



**[6450-01-P]**

**DEPARTMENT OF ENERGY**

**[FE Docket No. 17-167-LNG]**

**Galveston Bay LNG, LLC; Application for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations**

**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 December 22, 2017, by Galveston Bay LNG, LLC (Galveston Bay LNG), requesting long-term, multi-contract authorization to export domestically produced liquefied natural gas (LNG) in a volume equivalent to 785.7 billion cubic feet (Bcf) per year of natural gas. Galveston Bay LNG seeks authorization to export this LNG from its proposed natural gas liquefaction facility to be located in Texas City, Texas (Galveston Bay LNG Project).

Galveston Bay LNG seeks authorization to export this LNG to countries with which trade is not prohibited by U.S. law or policy, including both countries with which the United States has entered into a free trade agreement (FTA) requiring national treatment for trade in natural gas (FTA countries) and all other countries (non-FTA countries). Galveston Bay LNG requests the non-FTA authorization for a term of 20 years, to begin on the date of first export following the commencement of operations or seven years from the date of a final order granting export authorization, whichever is first. In addition, Galveston Bay LNG is requesting that it be afforded a

three-year make-up period for the purpose of exporting any volume it is unable to export during the original export period, consistent with DOE/FE precedent. Galveston Bay LNG further requests this authorization on its own behalf and as agent for other entities who hold title to the natural gas at the time of export. Galveston Bay LNG filed the Application under section 3 of the Natural Gas Act (NGA). Additional details can be found in Galveston Bay LNG's Application, posted on the DOE/FE website at <https://energy.gov/fe/downloads/galveston-bay-lng-llc-fe-dkt-no-17-167-lng>. 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 using procedures detailed in the **Public Comment Procedures** section no later than 4:30 p.m., Eastern time, **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:**

**Electronic Filing by email:**  
fergas@hq.doe.gov

**Regular Mail**  
U.S. Department of Energy (FE-34)  
Office of Regulation and International Engagement  
Office of Fossil Energy  
P.O. Box 44375  
Washington, DC 20026-4375

**Hand Delivery or Private Delivery Services (e.g., FedEx, UPS, etc.)**  
U.S. Department of Energy (FE-34)  
Office of Regulation and International Engagement  
Office of Fossil Energy  
Forrestal Building, Room 3E-042  
1000 Independence Avenue, SW.,  
Washington, DC 20585

**FOR FURTHER INFORMATION CONTACT:**

Beverly Howard or Larine Moore

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Office of Regulation and International Engagement  
Office of Fossil Energy  
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1000 Independence Avenue, SW.,  
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Office of the Assistant General Counsel for  
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## **SUPPLEMENTARY INFORMATION:**

### **DOE/FE Evaluation**

In the Application, Galveston Bay LNG requests authorization to export LNG from the proposed Galveston Bay LNG Project to both FTA countries and non-FTA countries. This Notice applies only to the portion of the Application requesting authority to export LNG to non-FTA countries pursuant to section 3(a) of the NGA, 15 U.S.C. § 717b(a). DOE separately will review the portion of the Application requesting authority to export LNG to FTA countries pursuant to section 3(c) of the NGA, 15 U.S.C. § 717b(c).

In reviewing Galveston Bay LNG's request for a non-FTA export authorization, DOE will consider any issues required by law or policy. 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. As part of this analysis, DOE will consider the following two studies examining the cumulative impacts of exporting domestically produced LNG:

- *Effect of Increased Levels of Liquefied Natural Gas on U.S. Energy Markets*, conducted by the U.S. Energy Information Administration upon DOE's request (2014 EIA LNG Export Study);<sup>1</sup> and
- *The Macroeconomic Impact of Increasing U.S. LNG Exports*, conducted jointly by the Center for Energy Studies at Rice University's Baker Institute for Public Policy and Oxford Economics, on behalf of DOE (2015 LNG Export Study).<sup>2</sup>

Additionally, DOE will consider the following environmental documents:

- *Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States*, 79 FR 48132 (Aug. 15, 2014);<sup>3</sup> and
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States*, 79 FR 32260 (June 4, 2014).<sup>4</sup>

Parties that may oppose this Application should address these issues and documents in their comments and/or protests, as well as other issues deemed relevant to the non-FTA portion of the Application.

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 environmental 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, regarding the non-FTA export portion of the Application. Interested persons will be provided 60 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, notices of intervention.

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<sup>1</sup> The 2014 EIA LNG Export Study, published on Oct. 29, 2014, is available at: <https://www.eia.gov/analysis/requests/fe/>.

<sup>2</sup> The 2015 LNG Export Study, dated Oct. 29, 2015, is available at: [http://energy.gov/sites/prod/files/2015/12/f27/20151113\\_macro\\_impact\\_of\\_lng\\_exports\\_0.pdf](http://energy.gov/sites/prod/files/2015/12/f27/20151113_macro_impact_of_lng_exports_0.pdf).

<sup>3</sup> The Addendum and related documents are available at: <https://energy.gov/fe/addendum-environmental-review-documents-concerning-exports-natural-gas-united-states>.

<sup>4</sup> The Life Cycle Greenhouse Gas Report is available at: <http://energy.gov/fe/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states>.

Any person wishing to become a party to the proceeding must file a motion to intervene or notice of intervention. 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.

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. 17-167-LNG in the title line; (2) mailing an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**; or (3) hand delivering an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**. All filings must include a reference to FE Docket No. 17-167-LNG. PLEASE NOTE: If submitting a filing via email, please include all related documents and attachments (e.g., exhibits) in the original email correspondence. Please do not include any active hyperlinks or password protection in any of the documents or attachments related to the filing. All electronic filings submitted to DOE must follow these guidelines to ensure that all documents are filed in a timely manner. Any hardcopy filing submitted greater in length than 50 pages must also include, at the time of the filing, a digital copy on disk of the entire submission.

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. 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 is available for inspection and copying in the Office of Regulation and International Engagement docket room, 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 26, 2018.

**Robert J. Smith,**  
Deputy Assistant Secretary for Oil and Natural Gas (Acting).  
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