



Department of Energy  
Washington, DC 20585

January 17, 2025

**Via Email and Certified Mail**

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**RE: Notice of Dismissal of Pending Application**  
**Docket No. 14-98-LNG**

Dear Mr. Michaels and Mr. Dupre:

On July 24, 2014, SCT&E LNG, LLC (SCT&E LNG) submitted an application (Application)<sup>1</sup> to the Department of Energy's (DOE) Office of Fossil Energy (now the Office of Fossil Energy and Carbon Management)<sup>2</sup> requesting long-term authorization to export liquefied natural gas (LNG) to non-free trade agreement (non-FTA) countries under section 3(a) of the Natural Gas Act (NGA).<sup>3</sup> As explained below, DOE is dismissing the pending non-FTA Application without prejudice to SCT&E LNG filing a new application in the future.

**I. Background**

In the Application, SCT&E LNG requests authority to export domestically produced LNG by vessel from its proposed SCT&E LNG Terminal (Project), to be located on Monkey Island in the

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<sup>1</sup> SCT&E LNG, LLC, Application for Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Countries, Docket No. 14-98-LNG (July 24, 2014) [hereinafter App.].

<sup>2</sup> On July 4, 2021, DOE's Office of Fossil Energy (FE) changed its name to the Office of Fossil Energy and Carbon Management (FECM).

<sup>3</sup> 15 U.S.C. § 717b(a).

Calcasieu Ship Channel in Cameron Parish, Louisiana. SCT&E LNG seeks to export the LNG in a volume equivalent to approximately 584 billion cubic feet (Bcf) per year (Bcf/yr) of natural gas, or 1.6 Bcf per day (Bcf/d), for a 30-year term, to non-FTA countries, pursuant to NGA section 3(a).<sup>4</sup>

On December 19, 2014, DOE published a notice of the Application in the *Federal Register* and established a 60-day period for public comment,<sup>5</sup> which was subsequently extended by 20 days (to March 12, 2015).<sup>6</sup> In response to the notice, DOE received a Motion to Intervene, Suspend, and Protest filed by the Industrial Energy Consumers of America; three timely-filed comments in support of the Project; and additional comments in support of the Application filed after the close of the public comment period.<sup>7</sup>

Under NGA section 3(a), DOE conducts an informal adjudication and will grant a non-FTA application unless DOE “finds that the proposed exportation ... will not be consistent with the public interest.”<sup>8</sup> Before reaching a final decision on a non-FTA application, DOE also must comply with the National Environmental Policy Act (NEPA).<sup>9</sup> Here, the Federal Energy Regulatory Commission (FERC) is responsible for permitting SCT&E LNG’s proposed Project and would serve as the lead agency in the NEPA review process, while DOE would serve as a cooperating agency.<sup>10</sup>

## II. Current Status

SCT&E LNG’s non-FTA Application has now been pending for more than 10 years. During this time, SCT&E LNG has not submitted any updates to DOE demonstrating concrete action to develop the proposed Project or otherwise to advance the Application.<sup>11</sup> In particular, SCT&E LNG has not yet initiated a pre-filing application process with FERC.<sup>12</sup> Thus, due to SCT&E LNG’s inaction, FERC is not reviewing (and has never reviewed) the proposed Project upon which the pending Application is based.

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<sup>4</sup> *Id.* In DOE/FE Order No. 3566, issued in Docket No. 14-89-LNG, SCT&E LNG is currently authorized to export LNG to FTA countries on a non-additive basis, pursuant to NGA section 3(c), 15 U.S.C. § 717b(c). *See SCT&E LNG, LLC*, DOE/FE Order No. 3566, Docket No. 14-89-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel From the Proposed SCT&E LNG Terminal in Cameron Parish, Louisiana, to Free Trade Agreement Nations (Dec. 15, 2014) (authorizing exports of LNG to FTA countries in a volume equivalent to 584 Bcf/yr of natural gas).

<sup>5</sup> SCT&E LNG, LLC, Application for Long-Term Authorization To Export Liquefied Natural Gas to Non-Free Trade Agreement Countries; Notice of Application, 79 Fed. Reg. 75,796 (Dec. 19, 2014).

<sup>6</sup> SCT&E LNG, LLC, Amendment of Notice of Application, 80 Fed. Reg. 8295 (Feb. 17, 2015).

