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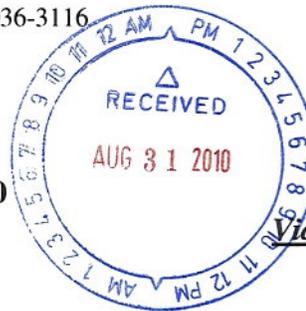
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August 31, 2010



Via Hand-Delivery

Mr. John Anderson
U.S. Department of Energy (FE-34)
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Re: *ConocoPhillips Alaska Natural Gas Corporation and Marathon Oil Company,*
FE Docket No. 10-63-LNG

Dear Mr. Anderson:

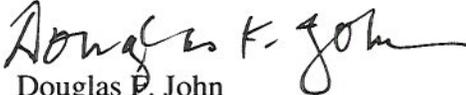
ConocoPhillips Alaska Natural Gas Corporation and Marathon Oil Company (collectively, "Applicants") have become aware of the motion dated August 18, 2010 and received by the Department of Energy's Office of Fossil Energy ("DOE/FE") on August 19, 2010 in the referenced proceeding that was sent on behalf of seven members of the Alaska State Legislature. That motion asks for leave to submit additional comments on the export application at issue in this proceeding. Those comments are set forth in a letter that is dated August 4, 2010, which is attached to the motion. The central message in these comments is that, in the opinion of these legislators, DOE/FE should condition its approval of the pending export application on requirements similar to those in a Settlement Agreement that Applicants entered into with the State of Alaska in the course of negotiations over the currently-effective DOE/FE export authorization. That Settlement Agreement, which notably has been in the public domain since early 2008, will expire when the term of the current export authorization expires on March 31, 2011.

The Senate and House of the Alaska State Legislature, the elected bodies of which these seven legislators are members, passed unanimous, unconditional resolutions in support of the pending export application. Nonetheless, these same seven legislators filed initial, timely comments on this export application. Applicants responded to those comments, as well as those of Alaska Governor Sean Parnell, in a letter filed with DOE/FE on August 17, 2010.

Applicants believe their response to Governor Parnell, as contained in the August 17, 2010 letter to DOE/FE, adequately addresses the late-filed comments of the seven legislators. Applicants therein explained and reaffirmed the commitment they have already made toward meeting local gas supply needs during the term of the requested export authorization, and provided assurances that third-party gas producers will have meaningful access to the Kenai LNG export market during the two-year term of the requested export authorization. It is important to note that, in approving the application for the current export authorization, DOE/FE did not impose on Applicants any condition relating to the Settlement Agreement with the State of Alaska. Neither should any formal condition be imposed here. Applicants will stand by the commitments they have made on this record. Should any question arise during the term of the export authorization as to whether Applicants have failed to honor any of these pledges, it will be the right of any concerned person to petition DOE/FE to alter its approval of the authorization Applicants are presently seeking.

All commenters, including the seven legislators, express their recognition of the importance of the continued operation of the Kenai export terminal to the local supply of natural gas. As it will take time to negotiate the necessary commercial arrangements after the export authorization is received to enable continued operation of the terminal, we again request the expeditious review and approval of the export application.

Respectfully submitted,


Douglas E. John

Counsel for ConocoPhillips Alaska Natural Gas
Corporation and Marathon Oil Company