

[6450-01-P]

**DEPARTMENT OF ENERGY**

**[FE Docket No. 12-161-LNG]**

**Eni USA Gas Marketing LLC; Application for Blanket Authorization to Export Previously Imported Liquefied Natural Gas on a Short-Term Basis**

**AGENCY:** Office of Fossil Energy, DOE.

**ACTION:** Notice of application.

**SUMMARY:** The Office of Fossil Energy (FE) of the Department of Energy (DOE) gives notice of receipt of an application (Application), filed on November 8, 2012, by Eni USA Gas Marketing LLC (Eni USA Gas Marketing), requesting blanket authorization to export liquefied natural gas (LNG) that previously had been imported into the United States from foreign sources in an amount up to the equivalent of 100 billion cubic feet (Bcf) of natural gas on a short-term or spot market basis for a two-year period commencing on March 3, 2013.<sup>1</sup> The LNG would be exported from the Cameron LNG Terminal (Cameron Terminal) owned by Cameron LNG, LLC, in Cameron Parish, Louisiana to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by U.S. law or policy. Eni USA Gas Marketing is requesting this authorization both on its own behalf and as agent for other parties who hold title to the LNG at the time of export. The Application was filed under section 3 of the Natural Gas Act (NGA). Protests, motions to intervene, notices of intervention, and written comments are invited.

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<sup>1</sup> *Eni USA Gas Marketing LLC*, DOE/FE Order No. 2923 (March 3, 2011) extends through March 2, 2013 (FE Docket No. 10-152-LNG).

**DATES:** Protests, motions to intervene or notices of intervention, as applicable, requests for additional procedures, and written comments are to be filed using procedures detailed in the **Public Comment Procedures** section no later than 4:30 p.m., eastern time, **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:**

U.S. Department of Energy (FE-34)  
Office of Oil and Gas Global Security and Supply  
Office of Fossil Energy  
Forrestal Building, Room 3E-042  
1000 Independence Avenue, SW  
Washington, DC 20585

**FOR FURTHER INFORMATION CONTACT:**

Larine Moore or Beverly Howard  
U.S. Department of Energy (FE-34)  
Office of Oil and Gas Global Security and Supply  
Office of Fossil Energy  
Forrestal Building, Room 3E-042  
1000 Independence Avenue, SW  
Washington, DC 20585  
(202) 586-9478; (202) 586-9387

Edward Myers  
U.S. Department of Energy  
Office of the Assistant General Counsel for  
Electricity and Fossil Energy  
Forrestal Building, Room 6B-256  
1000 Independence Ave. SW  
Washington, DC 20585  
(202) 586-3397

**SUPPLEMENTARY INFORMATION:**

**Background**

Eni USA Gas Marketing, a Delaware limited liability company with its principal place of business in Houston, Texas, is a wholly-owned subsidiary of Eni Petroleum Co. Inc, a Delaware corporation.

Eni USA Gas Marketing states that it is engaged in the business of purchasing and marketing supplies of LNG, and is a customer of the Cameron Terminal. On April 30, 2012, FE issued DOE/FE 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 for a two year period beginning on May 12, 2012. On March 3, 2011, FE issued an opinion and order (Order No. 2923) that granted Eni USA Gas Marketing authority to export a cumulative total of 100 Bcf of previously imported LNG from the Cameron Terminal to any country with which trade is not prohibited by U.S. law or policy. The export authorization granted by that authorization is effective for a two year period that commenced on March 3, 2011.

### **Current Application**

In the instant Application, Eni USA Gas Marketing requests blanket authorization to export LNG from the Cameron Terminal that has been previously imported into the United States from foreign sources. Eni USA Gas Marketing requests this authority over a two-year period in an amount up to the equivalent of 100 Bcf of natural gas, on a cumulative basis, over a two-year period beginning on the date that such authorization is granted, but in any event no later than March 2, 2013, the date of the expiration of Order No. 2923. Eni USA Gas Marketing is seeking such authorization to export previously imported LNG 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. Eni USA Gas Marketing states that it does not seek authorization to export domestically-produced natural gas or LNG.

Eni USA Gas Marketing noted that since Order No. 2923 was issued, DOE/FE adopted new standards authorizing export certificate holders to act as agents for third-parties. Eni USA Gas



Marketing states that if this Application is approved, Eni USA Gas marketing will abide by these standards when acting as an agent for third-parties.

Eni USA Gas Marketing states that its requested blanket authorization would provide for the export of foreign-sourced LNG that is not needed to service the domestic market. Eni USA Gas Marketing states that it is not proposing, and is not seeking authorization to export any domestically produced natural gas or LNG. This application seeks authorization only to export LNG that has been previously imported into the United States.

### **Public Interest Considerations**

Eni USA Gas Marketing states that the requested blanket authorization will allow it 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 states that it will thus be able to better contribute to the efficient allocation of natural gas supplies. Eni USA Gas Marketing states that 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 continue to import LNG to the United States, which will contribute supplies to the domestic market once demand rises.

In support of its application, Eni USA Gas Marketing states that section 3 of the NGA provides that application to export natural gas to foreign countries will be authorized unless there is a finding that they “will not be consistent with the public interest.”<sup>2</sup> Eni USA Gas Marketing states that in reviewing an export application, FE applies the principles set forth in DOE Delegation Order

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<sup>2</sup> 15 U.S.C. 717b.(a). Natural gas is defined to include LNG in 10 C.F.R. Part 590.102(i).