<sup>7</sup> *See* Docket No. 14-98-LNG, <https://www.energy.gov/fecm/articles/scte-lng-llc-fe-dkt-no-14-98-lng>.

<sup>8</sup> 15 U.S.C. § 717b(a).

<sup>9</sup> 42 U.S.C. § 4321 *et seq.*

<sup>10</sup> DOE’s authorization is solely with respect to the requested export of LNG and does not extend to authorization over the siting, construction, and operation of the proposed Project. *See, e.g., Sierra Club v. Fed. Energy Regul. Comm’n*, 827 F.3d 36, 40 (D.C. Cir. 2016).

<sup>11</sup> The only filing by SCT&E LNG in its docket since 2015 was a notice of new counsel submitted on November 24, 2021, in response to DOE’s repeated notices to SCT&E LNG noting its “deficient Application” and its failure to “submit[] any documentation to progress the Application since March 2015.”

<sup>12</sup> *See, e.g.*, 18 C.F.R. § 157.21.

Since 2015, SCT&E LNG has filed its semi-annual reports in Docket No. 14-89-LNG, as required by its FTA authorization.<sup>13</sup> In its most recent semi-annual report, filed in October 2024, SCT&E LNG states (as it has stated in past reports) that “[s]everal pre-FEED engineering studies and design activities have been completed in preparation for the FERC application process.”<sup>14</sup>

### **III. Dismissal of Application Without Prejudice**

In the more than 10 years since SCT&E LNG filed its Application, while both the U.S. natural gas market and DOE’s authorization of LNG exports to non-FTA countries under NGA section 3(a) have evolved considerably,<sup>15</sup> SCT&E LNG’s pending non-FTA Application has remained stagnant. Thus, based on the information in this proceeding and in the semi-annual reports submitted in SCT&E LNG’s FTA docket (Docket No. 14-89-LNG), we find that SCT&E LNG has not made any identifiable progress with respect to its proposed Project, most notably in engaging with FERC to commence a pre-filing process.

For all of these reasons, we conclude that SCT&E LNG’s Application fails to provide a sufficient basis for DOE’s review under either NGA section 3(a) or NEPA. DOE thus finds it necessary and appropriate to dismiss the Application, effective immediately, without prejudice to SCT&E LNG filing a new application requesting non-FTA export authorization from DOE in the future.<sup>16</sup>

This dismissal does not affect SCT&E LNG’s existing FTA authorization in Docket No. 14-89-

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<sup>13</sup> See *supra* note 4.

<sup>14</sup> SCT&E LNG, LLC, Semi-Annual Report (Period Ending Sept. 30, 2024), Docket No. 14-89-LNG, at 2 (Oct. 10, 2024), <https://www.energy.gov/fecm/articles/semi-annual-report-scte-lng-llc-fe-dkt-no-14-89-lng-order-no-3566> (follow link).

<sup>15</sup> For example, as of July 2014, when SCT&E LNG filed its Application, DOE had issued only one final long-term non-FTA export authorization (to Sabine Pass Liquefaction, LLC) in a volume equivalent to 2.2 Bcf/d of natural gas. Since that time, DOE has issued more than 40 final non-FTA authorizations, with the cumulative volume of approved export authorizations now totaling approximately 49.0 Bcf/d sourced from both the lower-48 states and Alaska. See, e.g., *Sierra Club, et al.*, Order Denying Petition for Rulemaking on Exports of Liquefied Natural Gas, at 13, 12-15, 20-22 (July 18, 2023) (stating that, in 2013, DOE’s LNG export regulatory program “was still relatively new” and discussing significant developments in the program over the last decade).

<sup>16</sup> See 15 U.S.C. § 717o; see also, e.g., *Fourchon LNG LLC*, DOE/FECM Order No. 4162-A, Docket No. 17-105-LNG, Order Vacating Long-Term Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations, and Dismissing Pending Application (May 31, 2024) (dismissing non-FTA portion of pending application due to applicant’s failure to inform DOE of FERC termination notice, as well as lack of progress).

LNG, DOE/FE Order No. 3566, which remains active.<sup>17</sup>

Sincerely,

Amy R. Sweeney  
Director, Office of Regulation, Analysis, and Engagement  
Office of Resource Sustainability

cc: Service List, Docket No. 14-98-LNG

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<sup>17</sup> See *supra* note 4.