

Capital Advisory Services, Administration and Management, DoD OIG, 400 Army Navy Drive, Arlington, VA 22202, (703) 602-4516.

**SUPPLEMENTARY INFORMATION:** In accordance with 5 U.S.C. 4314(c)(4), the following executives are appointed to the DoD OIG, PRB:

**Ann Calvaresi Barr**

Deputy Inspector General, Department of Transportation.

**Geoffrey A. Cherrington**

Deputy Assistant Inspector General for Investigations, General Services Administration.

**Richard J. Griffin**

Deputy Inspector General, Department of Veterans Affairs.

**Frank P. LaRocca**

Counsel to the Inspector General, National Aeronautics and Space Administration.

**Robert Keith West**

Assistant Inspector General for Audit Services, Department of Education.

Dated: October 6, 2010.

**Mitchell S. Bryman,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

[FR Doc. 2010-25548 Filed 10-8-10; 8:45 am]

**BILLING CODE 5001-06-P**

**DEPARTMENT OF ENERGY**

[FE Docket No. 10-114-LNG]

**Chevron U.S.A. Inc.; Application for Blanket Authorization To Export Liquefied Natural Gas**

**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 September 9, 2010, by Chevron U.S.A. Inc. (Chevron), requesting blanket authorization to export liquefied natural gas (LNG) that previously had been imported into the United States from foreign sources in an amount up to the equivalent of 72 billion cubic feet (Bcf) of natural gas on a short-term or spot market basis over a two year period commencing on the date of the authorization. The LNG would be exported from the Sabine Pass LNG Terminal (Sabine Pass) owned by Sabine Pass LNG, L.P., in Cameron Parish, Louisiana to any country with the capacity to import LNG via ocean-going carrier and with which trade is

not prohibited by U.S. law or policy. The application was filed under section 3 of the Natural Gas Act (NGA) as amended by section 201 of the Energy Policy Act of 1992. 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 at the address listed below no later than 4:30 p.m., eastern time, November 12, 2010.

**ADDRESSES:** U.S. Department of Energy (FE-34), Office of Oil and Gas Global Security and Supply, Office of Fossil Energy, Forrestal Building, Room 3E-042, 1000 Independence Avenue, SW., Washington, DC 20585.

**FOR FURTHER INFORMATION CONTACT:** Larine Moore or Marc Talbert, U.S.

Department of Energy (FE-34), Office of Oil and Gas Global Security and Supply, Office of Fossil Energy, Forrestal Building, Room 3E-042, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-9478; (202) 586-7991.

Edward Myers, U.S. Department of Energy, Office of General Counsel, Fossil Energy and Energy Efficiency, Forrestal Building, Room 6B-159, 1000 Independence Ave. SW., Washington, DC 20585, (202) 586-3397.

**SUPPLEMENTARY INFORMATION:**

**Background**

Chevron is a Pennsylvania corporation with its principal place of business in San Ramon, California. Chevron Global Gas is a division of Chevron that engages in the global business of marketing and trading LNG. Chevron has contracted for 1.0 Bcf per day of terminal capacity from Sabine Pass for an initial term of twenty years that commenced in November 2004 with the option to extend the term for a period of twenty years. On July 14, 2010, DOE/FE Order No. 2813 granted Chevron blanket authorization to import the equivalent of up to 800 Bcf of natural gas from various international sources for a two year period beginning on August 1, 2010. Under the terms of the blanket authorization, LNG may be imported at any LNG receiving facility in the United States and its territories.

**Current Application**

In the instant application, Chevron requests blanket authorization to export up to 72 Bcf of previously imported LNG, on a cumulative basis, over a two-year period beginning on the date the authorization is granted. Chevron requests that such authorization apply

to previously imported LNG to which Chevron holds title, and to previously imported LNG that Chevron may export on behalf of other parties that hold title to such LNG. Chevron is seeking authorization to export such previously imported LNG to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by Federal law or policy. Chevron does not request authority to export any domestically produced natural gas or LNG.

The blanket export authorization requested by Chevron would be applicable to exports from the Sabine Pass terminal, owned by Sabine Pass LNG, L.P. in Cameron Parish, Louisiana. Chevron states that DOE/FE recently granted an authorization for exports from this terminal by another party<sup>1</sup> and has granted other authorizations under similar requests.<sup>2</sup> Chevron states that there are no other proceedings related to this application currently pending before the DOE or any other federal agency.

