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December 11, 2013

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

Re: ConocoPhillips Alaska Natural Gas Corp., Docket No. 13-<u>154</u>-LNG Application for Blanket Authorization to Export Liquefied Natural Gas from Alaska to Free Trade Agreement Countries

Dear Mr. Anderson:

Pursuant to Section 3 of the Natural Gas Act, 15 U.S.C. § 717b, and Part 590 of the regulations of the Department of Energy, 10 C.F.R. Part 590 (2013), ConocoPhillips Alaska Natural Gas Corporation hereby files an original and fifteen (15) copies of its "Application for Blanket Authorization to Export Liquefied Natural Gas from Alaska to Free Trade Agreement Countries." An electronic copy of the application is provided on the enclosed compact disk. A check in the amount of \$50 is enclosed as the filing fee stipulated by 10 C.F.R. § 590.207 (2013).

I have enclosed four (4) copies of the application to be date stamped and returned to our messenger. Thank you for your attention to this matter. If you have any questions regarding this filing, please contact the undersigned at (202) 429-8801.

Respectfully submitted,

Dougias F. John V Elizabeth A. Zembruski

Counsel for ConocoPhillips Alaska Natural Gas Corporation.

Enclosures

UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

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In the matter of:

CONOCOPHILLIPS ALASKA NATURAL GAS CORPORATION

FE Docket No. 13-___-LNG

APPLICATION FOR BLANKET AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS FROM ALASKA TO FREE TRADE AGREEMENT COUNTRIES

Pursuant to Section 3 of the Natural Gas Act ("NGA"), 15 U.S.C. § 717b, and Part 590 of the Department of Energy's ("DOE") regulations, 10 C.F.R. Part 590 (2013), ConocoPhillips Alaska Natural Gas Corporation ("CPANGC") hereby submits this application to DOE's Office of Fossil Energy ("DOE/FE") for an order granting it blanket authorization to export a quantity of liquefied natural gas ("LNG") in an amount up to the equivalent of 40 billion cubic feet ("Bcf") of natural gas on a cumulative basis over a two-year period.¹ CPANGC seeks blanket authorization to export this volume of LNG from facilities located near Kenai, Alaska, acting on its own behalf or as agent for others, to any country that has or in the future develops the capacity to import LNG and with which the United States has, or in the future enters into, a Free Trade Agreement ("FTA") requiring national treatment for trade in natural gas. CPANGC seeks such authorization for a two-year period to commence on the date of issuance of the order granting the requested authorization. In support of this application, CPANGC submits the following:

¹ CPANGC is contemporaneously filing with DOE/FE an "Application for Blanket Authorization to Export Liquefied Natural Gas from Alaska to Non-Free Trade Agreement Countries." CPANGC seeks blanket authorization to export up to the equivalent of 40 Bcf of LNG on an aggregate basis under both the FTA and non-FTA authorizations.

I. COMMUNICATIONS AND CORRESPONDENCE

All correspondence and communications concerning this application, including all

service of pleadings and notices, should be directed to the following persons:²

Darren Meznarich Vice President CONOCOPHILLIPS ALASKA NATURAL GAS CORPORATION 700 G Street , P.O. Box 100360 Anchorage, AK 99510-0360 Phone: (907) 263-4810 Email: Darren.L.Meznarich@conocophillips.com Joe Farrell Attorney for CONOCOPHILLIPS ALASKA NATURAL GAS CORPORATION 700 G Street, P.O. Box 100360 Anchorage, AK 99510-0360 Phone: (907) 265-6056 Email: Joe.Farrell@conocophillips.com

Douglas F. John Elizabeth A. Zembruski JOHN & HENGERER Suite 600 1730 Rhode Island Avenue, N.W. Washington, D.C. 20036-3116 Phone: (202) 429-8800 Email: djohn@jhenergy.com ezembruski@jhenergy.com

Pursuant to the requirements of 10 C.F.R. § 590.103(a) (2013), CPANGC hereby certifies that

the persons listed above and undersigned are its duly authorized representatives.