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.<sup>3</sup>

Eni USA Gas Marketing states that DOE/FE has issued a number of blanket authorizations, including the blanket authorization recently granted to The Dow Chemical Company (DOE/FE Order No. 3162) on October 11, 2012, which allows the export of previously-imported LNG, finding that such LNG is not needed to meet domestic demand for natural gas.<sup>4</sup>

Eni USA Gas Marketing states that in its existing authorization to export foreign-sourced LNG granted in DOE/FE Order No. 2923, FE noted that the "U.S. 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 Eni USA Gas Marketing seeks to export."<sup>5</sup> Eni USA Gas Marketing asserts that the relevant circumstances have not changed in the nearly two years since that finding and provides a detailed discussion of the public interest standard in the Application and states that the requested authorization is consistent with the public interest and the Application should be granted.

### **Environmental Impact**

Eni USA Gas Marketing states that no new facilities or modifications to any existing facilities at the Cameron Terminal would be required in order for Eni USA Gas Marketing to export LNG from that facility. Eni USA Gas Marketing asserts that 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. Finally, Eni USA Gas Marketing states that granting this application will not constitute a federal action significantly affecting the human environment within the meaning of the National Environmental Policy Act (NEPA), 42 U.S.C. 4321 *et seq.*, and

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<sup>3</sup> Eni USA Gas Marketing referenced 49 FR 6684, February 22, 1984.

<sup>4</sup> *The Dow Chemical Company*, DOE/FE Order No. 3162 (October 11, 2012).

<sup>5</sup> DOE/FE Order No. 2923 at 5.

accordingly, approval of this Application would not require an environmental impact statement or environmental assessment.

### **DOE/FE Evaluation**

This export Application will be reviewed pursuant to section 3 of the NGA, as amended, and the authority contained in DOE Delegation Order No. 00-002.00L (April 29, 2011) and DOE Redelelegation Order No. 00-002.04E (April 29, 2011). In reviewing this LNG export Application, DOE will consider domestic need for the natural gas, as well as any other issues determined to be appropriate, including whether the arrangement is consistent with DOE's policy of promoting competition in the marketplace by allowing commercial parties to freely negotiate their own trade arrangements. Persons that may oppose this Application should comment in their responses on these issues.

The National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 *et seq.*, requires DOE to give appropriate consideration to the environmental effects of its proposed decisions. No final decision will be issued in this proceeding until DOE has met its NEPA responsibilities.

### **Public Comment Procedures**

In response to this notice, any person may file a protest, comments, or a motion to intervene or notice of intervention, as applicable. Any person wishing to become a party to the proceeding must file a motion to intervene or notice of intervention, as applicable. The filing of comments or a protest with respect to the Application will not serve to make the commenter or protestant a party to the proceeding, although protests and comments received from persons who are not parties will be considered in determining the appropriate action to be taken on the Application. All protests, comments, motions to intervene or notices of intervention must meet the requirements specified by the regulations in 10 CFR part 590. The information contained in any filing will not be held



confidential and will be posted to DOE's public website except to the extent confidential treatment is requested and granted.

Filings may be submitted using one of the following methods: (1) e-mailing the filing to [fergas@hq.doe.gov](mailto:fergas@hq.doe.gov), with FE Docket No. 12-161-LNG in the title line; (2) mailing an original and three paper copies of the filing to the Office of Oil and Gas Global Security and Supply at the address listed in ADDRESSES; or (3) hand delivering an original and three paper copies of the filing to the Office of Oil and Gas Global Security and Supply at the address listed in ADDRESSES.

A decisional record on the Application will be developed through responses to this notice by parties, including the parties' written comments and replies thereto. Additional procedures will be used as necessary to achieve a complete understanding of the facts and issues. A party seeking intervention may request that additional procedures be provided, such as additional written comments, an oral presentation, a conference, or trial-type hearing. Any request to file additional written comments should explain why they are necessary. Any request for an oral presentation should identify the substantial question of fact, law, or policy at issue, show that it is material and relevant to a decision in the proceeding, and demonstrate why an oral presentation is needed. Any request for a conference should demonstrate why the conference would materially advance the proceeding. Any request for a trial-type hearing must show that there are factual issues genuinely in dispute that are relevant and material to a decision and that a trial-type hearing is necessary for a full and true disclosure of the facts.

If an additional procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final Opinion and Order may be issued based on the official

record, including the Application and responses filed by parties pursuant to this notice, in accordance with 10 CFR 590.316.

The Application filed by Eni USA Gas Marketing is available for inspection and copying in the Office of Natural Gas Regulatory Activities docket room, 3E-042, 1000 Independence Avenue, SW, Washington, DC 20585. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays. The Application and any filed protests, motions to intervene or notice of interventions, and comments will also be available electronically by going to the following DOE/FE web address:

<http://www.fe.doe.gov/programs/gasregulation/index.html>.

Issued in Washington, D.C., on January 15, 2013.

A handwritten signature in black ink, appearing to read "John A. Anderson", is written over a horizontal line.

**John A. Anderson,**  
Manager, Natural Gas Regulatory Activities  
Office of Oil and Gas Global Security and Supply  
Office of Fossil Energy