



August 5, 2013

VIA ELECTRONIC 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: Freeport-McMoRan Energy LLC, Docket No. 13-26-LNG  
Application for Long-Term Authorization to Export Liquefied Natural Gas

Dear Mr. Anderson:

On February 22, 2013, Freeport-McMoRan Energy LLC (“FME”) submitted an application requesting long-term, multi-contract authorization under Section 3 of the Natural Gas Act to export up to 24 million tons of LNG per annum from domestic resources for a term of 30 years to both free trade agreement (“FTA”) nations and non-free trade agreement nations. The Department of Energy Office of Fossil Energy (“DOE/FE”) granted FME’s FTA application on May 24, 2013 in Order No. 3290. FME’s non-FTA application remains pending. In further support of its application, FME submits the attached letters from Senator Mary Landrieu, Senator David Vitter, and Representative Rodney Alexander and the joint letter from Senators John Cornyn and Ted Cruz. In these letters, the Senators and Congressman request that DOE/FE act promptly to process non-FTA applications for deepwater ports, and include a call for a separate and simultaneous process from that for onshore facilities.

FME’s non-FTA application should be processed separately from most other applications and in a prompt fashion. As discussed in the application, FME’s export facility is a deepwater port subject to the jurisdiction of the U.S. Maritime Administration (“MARAD”), rather than the Federal Energy Regulatory Commission (“FERC”), which has jurisdiction over most other proposed LNG export facilities. The DOE/FE’s existing Order of Precedence was based on applications filed by December 5, 2012, and placement within the list depended on whether the applicants had commenced FERC’s pre-filing process as of that date. FME could not have submitted its application to DOE before December 5, 2012 because DOE/FE had indicated it would not accept applications from MARAD-jurisdictional projects until MARAD’s jurisdiction over LNG export projects was clarified. The necessary

clarifying amendments were included in the Coast Guard and Maritime Transportation Act of 2012, which was enacted on December 20, 2012. Furthermore, MARAD does not have procedures analogous to FERC's pre-filing process. FME submitted a Letter of Intent to Submit Application to MARAD on October 3, 2012 and had been in discussions with MARAD since July 2012 regarding a potential application.

Now that MARAD's jurisdiction has been clarified, DOE/FE should establish an order of precedence for processing non-FTA applications for MARAD-jurisdictional projects similar to that established for FERC-jurisdictional projects. As noted in Congressional member letters, establishing such a simultaneous and separate process for applications such as FME's is proper in light of the passage of the Coast Guard and Maritime Transportation Act of 2012 and should be done expeditiously. Furthermore, processing FME's non-FTA application promptly is in the best interests of the nation since it will create jobs and is likely to result in royalty payments to the U.S. Treasury.

Please contact the undersigned at (202) 639-6599 if you have any questions regarding this filing.

Respectfully submitted,

/s/ John S. Decker

John S. Decker  
Attorney for Freeport-McMoRan Energy LLC

Attachments

# United States Senate

WASHINGTON, DC 20510-1804

April 2, 2013

The Honorable Steven Chu  
Secretary, U.S. Department of Energy  
1000 Independence Ave., SW  
Washington, DC 20585

Dear Secretary Chu:

I am writing to ensure that the U.S. Department of Energy (DOE) provides separate and simultaneous review of applications for the export of domestically-produced liquefied natural gas (LNG) through associated offshore deepwater port facilities.

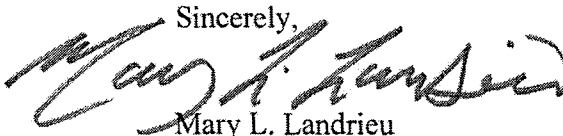
Upon DOE's public release on December 5, 2012 of the NERA Economic Consulting study concerning LNG exports, DOE also announced its application review policy for LNG exports to non-Free Trade Agreement (non-FTA) countries. At that time, such applications involved only the associated review by the Federal Energy Regulatory Commission for the establishment and operation of U.S. shore-based LNG export terminals. No non-FTA export applications associated with offshore deepwater terminals were pending with DOE because the Deepwater Port Act (DWPA) (33 U.S.C. 1501 *et seq.*) did not then provide any U.S. Maritime Administration (MarAd) or other Federal jurisdiction for offshore export terminals. That matter has since been addressed through the subsequent enactment on December 20, 2012 of the Coast Guard and Maritime Transportation Act of 2012 (CG&MT Act) (Pub. L. 112-213) that amended the DWPA to include offshore LNG export terminals under MarAd jurisdiction.

