

[6450-01-P]

**DEPARTMENT OF ENERGY**

**[FE Docket No. 10-152-LNG]**

**Eni USA Gas Marketing LLC; Application for Blanket Authorization to Export Liquefied Natural Gas**

**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 30, 2010, by Eni USA Gas Marketing LLC (Eni USA), 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. 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 seeks to export the LNG over a two-year period commencing on the date of the authorization. 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.

**DATES:** Protests, motions to intervene or notices of intervention, as applicable, requests for additional procedures, and written comments are to be filed at the address listed below in

**ADDRESSES** 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, S.W.  
Washington, D.C. 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, S.W.  
Washington, D.C. 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-159  
1000 Independence Ave. S.W.  
Washington, D.C. 20585  
(202) 586-3397

**SUPPLEMENTARY INFORMATION:**

**Background**

Eni USA is a Delaware limited liability company with its principal place of business in Houston, Texas. Eni USA is a wholly-owned subsidiary of Eni Petroleum Co., Inc., a Delaware corporation. Eni USA is engaged in the business of purchasing and marketing supplies of natural gas and LNG. Eni USA is a customer of the Cameron Terminal in Cameron Parish, LA.

On May 12, 2010, FE granted Eni USA blanket authorization to import LNG up to the equivalent of 400 Bcf of natural gas from various international sources for a two-year term beginning on May 12, 2010.<sup>1</sup> Under the terms of the blanket authorization, the LNG may be imported to any LNG receiving facility in the United States or its territories.

### **Current Application**

In the instant application, Eni USA is seeking blanket authorization to export from its capacity at the Cameron Terminal LNG that has been previously imported from foreign sources to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by U.S. law. Eni USA seeks authorization to export this LNG over a two-year period in an amount up to the equivalent of 100 Bcf of natural gas beginning on the date such authorization is granted, but no later than March 1, 2011. Eni USA states that it does not seek authorization to export domestically-produced LNG or natural gas.

### **Public Interest Considerations**

In support of its application, Eni USA states that pursuant to section 3 of the NGA, FE is required to authorize exports to a foreign country unless there is a finding that such exports “will not be consistent with the public interest.”<sup>2</sup> Eni USA states that there is thus a presumption in favor of a finding that the Application is in the public interest that must be rebutted.<sup>3</sup> Eni USA states further that 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 of Energy’s natural gas policy guidelines. Eni USA asserts that in its order issued on October 5, 2010, granting LNG export authorization to the Dow Chemical Company, the DOE/FE considered another application to export LNG that was not

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<sup>1</sup> *Eni USA Gas Marketing LLC*, DOE/FE Order No. 2786 issued May 12, 2010.

<sup>2</sup> 15 U.S.C. 717b.(a)

<sup>3</sup> *Panhandle Producers and Royalty Owners Association v. ERA*, 822 F.2d 1105, 1111 (DC Cir. 1987)

produced domestically in the U.S. Eni USA asserts that the DOE/FE stated that the fundamental question posed by such an application with respect to the public interest standard was whether the foreign-sourced LNG to be exported is needed to meet domestic demand.<sup>4</sup> Further, Eni USA states that the order pointed to a number of factors indicating that U.S. consumers currently have access to substantial quantities of natural gas sufficient to meet U.S. domestic demand without drawing on the foreign-sourced LNG sought to be re-exported, including the fact that the DOE's Energy Information Agency forecasts increasing U.S. domestic shale gas production through 2015.<sup>5</sup>

As detailed in the application, Eni USA states the blanket export authorization it seeks satisfies the public interest standard, based on the same evidence recognized by DOE/FE in two recent similar applications/orders.<sup>6</sup> Eni USA states that the LNG that may be exported pursuant to the blanket authorization requested in the Application is not needed to meet domestic demand. Eni USA states that granting the requested export authorization will encourage the continued importation of LNG into the United States. Eni USA also states that granting the requested export authorization will not diminish domestically-produced natural gas supplies. Further details can be found in the Application, which has been posted at

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

### **Environmental Impact**

Eni USA states that its requested LNG export authorization does not require the construction of any new facilities (or modifications to any existing facilities) at the Cameron Terminal but that the owner of the Cameron Terminal, Cameron LNG, LLC, has filed a still-pending application before the Federal Energy Regulatory Commission seeking authority to provide LNG export services at the Cameron Terminal. Exports of LNG from the Cameron

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<sup>4</sup> *Dow Chemical Co.*, DOE/FE Order No. 2859, October 5, 2010 at pp. 3 and 4.

<sup>5</sup> *Id.* at pp. 4 and 5.

<sup>6</sup> *Id.*, and *Cheniere Marketing, LLC*, DOE/FE/ Order No. 2795, June 1, 2010

Terminal also would not increase the number of LNG carriers that the Cameron Terminal is designed and authorized to accommodate. Eni USA states that approval of the Application would not constitute a federal action significantly affecting the human environment under the National Environmental Policy Act (NEPA).<sup>7</sup> Eni USA further states, as the DOE/FE has recognized in similar cases, approval of this Application would not require an environmental impact statement or environmental assessment.<sup>8</sup>

### **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. 00-002.00J (Sept. 17, 2010) and DOE Redefinition Order No. 00-002.04D (Nov. 6, 2007). In reviewing this LNG export application, DOE will consider domestic need for the 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. Parties 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**

You may submit comments in electronic form on the Federal eRulemaking Portal at <http://www.regulations.gov>. Alternatively, written comments can be submitted using the procedures discussed below. If using electronic filing, follow the on-line instructions and submit

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<sup>7</sup> 42 U.S.C. § 4321 *et seq.*

<sup>8</sup> For example, *Cheniere Marketing, LLC*, DOE/FE Order No. 2795, June 1, 2010 at p. 7.

such comments under FE Docket No. 10-152-LNG. DOE/FE suggests that electronic filers carefully review information provided in their submissions, and include only information that is intended to be publicly disclosed.

In addition to electronic filings using the procedures above, any person may file a protest, motion to intervene or notice of intervention, and written comments, as provided in DOE's regulations at 10 CFR part 590.

Any person wishing to become a party to the proceeding and to have their written comments considered as a basis for any decision on the application 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 may be considered in determining the appropriate action to be taken on the application. All protests, motions to intervene, notices of intervention, and written comments must meet the requirements specified by the regulations in 10 CFR part 590. Except where comments are filed electronically, as described above, comments, protests, motions to intervene, notices of intervention, and requests for additional procedures shall be filed with the Office of Oil and Gas Global Security and Supply at the address listed above.

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 is available for inspection and copying in the Office of Oil and Gas Global Security and Supply docket room, 3E-042, at the address listed in ADDRESSES. 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>. In addition, any electronic comments filed will also be available at: <http://www.regulations.gov>.

Issued in Washington, D.C., on January 5, 2011.



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



Department of Energy  
Washington, DC 20585

January 5, 2011

Mr. Raymond A. Mosley  
Director, Office of Federal Register  
National Archives and Records Administration  
Washington, D.C. 20408

Dear Mr. Mosley:

This letter is to certify that the attached disk is a true copy of the Notice of Application for blanket authorization to export liquefied natural gas for Eni USA Gas Marketing LLC (FE Docket No. 10-152-LNG). This disk should be used by GPO in preparing the document for publication.

A handwritten signature in black ink, appearing to read "John A. Anderson".

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

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DOE Federal Register  
Liaison Office

Attachment

