

RECEIVED

By [redacted] email at 12:32 pm, Jul 16, 2014

contract 2

NORTON ROSE FULBRIGHT

July 16, 2014

Fulbright & Jaworski LLP
666 Fifth Avenue, 31st Floor
New York, New York 10103-3198
United States

VIA FEDEX AND E-MAIL

Lisa Tonery
Partner
Direct line +1 212 318 3009
lisa.tonery@nortonrosefulbright.com

Mr. John Anderson
Office of Fossil Energy
U.S. Department of Energy
1000 Independence Ave., SW
Washington, D.C. 20585

Tel +1 212 318 3000
Fax +1 212 318 3400
nortonrosefulbright.com

**Re: Sabine Pass Liquefaction, LLC
FE Docket Nos. 10-85-LNG and 10-111-LNG**

Dear Mr. Anderson:

On September 7, 2010, the U.S. Department of Energy, Office of Fossil Energy ("DOE/FE") issued an Order granting Sabine Pass Liquefaction, LLC's ("Sabine Pass") application under Section 3 of the Natural Gas Act ("NGA")¹ for long-term, multi-contract authorization to export up to the equivalent of 803 billion cubic feet ("Bcf") per year of liquefied natural gas ("LNG") from the Sabine Pass LNG Terminal in Cameron Parish, Louisiana ("Sabine Pass LNG Terminal") to nations with which the United States has entered, or in the future enters, into a free trade agreement ("FTA") requiring the national treatment for trade in natural gas.² On August 7, 2012, DOE/FE issued a Final Opinion and Order granting Sabine Pass's application under NGA Section 3 for long-term, multi-contract authorization to export up to the equivalent of 803 Bcf per year of LNG from the Sabine Pass LNG Terminal to nations with which the United States has not entered into an FTA requiring the national treatment for trade in natural gas.³

In both DOE/FE Order No. 2833 and DOE/FE Order No. 2961-A, DOE/FE directed Sabine Pass to file with DOE/FE's Office of Natural Gas Regulatory Activities "all executed long-term contracts associated with the long-term supply of natural gas to the Sabine Pass LNG Terminal ... within 30 days of their execution."⁴ More recently, DOE/FE has stated that it "recognizes that some information in long-term contracts associated with the long-term supply of

¹ 15 U.S.C. § 717b (2012).

² *Sabine Pass Liquefaction, LLC, Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Sabine Pass LNG Terminal to Free Trade Nations*, DOE/FE Order No. 2833, FE Docket No. 10-85 (2010) [hereinafter DOE/FE Order No. 2833].

³ *Sabine Pass Liquefaction, LLC, Final Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Sabine Pass LNG Terminal to Non-Free Trade Agreement Nations*, DOE/FE Order No. 2961-A, FE Docket No. 10-111-LNG (Aug. 7, 2012) [hereinafter DOE/FE Order No. 2961-A].

⁴ DOE/FE Order No. 2833 at Ordering paragraph D; DOE/FE Order No. 2961-A at Ordering paragraph G.

Fulbright & Jaworski LLP is a limited liability partnership registered under the laws of Texas.

Fulbright & Jaworski LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP, Norton Rose Fulbright South Africa (incorporated as Deneys Reitz, Inc.), each of which is a separate legal entity, are members of Norton Rose Fulbright Verein, a Swiss Verein. Details of each entity, with certain regulatory information, are at nortonrosefulbright.com. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients.

natural gas to the Sabine Pass LNG Terminal may be commercially sensitive.”⁵ Thus, DOE/FE has given Sabine Pass the option to file long-term contracts under seal along with a public summary of the major provisions of the contracts.⁶

Sabine Pass entered into the enclosed North American Energy Standards Board (“NAESB”) Base Contract for Sale and Purchase of Natural Gas with CNX Gas Company LLC (“CNX”) on April 15, 2014.⁷ Pursuant to the terms of the NAESB Base Contract, the enclosed Transaction Confirmation (“Confirmation”) documents a transaction whereby CNX agrees to sell to Sabine Pass a fixed quantity of natural gas on a firm, long-term basis. Sabine Pass intends to liquefy the natural gas secured under the Confirmation for export from the Sabine Pass liquefaction facility, pursuant to the authorizations granted in the above-referenced proceedings.

The NAESB Base Contract and Confirmation contain commercially sensitive information, and are being filed herewith under seal. A summary of the major provisions that are not deemed confidential is set forth below.

I. Public Summary of Confirmation

Pursuant to the Confirmation executed by Sabine Pass on June 17, 2014, Sabine Pass agreed to buy natural gas from CNX for a three-year term beginning on the first day of the month immediately succeeding the date on which all three of the following conditions have been met: (1) Sabine Pass has notified CNX that the date of commercial operations from the first LNG liquefaction train at the Sabine Pass liquefaction facility (Train 1) has occurred; (2) the commercial in-service date of CNX’s firm transportation contract on Texas Eastern Transmission Company’s (“TETCO”) OPEN Project has occurred; and (3) the commercial in-service date of the Creole Trail Pipeline interconnect to receive gas from the Trunkline Gillis Meter has occurred. The primary delivery point is at the TETCO delivery meter located at its Gillis interconnect with the Creole Trail Pipeline. There are no take-or-pay or equivalent provisions/conditions or restrictions in the Confirmation.

⁵ *Sabine Pass Liquefaction, LLC, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal to Free Trade Agreement Nations 10*, DOE/FE Order No. 3384, FE Docket No. 13-121-LNG (2013).

⁶ *Id.*

⁷ There is no corporate affiliation between Sabine Pass and CNX.

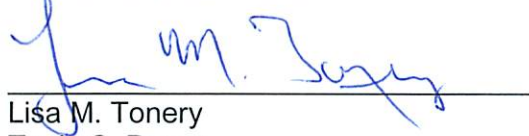
Mr. John Anderson
July 16, 2014
Page 3

 NORTON ROSE FULBRIGHT

II. Request for Confidential Treatment

In the NAESB Base Contract, Sabine Pass and CNX agreed that confidentiality would apply to the terms of any transaction thereunder, and thus to the Confirmation. Sabine Pass respectfully submits that the NAESB Base Contract and the Confirmation should be exempted

Respectfully submitted,



Liisa M. Tonery

Tania S. Perez

Charles R. Scott

Attorneys for Sabine Pass Liquefaction, LLC

from public disclosure, because they contain commercially sensitive information.

LMT

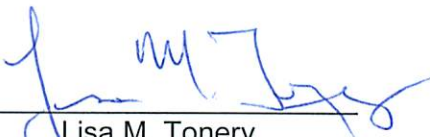
Enclosures filed under seal

VERIFICATION

State of New York)

County of New York)

BEFORE ME, the undersigned authority, on this day personally appeared Lisa M. Tonery, who, having been by me first duly sworn, on oath says: that she is the Attorney for Sabine Pass Liquefaction, LLC, and is duly authorized to make this Verification; that she has read the foregoing instrument; and that the facts therein stated are true and correct to the best of her knowledge, information, and belief.



Lisa M. Tonery

SWORN TO AND SUBSCRIBED before me on the 16th day of July, 2014.

Name: 
Title: Notary Public


My Commission expires:

McCALLUM GEORGE DIONNE
Notary Public, State of New York
No. 01MC6249522
~~Qualified in Queens County~~
Commission Expires Oct. 11, 2015

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in these proceedings.

Dated at New York, N.Y., this 16th day of July, 2014.


Dionne McCallum-George
Legal Secretary on behalf of
Sabine Pass Liquefaction, LLC