does not mandate that Sempra LNG Marketing export foreign-sourced LNG. Sempra LNG Marketing will continue to supply the domestic market with the LNG it imports to the extent that there is domestic demand for such imports. However, given current market conditions, and the difficulty in attracting LNG supplies for the sole purpose of serving the U.S. market, the requested authorization will allow Sempra LNG the flexibility to export LNG to foreign markets when there is insufficient U.S. demand.

Section 3 of the Natural Gas Act provides that exports to foreign countries will be authorized unless there is a finding that they "will not be consistent with the public interest."⁸ In

⁸ 15 U.S.C. § 717b. Section 3 of the Natural Gas Act creates a statutory presumption that this Application is in the public interest, which opponents bear the burden of rebutting. *Panhandle Producers and Royalty Owners*

reviewing an export application, OFE applies the principles set forth in DOE Delegation Order No. 0204-111, which focuses primarily on the domestic need for the gas to be exported and the Secretary of Energy's natural gas policy guidelines.⁹ In granting Sempra LNG Marketing its existing authorization to export foreign-sourced LNG in 2011, OFE noted that “United States consumers presently have access to substantial quantities of natural gas sufficient to meet domestic demand from multiple other sources at competitive prices without drawing on the LNG which Sempra seeks to export.”¹⁰ The relevant circumstances have not changed in the nearly two years since that finding. The U.S. natural gas market continues to be characterized by flat demand, increasing supply, and low prices.¹¹

V.

ENVIRONMENTAL IMPACT

As stated above, no new facilities (or modifications to any existing facilities) at the Cameron Terminal would be required in order for Sempra LNG to export LNG from that facility. Exports of LNG from the Cameron Terminal also would not increase the number of LNG carriers that the Cameron Terminal is designed and authorized to accommodate. In 2011, the Federal Energy Regulatory Commission (“FERC”) conducted an environmental assessment of the export of foreign-sourced LNG from the Cameron Terminal.¹² It concluded that such exports

Association v. ERA, 822 F.2d 1105, 1111 (1987).

⁹ 49 Fed. Reg. 6684, February 22, 1984.

¹⁰ *Sempra LNG Marketing, LLC*, DOE/OFE Order No. 2885 at p.5 (December 3, 2011).

¹¹ See, e.g., Energy Information Administration, *2011 Annual Energy Outlook, Reference Case* (April 2011); Energy Information Administration, *Natural Gas Gross Withdrawals and Production*, available at http://www.eia.gov/dnav/ng/ng_prod_sum_dc_u_nus_m.htm

¹² *Cameron LNG, LLC*, 134 FERC ¶ 61,049 (2011).

would not constitute a federal action significantly affecting the human environment.¹³ The export activity proposed herein is the same as that evaluated by FERC in 2011. Therefore, no additional environmental review is required.¹⁴

VI.

APPENDICES

The following exhibits are submitted as part of this Application:

Appendix A Officer Verification

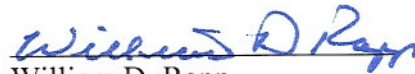
Appendix B Opinion of Counsel

VII.

CONCLUSION

WHEREFORE, for the reasons set forth above, Sempra LNG Marketing respectfully requests that the OFE grant the blanket export authorization requested herein.

Respectfully submitted,



William D. Rapp
101 Ash Street, HQ 15
San Diego, CA 92101
619.699.5050

wrapp@sempraglobal.com

Counsel for Sempra LNG Marketing, LLC

Dated: October 26, 2012

¹³ *Id.*

¹⁴ 42 U.S.C. §§ 4231, *et seq.*


APPENDIX A

OFFICER VERIFICATION

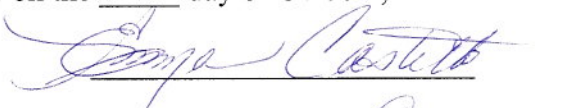
State of California)

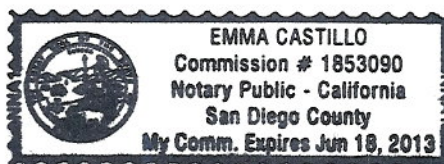
County of San Diego)

BEFORE ME, the undersigned authority, on this day personally appeared Octavio Simoes, who, having been by me first duly sworn, on oath says that he is the President of Sempra LNG Marketing, LLC and is duly authorized to make this Verification; that he has read the foregoing instrument and the facts therein stated are true and correct to the best of his knowledge, information and belief.


Octavio Simoes
President

SWORN TO AND SUBSCRIBED before me on the 24 day of October, 2012.


Name: EMMA CASTILLO
Title: Notary Public



APPENDIX B

Sempra LNG Marketing, LLC

October 26, 2012

Mr. John Anderson
Office of Fuels Programs, Fossil Energy
U.S. Department of Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

**Re: Sempra LNG Marketing, LLC
Application for Blanket Authorization to Export Liquefied Natural Gas on a
Short-Term Basis**

Dear Mr. Anderson:

This opinion is submitted pursuant to Section 590.202(c) of the U.S. Department of Energy's regulations, 10 C.F.R. §590.202(c) (2012). The undersigned is counsel to Sempra LNG Marketing, LLC ("Sempra LNG Marketing"). I have reviewed the organizational documents and other materials relating to Sempra LNG Marketing. Based upon such review, it is my opinion that the proposed export of foreign-sourced liquefied natural gas by Sempra LNG Marketing to any country with which trade is not prohibited by U.S. law or policy is within Sempra LNG Marketing's powers as a limited liability company. Sempra LNG Marketing is also authorized to conduct business in the State of Louisiana and to engage in foreign commerce.

Respectfully submitted,



William D. Rapp
101 Ash Street, HQ 15
San Diego, CA 92101
619.699.5050

wrapp@semprausgp.com

Counsel for Sempra LNG Marketing, LLC