As background, Chevron states the request to export previously imported LNG is based on its desire to optimize long-term capacity it has contracted for at the Sabine Pass terminal by responding effectively to periodic changes in domestic and world markets for natural gas and LNG. More specifically, Chevron asserts it desires the option to either export previously imported LNG to other world markets, or regasify the imported LNG for sale in domestic markets. Chevron states that it would base any decision related to the sale of imported LNG on prevailing market conditions. Chevron asserts that it does not intend to export any LNG when market conditions dictate that the LNG be used to meet domestic needs.

**Public Interest Considerations**

In support of its application, Chevron states that pursuant to section 3 of the NGA, FE must authorize exports to a foreign country unless there is a finding that such exports "will not be consistent with the public interest."<sup>3</sup> Chevron states that section 3 creates a statutory presumption in favor of approval of a properly framed export Application.<sup>4</sup>

<sup>1</sup> *Cheniere Marketing, LLC*, FE 10-31-LNG, DOE/FE Opinion and Order No. 2795 (June 1, 2010).

<sup>2</sup> *Freeport LNG Development, L.P.*, DOE/FE 08-70-LNG, DOE/FE Order Nos. 2644 (May 28, 2009), 2644-A (September 22, 2009), and 2644-B (May 11, 2010); and *ConocoPhillips Company*, FE 09-92-LNG, DOE/FE

Order No. 2731 (November 30, 2009).

<sup>3</sup> 15 U.S.C. 717b(a).

<sup>4</sup> See *Phillips Alaska Natural Gas Corp. and Marathon Oil Co.*, DOE/FE Order No. 1473, 2 FE¶70,317 at p. 13, n. 42 (April 2, 1999), citing *Panhandle Producers and Royalty Owners*

Chevron states further, in evaluating an export application, FE applies the principles described in DOE Delegation Order No. 0204-111 which states that domestic need for natural gas shall be the primary focus of DOE when evaluating an export application.<sup>5</sup> Finally, as detailed below, Chevron states that this blanket export authorization request satisfies the public interest standard of section 3 of the NGA, as construed by DOE.

Chevron states that there is no domestic reliance on the imported LNG that Chevron would export pursuant to the blanket authorization requested. In support, Chevron states that in June 2010, FE granted Cheniere Marketing, LLC (Cheniere) blanket authorization to export up to 500 Bcf of previously imported LNG. Chevron states that FE concluded that "the record shows there is sufficient supply of natural gas to satisfy domestic demand from multiple other sources at competitive prices without drawing on the LNG which Cheniere seeks to export throughout the authorization timeframe."<sup>6</sup> Chevron also states that DOE/FE reached the same conclusion for the ConocoPhillips Company proceeding granting ConocoPhillips blanket authorization to export previously imported LNG up to the equivalent of 500 Bcf of natural gas.<sup>7</sup> Chevron states that FE based its conclusions on data prepared by DOE's Energy Information Administration, as detailed in DOE/FE Order No. 2795. Specifically, FE stated, "DOE's review of domestic natural gas market data in 2009 versus 2007 shows an increase in domestic dry gas production, a slight decrease in domestic demand, and a decrease in both total LNG imports and net natural gas imports." With this background, Chevron states that the 72 Bcf of previously imported LNG for which Chevron seeks blanket authorization to export is not needed to meet domestic demand.

Chevron asserts that granting the blanket export authorization would encourage Chevron to purchase spot market LNG cargoes for import into the United States, and would make more natural gas available to the domestic market if it were needed, or alternatively, export the previously imported LNG to other world markets, depending on the prevailing market conditions.

Chevron states it is only seeking the authority to export previously imported LNG, and not seeking the authority to export domestically produced natural gas supplies. Thus, Chevron states that its request for blanket authorization, herein, will not reduce domestically produced natural gas supplies available to the domestic market.