II. DESCRIPTION OF APPLICANT

The exact legal name of the applicant is ConocoPhillips Alaska Natural Gas Corporation. CPANGC is a Delaware corporation with its principal place of business in Anchorage, Alaska. CPANGC is a wholly-owned subsidiary of ConocoPhillips Company ("ConocoPhillips"), a publicly-traded Delaware corporation. CPANGC is authorized to do business in the State of Alaska, among other states.

² CPANGC requests waiver of 10 C.F.R. § 590.202(a) (2013) to the extent necessary to include outside counsel on the official service list in this proceeding.

CPANGC is the operator and indirect owner of natural gas liquefaction and marine terminal facilities located near Kenai, Alaska ("Kenai LNG Facility").³ CPANGC has the ability to manufacture LNG from natural gas that is produced from fields in the Cook Inlet region of Southcentral Alaska and transported by CPANGC or an affiliate-owned pipeline to the Kenai LNG Facility. CPANGC or its predecessors exported LNG from the State of Alaska for over four decades pursuant to several, sequential export authorizations granted by DOE/FE or its predecessor agencies.⁴ CPANGC's most recent authorization to export LNG from the Kenai LNG Facility to Japan and/or one or more other countries in the Pacific Rim with which trading is not prohibited by United States law commenced on April 1, 2011 and expired on March 31, 2013.⁵

III. AUTHORIZATION REQUESTED

In this application, CPANGC seeks blanket authorization to export up to the equivalent of 40 Bcf of LNG from the Kenai LNG Facility on a short-term or spot basis over a two-year period to commence on the date of issuance of the order granting the requested authorization.

CPANGC seeks authorization to export the LNG, acting on its own behalf or as agent for others, to any country that has or in the future develops the capacity to import LNG and with which the United States has, or in the future enters into, a FTA requiring national treatment for

³ Effective August 2, 2011, CPANGC became the sole owner of the stock interests and assets in the natural gas liquefaction and export facilities at Kenai, Alaska, having taken ownership of the 30% interest in such stock and assets previously owned by Marathon Oil Company ("Marathon"). From and after that date, Marathon has ceased to have any direct or indirect ownership or operating interest in such facilities.

⁴ A more detailed description of these prior export authorizations is provided in CPANGC's separate application for blanket authorization to export LNG from the Kenai LNG Facility to non-FTA countries which is being contemporaneously filed with DOE/FE.

⁵ *ConocoPhillips Alaska Natural Gas Corp. and Marathon Oil Co.*, DOE Order and Opinion No. 2860 (Oct. 5, 2010).

trade in natural gas.⁶ CPANGC is willing to comply with the agency requirements imposed by DOE/FE in a series of recent orders.⁷ CPANGC expects that LNG prices will vary from time to time to reflect changes in market conditions. Consistent with DOE/FE precedent, natural gas purchase and sales contracts are not being filed as part of this application for blanket authorization to export LNG.⁸ CPANGC certifies that there are no other proceedings related to this application currently pending at either DOE or any other Federal agency.

IV. PUBLIC INTEREST ANALYSIS

DOE/FE reviews applications for blanket authorization to export LNG to FTA countries

under Section 3(c) of the NGA, 15 U.S.C. § 171b(c).⁹ As amended by Section 201 of the Energy

Policy Act of 1992 (Pub. L. 102-486), Section 3(c) of the NGA provides that:

[T]he exportation of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, shall be deemed to be consistent with the public interest, and applications for such importation or exportation shall be granted without modification or delay.¹⁰

DOE/FE has found that the requirements for public notice of applications and other hearing-type

procedures in 10 C.F.R. Part 590 (2013) inapplicable to applications for authorization to export

LNG to countries with which the United States has a FTA.¹¹ In accordance with NGA Section

⁶ The countries with which the United States has FTAs requiring national treatment for trade in natural gas currently are: Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore.

⁷ See, e.g., Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC, DOE/FE Order No. 2913 (Feb. 10, 2011) (approving applicants' proposal to register each LNG title holder for whom they seek to export LNG as agent, with such registration including a written statement by the title holder acknowledging and agreeing to comply with all applicable requirements included by DOE/FE and to include those requirements in any subsequent purchase or sale agreement entered into by that that title holder).

