



**6450-01-P**

**DEPARTMENT OF ENERGY**

**[FE Docket Nos. 10-161-LNG, 11-161-LNG, 16-108-LNG]**

**Freeport LNG Expansion, L.P.; FLNG Liquefaction, LLC; FLNG Liquefaction 2, LLC; and FLNG Liquefaction 3, LLC; Application to Amend Export Term through December 31, 2050, for Existing Non-Free Trade Agreement Authorizations**

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

**ACTION:** Notice of application.

**SUMMARY:** The Office of Fossil Energy (FE) of the Department of Energy (DOE) gives notice (Notice) of receipt of an application (Application), filed on September 9, 2020, by Freeport LNG Expansion, L.P.; FLNG Liquefaction, LLC; FLNG Liquefaction 2, LLC; and FLNG Liquefaction 3, LLC (collectively, FLEX). FLEX seeks to amend the export term set forth in its current authorizations to export liquefied natural gas (LNG) to non-free trade agreement countries, DOE/FE Order Nos. 3282-C, 3357-B, and 3957, to a term ending on December 31, 2050. FLEX filed the Application under the Natural Gas Act (NGA) and DOE's policy statement entitled, "Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050" (Policy Statement). Protests, motions to intervene, notices of intervention, and written comments on the requested term extension 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 15 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, Analysis, and 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, Analysis, and Engagement  
Office of Fossil Energy  
Forrestal Building, Room 3E-042  
1000 Independence Avenue SW,  
Washington, DC 20585

**FOR FURTHER INFORMATION CONTACT:**

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**SUPPLEMENTARY INFORMATION:**

FLEX is currently authorized by DOE/FE to export domestically produced LNG in a total volume equivalent to 782 billion cubic feet per year (Bcf/yr) of natural gas, pursuant to NGA section 3(a), 15 U.S.C. 717b(a), under the following orders:

- (i) 511 Bcf/yr under Order No. 3282-C (FE Docket No. 10-161-LNG)<sup>1</sup>;
- (ii) 146 Bcf/yr under Order No. 3357-B (FE Docket No. 11-161-LNG)<sup>2</sup>; and
- (iii) 125 Bcf/yr under Order No. 3957 (FE Docket No. 16-108-LNG).<sup>3</sup>

Under each order, FLEX is authorized to export the LNG by vessel from the Freeport LNG Terminal, located on Quintana Island near Freeport, Texas, to any country with which the United States has not entered into a free trade agreement (FTA) requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (non-FTA countries) for a 20-year term. In the Application,<sup>4</sup> FLEX asks DOE to extend its export term in each of these three orders to a term ending on December 31, 2050, as provided in the Policy Statement.<sup>5</sup> Additional details can be found in the Application, posted on the DOE/FE website at:

<https://www.energy.gov/sites/prod/files/2020/09/f78/Freeport%20DOE%20Extension%20Application.pdf>.

### **DOE/FE Evaluation**

In the Policy Statement, DOE adopted a term through December 31, 2050 (inclusive of any make-up period), as the standard export term for long-term non-FTA authorizations.<sup>6</sup> As the basis for its decision, DOE considered its obligations under NGA section 3(a), the public comments

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<sup>1</sup> *Freeport LNG Expansion, L.P., et al.*, DOE/FE Order No. 3282-C, FE Docket No. 10-161-LNG, Final Opinion and Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Freeport LNG Terminal on Quintana Island, Texas, to Non-Free Trade Agreement Nations (Nov. 14, 2014).

<sup>2</sup> *Freeport LNG Expansion, L.P., et al.*, DOE/FE Order No. 3357-B, FE Docket No. 11-161-LNG, Final Opinion and Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Freeport LNG Terminal on Quintana Island, Texas, to Non-Free Trade Agreement Nations (Nov. 14, 2014).