#### Environmental Impact

Chevron states that no modifications to the Sabine Pass LNG Terminal are required to enable the proposed exports of LNG. Chevron asserts that consequently, granting this application will not constitute a federal action significantly affecting the human environment within the meaning of the National Environmental Policy Act (NEPA), 42 U.S.C. 4321 *et seq.*

#### DOE/FE Evaluation

This export application will be reviewed pursuant to section 3 of the NGA, as amended, and the authority contained in DOE Delegation Order No. 00-002.00I (Nov. 10, 2009) and DOE Redesignation Order No. 00-002.04D (Nov. 6, 2007). In reviewing this LNG export application, 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. Parties that may oppose this application should comment in their responses on these issues.

NEPA 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 NEPA responsibilities.

#### Public Comment Procedures

You may submit comments in electronic form on the Federal eRulemaking Portal at <http://www.regulations.gov>. Alternatively, written comments can be submitted using the procedures discussed below. If using electronic filing, follow the on-line instructions and submit such comments under FE Docket No. 10-114-LNG. DOE/FE suggests that electronic filers carefully review information provided in their submissions, and include only information that is intended to be publicly disclosed. You may not electronically file a protest, motion to intervene, or notice of intervention, but may submit such pleadings using the following process.

In response to this notice, any person may file a protest, motion to intervene or notice of intervention or written comments, as provided in DOE's regulations at 10 CFR part 590.

Any person wishing to become a party to the proceeding and to have their written comments considered as a basis for any decision on the application must file a motion to intervene or notice of intervention, as applicable. 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 may be considered in determining the appropriate action to be taken on the application. All protests, motions to intervene, notices of intervention, and written comments must meet the requirements specified by the regulations in 10 CFR part 590. Except where comments are filed electronically, as described above, comments, protests, motions to intervene, notices of intervention, and requests for additional procedures shall be filed with the Office of Oil and Gas Global Security and Supply at the address listed above.

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. A party seeking intervention may request that additional procedures be provided, such as additional written comments, an oral presentation, a conference, or trial-type hearing. Any request to file additional written comments should explain why they are necessary. Any request for an oral presentation should identify the substantial question of fact, law, or policy at issue, show that it is material and relevant to a decision in the proceeding, and demonstrate why an oral presentation is needed. Any request for a conference should demonstrate why the conference would materially advance the proceeding. Any request for a trial-type hearing must show that there are factual issues genuinely in dispute that are relevant and material to a decision and that a trial-type hearing is necessary for a full and true disclosure of the facts.

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.

*Association v. EIA*, 822 F.2d 1105, 1111 (DC Cir. 1987).

<sup>5</sup> *Ibid*, at p. 14.

<sup>6</sup> *Cheniere Marketing, LLC*, DOE/FE Order No. 2795 (June 1, 2010) at p. 11.

<sup>7</sup> *ConocoPhillips Company*, DOE/FE Order No. 2731 (November 30, 2009).

The application filed by Chevron is available for inspection and copying in the Office of Oil and Gas Global Security and Supply docket room, 3E-042, at the above address. The docket room is open between the hours of 8 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>. In addition, any electronic comments filed will also be available at: <http://www.regulations.gov>.

Issued in Washington, DC, on October 4, 2010.

**John A. Anderson,**

*Manager, Natural Gas Regulatory Activities, Office of Oil and Gas Global Security and Supply, Office of Fossil Energy.*

[FR Doc. 2010-25545 Filed 10-8-10; 8:45 am]

**BILLING CODE 6450-01-P**

## DEPARTMENT OF ENERGY

[FE Docket No. 10-111-LNG]

### **Sabine Pass Liquefaction, LLC; Application for Long-Term Authorization To Export Liquefied Natural Gas**

**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 September 7, 2010, by Sabine Pass Liquefaction, LLC (Sabine Pass), requesting long-term, multi-contract authorization to export up to 16 million metric tons per annum (mtpa) of domestic natural gas as liquefied natural gas (LNG) for a 20-year period, commencing the earlier of the date of first export or five years from the date of issuance of the requested authorization. Sabine Pass seeks authorization to export LNG from the Sabine Pass LNG Terminal<sup>1</sup> to any country with which the United States does not have a free trade agreement (FTA) requiring the national treatment for trade in natural gas and LNG that has, or in the future develops, the capacity to import LNG and with which trade is not prohibited by U.S. law or policy. The application was filed under section 3 of the Natural Gas Act (NGA),

as amended by section 201 of the Energy Policy Act of 1992. 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 at the address listed below in **ADDRESSES** no later than 4:30 p.m., eastern time, December 13, 2010.