Prior to the December 20<sup>th</sup> enactment of the CG&MT Act, DOE was unable to process LNG export applications that involved the proposed use of offshore terminals. Therefore, given that the December 5<sup>th</sup> priority announcement by DOE only extended to export projects with proposed shore-based terminals, and in view of the later statutory amendment authorizing MarAd review and approval for offshore export facilities, DOE should establish a separate and simultaneous processing for those LNG export applications involving offshore deepwater terminals.

I strongly urge DOE to implement separate and simultaneous review to ensure that LNG export applications utilizing offshore deepwater terminals are properly considered alongside any onshore applications.

Thank you for your personal consideration of this matter.

Sincerely,



Mary L. Landrieu

MLL:ca

DAVID VITTER  
LOUISIANA

DEPUTY WHIP

Environment and Public Works  
Top-Ranking Republican

Armed Services

Banking, Housing, and Urban Affairs

Small Business and Entrepreneurship

# United States Senate

WASHINGTON, DC 20510

June 12, 2013

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Website with E-Mail Access:  
vitter.senate.gov

The Honorable Ernest Moniz  
Secretary, U.S. Department of Energy  
1000 Independence Ave., SW  
Washington, DC 20585

Dear Secretary Moniz:

I am writing to request the U.S. Department of Energy (DOE) to provide separate and simultaneous review of liquefied natural gas (LNG) export applications for which the use of offshore deepwater port facilities is planned.

In December 2012, DOE announced its application review policy for LNG exports to non-Free Trade Agreement countries following the release of the related NERA Economic Consulting study concerning such exports. Up until that time, export applications only involved the associated review by the Federal Energy Regulatory Commission for the use of U.S. shore-based or nearshore LNG export terminals. DOE applications associated with offshore deepwater terminals were not pending at that time because the Deepwater Port Act (DWPA) did not provide U.S. Maritime Administration (MarAd) or other Federal jurisdiction for offshore export terminals located beyond the territorial seas of the United States. However, with the subsequent enactment on December 20, 2012, of the Coast Guard and Maritime Transportation Act of 2012 (CG&MT Act), the DWPA was amended to provide MarAd jurisdiction over offshore LNG export terminals.

Prior to the enactment of the CG&MT Act, DOE was unable to process LNG export applications that involved the proposed use of offshore terminals. Therefore, given that the earlier DOE priority announcement only extended to export projects with proposed shore-based terminals, and in view of the later statutory amendment authorizing MarAd review and approval for offshore export facilities, I strongly urge DOE to establish a separate and simultaneous processing priority for those LNG export applications involving offshore deepwater terminals.

It has been clearly shown that LNG exports will create significant employment opportunities, improve the Nation's current trade deficit, and provide key strategic opportunities to impact our foreign policy objectives around the world. Separate and simultaneous review by DOE will ensure that LNG export applications utilizing offshore deepwater terminals are properly and expeditiously considered.

Thank you for your personal consideration of this matter.

Sincerely,  


David Vitter  
U.S. Senator





**Congress of the United States**  
**House of Representatives**

July 31, 2013

The Honorable Dr. Ernest Moniz  
Secretary of Energy  
U.S. Department of Energy  
1000 Independence Ave, SW  
Washington, D.C. 20585

Dear Secretary Moniz:

This letter is a revised follow up to a letter my office previously sent you dated July 25, 2013. In the recently passed FY2014 Energy and Water Appropriations bill as adopted by the House of Representatives, I and my bipartisan colleagues included language in the bill requiring the Department of Energy to submit its plan to finish consideration of all applications filed to export liquefied natural gas (LNG) to non-Free Trade Agreement countries, as required under the Natural Gas Act.

