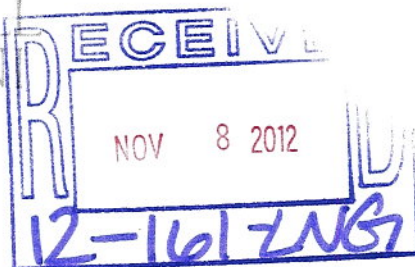


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November 8, 2012

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

ORIGINAL

Re: **Eni USA Gas Marketing LLC**
FE Docket No. 12-161-LNG
Application for Blanket Authorization to Export Liquefied Natural Gas on a
Short-Term Basis

Dear Mr. Anderson:

Eni USA Gas Marketing LLC ("Eni USA Gas Marketing") hereby submits one original and fifteen copies of an application for blanket authorization to re-export up to a cumulative total of 100 billion cubic feet of foreign-sourced liquefied natural gas ("LNG") over a two-year period. As reflected in the enclosed application, Eni USA Gas Marketing is requesting that such blanket authorization permit it to export LNG to any country with which trade is not prohibited by United States law or policy. This application specifically seeks to renew the blanket export application that was granted to Eni USA Gas Marketing in Order No. 2923, which expires on March 2, 2013. *See Eni USA Gas Marketing LLC*, FE10-152-LNG, DOE Opinion and Order No. 2923 (March 3, 2011).

Enclosed is a check in the amount of \$50.00, in payment of the applicable filing fee pursuant to 10 C.F.R. § 590.207. Thank you for your attention to this matter. If you have any questions regarding this filing, please contact the undersigned at the number provided below.

Very truly yours,

Bracewell & Giuliani LLP

D. Kirk Morgan II

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



Eni USA Gas Marketing LLC

Docket No. 12 Jd - LNG

**APPLICATION OF ENI USA GAS MARKETING LLC
FOR BLANKET AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS
ON A SHORT-TERM BASIS**

Pursuant to Section 3 of the Natural Gas Act (“NGA”)¹ and Part 590 of the Department of Energy’s (“DOE”) regulations,² Eni USA Gas Marketing LLC (“Eni USA Gas Marketing”) hereby requests that DOE, Office of Fossil Energy (“DOE/FE”), issue an order approving this application (“Application”) for blanket authorization to export up to a total of approximately 100 billion cubic feet (100 Bcf), on a cumulative basis, of previously-imported, foreign-sourced liquefied natural gas (“LNG”) for a two-year period commencing no later than March 2, 2013, which is the date following the date upon which Eni USA Gas Marketing’s current LNG re-export authorization is scheduled to expire. Eni USA Gas Marketing seeks continued authorization to export previously-imported LNG from the Cameron LNG Terminal, owned by Cameron LNG, LLC, in Cameron Parish, Louisiana (the “Cameron Terminal”). Eni USA Gas Marketing requests that such authorization allow it to export foreign-sourced LNG, for itself and as an agent for third parties, 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. Good cause exists to grant the requested authorization for the reasons stated below.

¹ 15 U.S.C. § 717b.

² 10 C.F.R. Part 590.

I. DESCRIPTION OF APPLICANT

The exact legal name of the applicant is Eni USA Gas Marketing LLC. Eni USA Gas Marketing is a limited liability company organized under the laws of the State of Delaware. Eni USA Gas Marketing is a wholly-owned subsidiary of Eni Petroleum Co. Inc., a Delaware corporation. Eni USA Gas Marketing is engaged in the business of purchasing and marketing supplies of natural gas and LNG.

Eni USA Gas Marketing is a customer of the Cameron Terminal. On April 30, 2012, the DOE/FE issued Order No. 3092, which granted Eni USA Gas Marketing blanket authorization to import LNG up to the equivalent of 400 Bcf of natural gas from various international sources. Pursuant to this blanket authorization, Eni USA Gas Marketing may import LNG at any LNG receiving facility in the United States and its territories for a two-year period that commenced on May 12, 2012.

Eni USA Gas Marketing's currently-effective LNG re-export authorization was issued on March 3, 2011, in Order No. 2923.³ In that order, DOE/FE granted Eni USA Gas Marketing blanket authorization to export LNG that has previously been imported from foreign sources in an amount up to the equivalent of 100 Bcf of natural gas pursuant to transactions that have terms of no longer than two years. The authorization was granted for a two-year term beginning on March 3, 2011, and extending through March 2, 2013. The authorization permits the export of previously-imported LNG from the 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

³ See *Eni USA Gas Marketing LLC*, FE10-152-LNG, DOE Opinion and Order No. 2923 (March 3, 2011).

or policy. To date, Eni USA Gas Marketing has not used its blanket authorization to export previously imported LNG.