**ADDRESSES:** U.S. Department of Energy (FE-34), Office of Oil and Gas Global Security and Supply, Office of Fossil Energy, Forrestal Building, Room 3E-042, 1000 Independence Avenue, SW., Washington, DC 20585.

#### **FOR FURTHER INFORMATION CONTACT:**

Larine Moore or Lisa Tracy, U.S.

Department of Energy (FE-34), Office of Oil and Gas Global Security and Supply, Office of Fossil Energy, Forrestal Building, Room 3E-042, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-9478; (202) 586-9387.

Edward Myers, U.S. Department of Energy, Office of the Assistant General Counsel for Electricity and Fossil Energy, Forrestal Building, Room 6B-256, 1000 Independence Ave., SW., Washington, DC 20585, (202) 586-3397.

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

Sabine Pass, an indirect subsidiary of Cheniere Energy, Inc. (Cheniere Energy), has its principal place of business in Houston, Texas. Cheniere Energy is a Delaware corporation with its primary place of business in Houston, Texas. Cheniere Energy is a developer of LNG terminals and natural gas pipelines on the Gulf Coast, including the Sabine Pass LNG Terminal. Sabine Pass is authorized to do business in the States of Texas and Louisiana. This Application is the second part of a two-phased authorization sought by Sabine Pass in conjunction with the development of the Sabine Pass Liquefaction Project (Liquefaction Project). The Liquefaction Project (Liquefaction Project) is being developed to liquefy domestic supplies of natural gas delivered to the Sabine Pass LNG Terminal for export to foreign markets. The Liquefaction Project would turn the Sabine Pass LNG Terminal into a bi-directional LNG facility, capable of liquefying and exporting natural gas along with importing and re-gasifying foreign-sourced LNG, simultaneously.

##### *Existing Long-Term, Multi-Contract Authorization*

On September 7, 2010, in DOE/FE Order No. 2833, FE granted Sabine Pass authorization to export up to 16 million mtpa of domestically produced LNG (approximately 803 Bcf per year) from the Sabine Pass LNG Terminal for a 30-year term, beginning on the earlier date of first export, or September 7, 2020, pursuant to one or more long-term export contracts (greater than two years) with third parties with terms up to 30 years executed by September 7, 2020. The LNG may be exported to Australia, Bahrain, Singapore, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, Chile, Morocco, Canada, Mexico, Oman, Peru, Singapore, and Jordan, and to any nation which DOE subsequently identifies publicly as having entered into a FTA providing for national treatment for trade in natural gas (FTA Countries), provided that the destination nation has the capacity to import LNG.

##### *Current Application*

In the instant application, Sabine Pass seeks long-term, multi-contract authorization to export up to 16 million mtpa of LNG for a 20-year period, commencing the earlier of the date of first export or five years from the date of issuance of the requested authorization. Sabine Pass seeks authorization to export LNG from the Sabine Pass LNG Terminal to any country with which the United States does not have a FTA requiring the national treatment of trade in natural gas and LNG that has, or in the future develops, the capacity to import LNG and with which trade is not prohibited by U.S. law or policy.

Sabine Pass seeks long-term, multi-contract approval to export LNG to applicable countries not otherwise authorized pursuant to DOE/FE Order No. 2833. Sabine Pass categorizes those countries, for purpose of this Application, as countries that hold membership in the World Trade Organization (WTO Countries) and those countries that do not hold membership in the WTO (non-WTO Countries). Sabine Pass requests that FE review its request for authorization to export LNG to WTO Countries under the standard of review set forth in section 3(c) of the NGA, 15 U.S.C. 717b(c). Sabine Pass acknowledges that its request for authorization to export LNG to non-WTO Countries must be reviewed pursuant to the public interest

<sup>1</sup> The Sabine Pass LNG Terminal is an existing LNG import facility located in Cameron Parish, Louisiana that is owned by Sabine Pass's affiliate, Sabine Pass LNG, L.P. (Sabine Pass LNG).