The Committee and Congress as a whole remain concerned that any further delay in approving these applications will be detrimental to the United States ability to meet current international market demands for LNG exports. I share the concerns of my colleagues in the Senate who have communicated to you that action on the non-FTA LNG export applications is of national importance in keeping with our competitive and energy security stance globally.

In the meantime, it has also come to our attention that two distinct approaches to apply for these permits have developed, one for shore-based LNG projects through the Federal Energy Regulatory Commission and the other for those on the water through the U.S. Maritime Administration (MarAd). As you also may be aware, the offshore deep-water port facility projects had to have clear delineation and Congress acted on that in December 2012 by amending the Deep-water Port Act giving the MarAd that power. We understand the DOE's dilemma prior to this enactment, but now we need action on both fronts, on and offshore.

The facilities that will be utilized for the LNG export terminals, some of which already have significant infrastructure in place, have the opportunity to create jobs. LNG exports themselves will return royalty payments to the U.S. Treasury, thereby adding billions of revenue dollars to our federal budget over the next decade as it progresses. However, we must act soon. Expenditures on LNG export projects are large and have long lead-times and investors, and countries who receive our exported LNG must have the certainty of an efficient permitting process.

I appreciate your attention to this matter and look forward to your response to the language included in the FY2014 Energy and Water Appropriations bill that seeks to accelerate the DOE

decision process. We would also like to request a meeting with DOE staff so we can discuss this issue further.

Please know that my colleagues and I will continue to closely monitor progress in this area as advancement of these projects will result in jobs, revenue for our government and ensuring America's international and energy security interests.

Sincerely,



Rodney Alexander  
MEMBER OF CONGRESS

RA:pb

## United States Senate

WASHINGTON, DC 20510-4305

July 12, 2013

The Honorable Ernest Moniz  
Secretary, U.S. Department of Energy  
1000 Independence Ave., SW  
Washington, DC 20585

Dear Secretary Moniz:

We are writing to request information about the U.S. Department of Energy's (DOE) work with the U.S. Maritime Administration (MarAd) to establish a review of liquefied natural gas (LNG) export applications for which the use of offshore deep water port facilities is planned.

In December 2012, the DOE announced its application review policy for LNG exports to non-Free Trade Agreement countries following the release of the related NERA Economic Consulting study concerning such exports. Up until that time, export applications only involved the associated review by the Federal Energy Regulatory Commission (FERC) for the use of U.S. shore-based or near shore LNG export terminals. The DOE applications associated with offshore deep water terminals were not pending at that time because the Deep Water Port Act (DWPA) did not provide U.S. Maritime Administration (MarAd) or other Federal jurisdiction for offshore export terminals located beyond the territorial seas of the United States. However, with the subsequent enactment on December 20, 2012 of the Coast Guard and Maritime Transportation Act of 2012 (CG&MT Act), the DWPA was amended to provide MarAd jurisdiction over offshore LNG export terminals.

Prior to the enactment of the CG&MT Act, we understand the DOE was unable to process LNG export applications that involved the proposed use of offshore terminals. Given that the earlier DOE priority announcement only extended to export projects with proposed shore-based terminals, offshore deep water projects were unable to apply for an LNG export application. As such and in view of the later statutory amendment authorizing MarAd review and approval for offshore export facilities, we ask what efforts the DOE has taken to establish a review process for any current or future LNG export applications involving offshore deep water terminals.

LNG exports will create significant employment opportunities, improve the nation's current trade deficit, and provide key strategic opportunities to impact our foreign policy objectives around the world. The DOE should ensure that LNG export applications utilizing offshore deep water terminals are properly considered and provide clarity for how these applications will be handled. Furthermore, consistent with our previous letters, we continue to urge you to expeditiously review all LNG export applications now pending.

Thank you for your consideration of this matter. We look forward to your prompt response.

Sincerely,

A handwritten signature in blue ink that reads "John Cornyn". The signature is fluid and cursive, with the first name "John" written in a larger, more prominent script than the last name "Cornyn".

JOHN CORNYN  
United States Senator

A handwritten signature in blue ink that reads "Ted Cruz". The signature is highly stylized and cursive, with the first name "Ted" and last name "Cruz" written in a compact, flowing script.

TED CRUZ  
United States Senator