

[6450-01-P]

DEPARTMENT OF ENERGY

[FE Docket No. 16-15-LNG]

Eagle LNG Partners Jacksonville 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 January 27, 2016, and supplemented on February 3, March 18, and June 1, 2016, by Eagle LNG Partners Jacksonville LLC (Eagle LNG), requesting long-term, multi-contract authorization to export domestically produced liquefied natural gas (LNG) transported on both ocean-going LNG carriers, and approved ISO IMO7/TVAC-ASME LNG containers to be loaded onto container vessels, to any country with which the United States does not have 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).¹ Eagle LNG seeks authorization to export the LNG in a volume equivalent to approximately 49.8 billion cubic feet of natural gas per year (Bcf/yr) (0.14 Bcf per day). Eagle LNG proposes to export the LNG from Eagle LNG's planned production, storage, and export facility to be constructed at a site on the St. Johns River in Jacksonville, Florida² (Facility or

¹ In the Application Eagle LNG also requests authorization to export LNG to any nation that currently has, or in the future may enter into, a FTA requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (FTA countries). DOE/FE will review that request for a FTA export authorization separately pursuant to NGA § 3(c), 15 U.S.C. § 717b(c).

² On June 1, 2016, Eagle LNG supplemented the application to add several maps which show the general location of the facility at:

http://energy.gov/sites/prod/files/2016/06/f32/Third%20Supp%20to%20DOE%20Application06_01_16.pdf

Jacksonville Project). Natural gas will be delivered to the facility by the local gas distribution utility, Peoples Gas, a TECO Energy Company. The Facility will export LNG via vessel to foreign markets and/or distribution to specialized domestic markets. The Facility will incorporate a truck load-out facility. Through this load-out facility, Eagle LNG will have the capability of filling ISO containers. Those containers may be transported by truck to domestic markets or to locations within the Port of Jacksonville from which ISO containers may be loaded onto container ships for delivery to both domestic and export markets. According to Eagle LNG, when fully constructed and operational, the Jacksonville Project will have the capacity to produce the natural gas equivalent of 0.14 Bcf/d of LNG per day from three trains and include a storage tank with a capacity of 12 million gallons of LNG. The Jacksonville Project has been under development since 2013 and is currently in the pre-filing phase with the Federal Energy Regulatory Commission (FERC) for the siting and construction of the Project that is expected to have its first export in the fourth quarter of 2018. Eagle LNG requests authorization for a 20-year term to commence on the earlier of the date of first export or five years from the issuance of a final order granting export authorization. Eagle LNG seeks to export this LNG on its own behalf and as agent for other entities who hold title to the LNG at the time of export. The Application was filed under section 3 of the Natural Gas Act (NGA), 15 U.S.C. 717b). Additional details can be found in Eagle LNG's Application, posted on the DOE/FE website at:

<http://energy.gov/sites/prod/files/2016/02/f29/16-15-LNG.pdf>.

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
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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
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FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

DOE/FE Evaluation

The Application will be reviewed pursuant to section 3(a) of the NGA, 15 U.S.C. § 717b(a), and DOE will consider any issues required by law or policy. To the extent determined to be relevant, these issues will include the domestic need for the natural gas proposed to be exported, the adequacy of domestic natural gas supply, U.S. energy security, and the cumulative impact of the requested authorization and any other LNG export application(s) previously approved on domestic natural gas supply and demand fundamentals. DOE may also consider other factors bearing on the public interest, including the impact of the proposed exports on the U.S. economy (including GDP, consumers, and industry), job creation, the U.S. balance of trade, and international considerations; and whether the authorization 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);³ 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).⁴

Additionally, DOE will consider the following environmental document: *Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States*, 79 FR 48132 (Aug. 15, 2014).⁵ Parties that may oppose this Application should address these

³ The 2014 EIA LNG Export Study, published on Oct. 29, 2014, is available at: <https://www.eia.gov/analysis/requests/fe/pdf/lng.pdf>.

⁴ 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

⁵ The Addendum and related documents are available at: <http://energy.gov/fe/addendum-environmental-review-documents-concerning-exports-natural-gas-united-states>.

issues 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. Due to the complexity of the issues raised by the Applicant, interested parties will be provided 60 days from the date of publication of this Notice in which to submit their comments, protests, motions to intervene, or notices of intervention.

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 No. 16-15-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. 16-15-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 June 27, 2016.

A handwritten signature in black ink, appearing to read "John A. Anderson". The signature is fluid and cursive, with a large initial "J" and "A".

John A. Anderson
Director, Office of Regulation and International Engagement
Office of Oil and Natural Gas