II. COMMUNICATIONS AND CORRESPONDENCE

All communications and correspondence concerning this application, including all service of pleadings and notices, should be directed to the following persons:

Deanna Reitman
Senior Attorney
Eni USA Gas Marketing LLC
1221 Lamar, Suite 500
Houston, TX 77010
713.393.6391
deanna.reitman@eni.com

D. Kirk Morgan II
Partner
Bracewell & Giuliani LLP
2000 K Street NW Suite 500
Washington, D.C. 20006-1872
202.828.5854
kirk.morgan@bgllp.com

III. REQUESTED AUTHORIZATION

Pursuant to this Application, Eni USA Gas Marketing is seeking to renew the blanket authorization that it was granted in Order No. 2923, which expires on March 2, 2013. Specifically, Eni USA Gas Marketing requests blanket authorization to export, for itself and as an agent for third parties, up to a cumulative total of 100 Bcf of LNG that has been imported into the United States from foreign sources.⁴ Eni USA Gas Marketing requests that such blanket authorization provide for the export of previously-imported LNG from the 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. Eni USA Gas Marketing requests that this authorization to export LNG be effective for a two-year period beginning on the date that such authorization is granted, but in any event no later than March 2, 2013. Under the authorization

⁴ Since the DOE/FE issued Order No. 2923, it has adopted new standards for authorizing export certificate holders to act as agents for third-parties. *See Freeport LNG Expansion, L.P. and Freeport LNG Liquefaction, LLC*, DOE/FE Order No. 2913 (Feb. 10, 2011). If this application is approved, Eni USA Gas Marketing will abide by these standards when acting as an agent for third-parties.

sought here, Eni USA Gas Marketing *does not* request the authority to export any domestically-produced LNG or natural gas.

As explained below, the renewed blanket export authorization requested by Eni USA Gas Marketing is consistent with the public interest because the LNG to be exported is not needed to meet domestic needs and granting the blanket export authorization will provide other benefits. No new construction or facility modifications are required in order for Eni USA Gas Marketing to export volumes of foreign-sourced, imported LNG from the Cameron Terminal.

IV. PUBLIC INTEREST STANDARD

Section 3 of the NGA provides that exports to foreign countries must be authorized unless there is a finding that such exports “will not be consistent with the public interest.”⁵ There is thus a presumption in favor of a finding that the Application is in the public interest that must be rebutted.⁶ In reviewing an application to export LNG under Section 3, DOE/FE applies the principles set forth in DOE Delegation Order No. 0204-111, focusing primarily on the domestic need for the gas to be exported, and the Secretary’s natural gas policy guidelines.⁷ DOE/FE has explained the applicability of this analysis to the export of previously-imported LNG as follows:

The instant application involves a request for authorization to export LNG that was not produced in the United States. Accordingly, exporting the gas necessarily could not reduce the availability of domestically produced gas. On the other hand, exporting previously imported LNG will still affect the domestic market because, for a two-year period, the exports will reduce the volume of natural gas potentially available for domestic consumption.⁸

⁵ 15 U.S.C. § 717b(a).

⁶ See *Panhandle Producers & Royalty Owners Ass’n v. ERA*, 822 F.2d 1105, 1111 (D.C. Cir 1987).

⁷ See 49 Fed. Reg. 6684 (February 22, 1984).

⁸ *Freeport LNG Development, L.P.* DOE/FE Order No. 2986 at p. 6 (Jul. 19, 2011).

In recent years, DOE/FE has issued a number of blanket authorizations to export previously-imported LNG, including the one issued to Eni USA Gas Marketing in Order No. 2923, finding that such LNG is not needed to meet domestic demand for natural gas.⁹ Earlier this year, on June 7, 2012, DOE/FE made the same finding in granting Cheniere Marketing, LLC (“CMI”) blanket authority to export 500 Bcf of previously imported LNG from the LNG terminal facilities owned by Sabine Pass LNG, L.P.¹⁰ Even more recently, on October 11, 2012, DOE/FE granted Dow Chemical Company (“Dow”) blanket authorization to export 390 Bcf of previously imported LNG from the LNG terminal facilities owned by Freeport LNG Development, L.P.¹¹

In Eni USA Gas Marketing’s previous export authorization, Order No. 2923, and the more recent orders granting blanket authorizations to CMI and Dow, DOE/FE concluded that there is sufficient supply of natural gas to satisfy domestic demand from multiple other sources at competitive prices without drawing on the previously imported LNG that each company sought authorization to export.¹² In the Dow order, which was issued less than a month ago, the DOE/FE took administrative notice that a review of the most recent data and analysis prepared by the Energy Information Administration (“EIA”) shows an increasing volume of domestic dry natural gas production.¹³ Specifically, DOE/FE stated that in the Annual Energy Outlook 2012, the EIA projects domestic dry natural gas production increasing from 20.58 Tcf in 2009 to 21.58

⁹ See, e.g., *Dominion Cove Point LNG, LP*, DOE/FE Order No. 3055 (Jan. 9, 2012) and *Conoco Phillips Company*, DOE/FE Order No. 3038 (Nov. 22, 2011).