⁸ Philips Alaska Natural Gas Corp. and Marathon Oil Co., DOE/FE Order and Opinion No. 1580, 2 FE ¶ 70,472 (Apr. 10, 2000).

⁹ See Sabine Pass Liquefaction, LLC, DOE/FE Order No. 2833 (Sept. 7, 2010) (reviewing application for authorization to export LNG to FTA countries under Section 3(c) of the NGA).

¹⁰ 15 U.S.C. § 717b(c). Natural gas is defined to include LNG in 10 C.F.R. § 590.102(i) (2013).

¹¹ *Trunkline LNG Export, LLC*, DOE/FE Order No. 3252 at n. 10 (Mar. 7, 2013).

3(c) and prior precedent, CPANGC requests that DOE/FE expeditiously approve its application for authorization to export LNG to FTA countries without modification or delay.

V. ENVIRONMENTAL IMPACTS

Approval of this application is not a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. § 4321 *et seq.*, and no environmental impact statement or environmental assessment is required. The proposed export of LNG would not require any changes to the Kenai LNG Facility. The LNG manufacturing and storage facilities that will be utilized during the blanket authorization already exist and have been operated safely without major disruption of supply or accident from their startup in 1969.

VI. APPENDICES

The following appendices are attached to this application and incorporated by references herein:

Appendix A: Verification

Appendix B: Opinion of Counsel

VII. CONCLUSION

For the foregoing reasons, CPANGC respectfully requests that DOE/FE expeditiously grant its request for blanket authorization to export LNG from the State of Alaska to any country that has or in the future develops the capacity to import LNG and with which the United States has, or in the future enters into, a FTA requiring national treatment for trade in natural gas.

Respectfully submitted,

F. John Douglas F. John

Douglas F. John Elizabeth A. Zembruski JOHN & HENGERER Suite 600 1730 Rhode Island Avenue, N.W. Washington, D.C. 20036 Phone: (202) 429-8800 Email: djohn@jhenergy.com ezembruski@jhenergy.com

Counsel for ConocoPhillips Alaska Natural Gas Corporation

Dated: December 11, 2013.

Appendix A

Verification

VERIFICATION

STATE OF ALASKA)) SS: THIRD JUDICIAL DISTRICT)

BEFORE ME, the undersigned authority, on this day personally appeared Darren Meznarich, who, having been by me first duly sworn, on oath says that he is Vice President of ConocoPhillips Alaska Natural Gas Corporation and is duly authorized to make this Verification; that he has read the forgoing instrument and that the facts therein stated are true and correct to the best of his knowledge, information and belief.

Darren Meznarich

Subscribed and sworn to before me, a notary public, this 9th day of December, 2013.

Notary

My Commission expires:

08/01/2015



Appendix B

Opinion of Counsel

Joseph A. Farrell Legal

ConocoPhillips Alaska Natural Gas Corporation

P. O. Box 100360 Anchorage, AK 99510-0360 Phone: 907.265.6056 Fax: 907.263.4438



December 10, 2013

Office of Fuels Program 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: Application of ConocoPhillips Alaska Natural Gas Corporation Company for Blanket Authorization to Export Liquefied Natural Gas from Alaska to Free-Trade Agreement Countries

Dear Sir or Madam:

This opinion of counsel is provided in accordance with the requirements of Section 590.202(c) of the U.S. Department of Energy's regulations, 10 C.F.R. § 590.202(c) (2013). I have examined the Certificate of Incorporation and Bylaws of ConocoPhillips Alaska Natural Gas Corporation ("CPANGC"), a Delaware corporation, the Delaware corporation law and other authorities as necessary, and have concluded that the proposed exportation of liquefied natural gas by CPANGC is within its corporate powers. Further, CPANGC is authorized to do business in Alaska and engage in foreign commerce.

Respectfully

Joe Farrell

Attorney for ConocoPhillips Alaska Natural Gas Corporation