



Department of Energy  
Washington, DC 20585

April 24, 2014

Mr. Dan Muldoon  
President  
Emera CNG, LLC  
777 Flagler Drive  
Suite 800 – West Tower  
West Palm Beach, FL 33401

RE: Clarification of Application for Long-Term Authorization to Export Compressed Natural Gas, FE Docket No. 13-157-CNG

Dear Mr. Muldoon,

As you know, on November 20, 2013, Emera CNG, LLC filed an application (Application) with the Office of Fossil Energy (FE) of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA) for long-term authorization to export compressed natural gas (CNG) in a volume equivalent to approximately 9.125 billion cubic feet per year (Bcf/yr) of natural gas. In the Application, Emera seeks authorization to export the CNG “via truck and ocean-going carrier” from a proposed CNG compression and loading facility (Facility) to be located at the Port of Palm Beach, in Riviera Beach, Florida. App. at 1.

Emera seeks to export this CNG on its own behalf from the Facility to: i) any country with which the United States currently has, or in the future will have, a Free Trade Agreement (FTA) requiring the national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (FTA countries), and ii) any other country with which the United States does not have a FTA requiring national treatment in natural gas, and with which trade is not prohibited by U.S. law or policy (non-FTA countries).<sup>1</sup>

In describing the project, Emera states that it intends for the Facility to be the principal source of CNG for export. During times of maintenance at the Facility or at the Port of Palm Beach, however, CNG may be sourced from other facilities in Florida and transported to the Port or other general use port facilities (including Port Everglades, Port of Miami, Port Canaveral, or Port of Jacksonville) for export. App. at 4.

After reviewing the Application, DOE/FE finds that two points should be clarified before DOE/FE can process the Application. This information is required by 10 C.F.R. § 590.202 (“Contents of applications”), which requires applicants to identify, among other information,

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<sup>1</sup> DOE/FE will review the portion of Emera’s Application that seeks authorization to export CNG to FTA countries under NGA section 3(c), 15 U.S.C. § 717b(c). The portion of the Application that seeks authorization to export CNG to non-FTA countries will be reviewed separately under NGA section 3(a), 15 U.S.C. § 717b(a).



“the facilities to be utilized or constructed” (10 C.F.R. § 590.202(b)(1)) and the “source and security of the natural gas supply to be ... exported” (*id.* § 590.202(b)(2)).

First, Emera requests authorization to export CNG by truck and vessel, and notes that the CNG will be contained in ISO containers. App. at 4. The description of the project suggests that Emera is requesting authorization to export CNG in ISO containers by waterborne vessel, and that the ISO containers would be transported to the vessel by trucks. If this is the case, DOE/FE would consider the Application a request to export CNG in ISO containers by waterborne vessel—as opposed to export by truck alone. Please confirm that this is the intended scope of the project, and if not, please discuss in more detail the use of trucks in the export of CNG.

Second, Emera states that the proposed Facility will be the principal source of CNG for export, although “it is conceivable that ... other facilities in Florida” may provide CNG when the Facility or Port is undergoing maintenance. App. at 4. The Application, however, does not identify these other facilities or explicitly request authorization to use them as a source of CNG for export. Therefore, DOE/FE will consider the source and supply of CNG to be only the Facility, and will not authorize exports of CNG from other facilities. Please confirm your agreement with this understanding of the Application. If you disagree, please identify and describe the “other facilities” that will be used to provide CNG for export, and indicate the source and security of the natural gas supply from those facilities.

DOE/FE requests that Emera provide the information requested above as required by 10 C.F.R. § 590.202(b) within 30 days of today’s date.

Should you have any questions, please contact me.



John A. Anderson  
Director, Division of Natural Gas Regulatory Activities  
Office of Oil and Gas Global Security and Supply  
Office of Fossil Energy

cc: David T. Andril (Vinson & Elkins L.L.P.)  
John S. Decker (Vinson & Elkins L.L.P.)