¹⁰ See *Cheniere Marketing, LLC*, FE12-36-LNG, DOE Opinion and Order No. 3102 (June 7, 2012).

¹¹ See *The Dow Chemical Company*, FE12-76-LNG, DOE Opinion and Order No. 3162 (October 11, 2012).

¹² Order No. 3102 at 5-6; Order No. 3162 at 5-6.

¹³ Order No. 3162 at 6.

Tcf in 2010, to a projection of 23.65 Tcf by 2015.¹⁴ The DOE/FE also noted that Henry Hub natural gas prices were \$4.39 per million Btu in 2010 and are projected to be \$4.29 per million Btu in 2015 (in 2010 dollars).¹⁵ As with Dow's request for blanket authorization to export previously imported LNG, this record supports the conclusion that the foreign-sourced LNG that Eni USA Gas Marketing may export from the Cameron Terminal pursuant to the blanket authorization requested herein are not needed to meet domestic demand.

With the requested authorization, Eni USA Gas Marketing would gain the ability to sell foreign-sourced, imported LNG in the most competitive market, either by regassifying the imported LNG and selling it in domestic markets where demand warrants, or by storing imported LNG and later selling it in other world markets where demand is higher. Eni USA Gas Marketing will thus be able to better contribute to the efficient allocation of natural gas supplies. When gas supplies are in balance with domestic demand, imported LNG will be used to supplement domestic gas supplies. When there is a surplus of domestic gas supplies, as there is at the present time, granting this authorization to Eni USA Gas Marketing will encourage the continued importation of foreign LNG to the U.S., which will contribute supplies to the domestic market once demand rises.

In light of the sufficiency and diversity of domestic supplies recognized by the DOE/FE in recent orders, as well as the fact that the foreign-sourced LNG that Eni USA Gas Marketing seeks to export would not diminish domestic production or supply of natural gas, and based on the incentive that granting this authorization would give to Eni USA Gas Marketing to continue to import LNG to the U.S., the requested blanket authorization is consistent with the public interest and the Application should be granted.

¹⁴ *Id.*

¹⁵ *Id.*

V. ENVIRONMENTAL IMPACT

No new facilities (or modifications to any existing facilities) at the Cameron Terminal would be required for Eni USA Gas Marketing 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. Approval of this Application would thus not constitute a federal action significantly affecting the human environment under the National Environmental Policy Act ("NEPA").¹⁶ Accordingly, approval of this Application would not require an environmental impact statement or environmental assessment.

VI. APPENDICES

The following appendices are attached hereto and incorporated by reference in this Application:

Appendix A: Verification

Appendix B: Opinion of Counsel

VII. CONCLUSION

WHEREFORE, for the reasons set forth above, Eni USA Gas Marketing respectfully requests that the DOE/FE issue an order granting Eni USA Gas Marketing a two-year blanket authorization to export from the Cameron Terminal up to approximately 100 Bcf, on a cumulative basis, of previously imported LNG from foreign sources to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by Federal law or policy.

¹⁶ 42 U.S.C. § 4321 *et seq.*

Dated: November 8, 2012

Respectfully submitted,

By: 

D. Kirk Morgan II

Partner

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Attorneys for Eni USA Gas Marketing LLC

APPENDIX A
VERIFICATION

VERIFICATION

County of Harris)
)
State of Texas)

I, Giorgio Mari, being duly sworn on my oath, do hereby depose and say that I am President and CEO of Eni USA Gas Marketing LLC; that I am duly authorized to make this Verification; that I am familiar with the contents of the foregoing application; and that the matters set forth therein are true and correct to the best of my knowledge, information and belief.

Giorgio Mari
Giorgio Mari

SWORN TO AND SUBSCRIBED before me on the 26th day of October, 2012.



Name: Sarah Parker
Title: Notary Public

APPENDIX B
OPINION OF COUNSEL

November [8], 2012

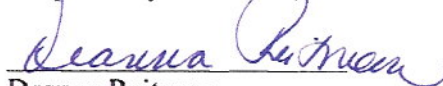
Office of Fuels Programs, Fossil Energy
U.S. Department of Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Re: Eni USA Gas Marketing LLC Application for Blanket Authorization to Export Liquefied Natural Gas

Dear Sir or Madam:

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

Respectfully submitted,



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