<sup>3</sup> *Freeport LNG Expansion, L.P., et al.*, DOE/FE Order No. 3957, FE Docket No. 16-108-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Freeport LNG Terminal on Quintana Island, Texas, to Non-Free Trade Agreement Nations (Dec. 19, 2016).

<sup>4</sup> *Freeport LNG Expansion, L.P., et al.*, Application to Amend Export Term for Existing Long-Term Authorizations Through December 31, 2050, FE Docket Nos. 10-160-LNG, *et al.* (Sept. 9, 2020). FLEX's requests regarding its FTA authorizations are not subject to this Notice. *See* 15 U.S.C. 717b(c).

<sup>5</sup> U.S. Dep't of Energy, Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050; Notice of Final Policy Statement and Response to Comments, 85 FR 52237 (Aug. 25, 2020) [hereinafter Policy Statement].

<sup>6</sup> *See id.*, 85 FR 52247.

supporting and opposing the proposed Policy Statement, and a wide range of information bearing on the public interest.<sup>7</sup> DOE explained that, upon receipt of an application under the Policy Statement, it would conduct a public interest analysis of the application under NGA section 3(a). DOE further stated that “the public interest analysis will be limited to the application for the term extension—meaning an intervenor or protestor may challenge the requested extension but not the existing non-FTA order.”<sup>8</sup>

Accordingly, in reviewing FLEX’s Application, DOE/FE will consider any issues required by law or policy under NGA section 3(a), as informed by the Policy Statement. To the extent appropriate, DOE will consider the study entitled, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (2018 LNG Export Study),<sup>9</sup> DOE’s response to public comments received on that Study,<sup>10</sup> and 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>11</sup>
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States*, 79 FR 32260 (June 4, 2014);<sup>12</sup> and
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update*, 84 FR 49278 (Sept. 19, 2019), and DOE/FE’s response to public comments received on that study.<sup>13</sup>

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<sup>7</sup> See *id.*, 85 FR 52247.

<sup>8</sup> *Id.*, 85 FR 52247.

<sup>9</sup> See NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (June 7, 2018), available at: <https://www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf>.

<sup>10</sup> U.S. Dep’t of Energy, *Study on Macroeconomic Outcomes of LNG Exports: Response to Comments Received on Study*; Notice of Response to Comments, 83 FR 67251 (Dec. 28, 2018).

<sup>11</sup> The Addendum and related documents are available at: <http://energy.gov/fe/draft-addendum-environmental-review-documents-concerning-exports-natural-gas-united-states>.

<sup>12</sup> The 2014 Life Cycle Greenhouse Gas Report is available at: <http://energy.gov/fe/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states>.

<sup>13</sup> U.S. Dep’t of Energy, *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update – Response to Comments*, 85 FR 72 (Jan. 2, 2020). The 2019 Update and related documents are available at: <https://fossil.energy.gov/app/docketindex/docket/index/21>.

Parties that may oppose the Application should address these issues and documents in their comments and/or protests, as well as other issues deemed relevant to 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, addressing the Application. Interested parties will be provided 15 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, or notices of intervention. The public previously was given an opportunity to intervene in, protest, and comment on FLEX's long-term non-FTA applications. Therefore, DOE will not consider comments or protests that do not bear directly on the requested term extension.

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*, with FE Docket Nos. 10-161-LNG, 11-161-LNG, and 16-108-LNG in the title line; (2) mailing an original and three paper copies of the filing to the Office of Regulation, Analysis, and 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, Analysis, and Engagement at the

address listed in **ADDRESSES**. All filings must include a reference to FE Docket Nos. 10-161-LNG, 11-161-LNG, and 16-108-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. 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, Analysis, and Engagement docket room, Room 3E-042, 1000 Independence Avenue, S.W., 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>.

Signed in Washington, DC, on September 24, 2020.

**Amy Sweeney,**

*Director, Office of Regulation, Analysis, and Engagement,*

*Office of Fossil Energy.*

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