UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY



Carib Energy (USA) LLC

FE Docket No. 11-141-LNG

MOTION FOR LEAVE TO INTERVENE AND COMMENTS OF THE AMERICAN PUBLIC GAS ASSOCIATION

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Pursuant to Sections 590.303 and 590.304 of the Administrative Procedures with Respect to the Import and Export of Natural Gas, the American Public Gas Association ("APGA") files this motion to intervene and comments in the above captioned proceeding. In support, APGA states the following:

I. COMMUNICATIONS

Any communications regarding this pleading or this proceeding should be addressed to:

David Schryver
Executive Vice President
American Public Gas Association
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201 Massachusetts Avenue, NE
Washington, DC 20002
dschryver@apga.org

William T. Miller Miller, Balis & O'Neil, P.C. Twelfth Floor 1015 Fifteenth Street, N.W. Washington, D.C. 20005 Telephone: (202) 296-2960 wmiller@mbolaw.com

¹ 10 C.F. R. §§ 590.303, 590.304 (2011).

II. INTERVENTION

APGA is the national, non-profit association of publicly-owned natural gas distribution systems, with some 700 members in 36 states. Overall, there are some 950 publicly-owned systems in the United States. Publicly-owned gas systems are not-for-profit retail distribution entities that are owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities. APGA members purchase interstate natural gas transportation services, usually as captive customers of a single interstate pipeline, at rates and under terms and conditions that are regulated by the Federal Energy Regulatory Commission ("FERC"). APGA's members are active participants in the domestic market for natural gas where they secure the supplies of natural gas necessary to serve their end users.

On October 20, 2011, Carib Energy (USA) LLC ("Carib") filed an application in this proceeding to export approximately 120,000 gallons per day of domestically produced liquefied natural gas ("LNG"), equivalent to approximately 4.33 billion cubic feet of natural gas per year, over a 25-year period. The application states LNG would be exported in containers from various ports of export in the southeastern United States to any country with which the U.S. does not have a free trade agreement within South America, Central America or the Caribbean and that has the capability to import LNG via containers.

APGA has a direct and substantial interest in this proceeding that cannot be adequately represented by any other party. APGA respectfully submits that good cause exists to grant its motion to intervene.

III. COMMENTS

APGA has intervened and protested in a number of LNG applications now pending at the DOE because of its concern, among others, that due to the magnitude of the applications, especially when viewed in the aggregate, they could adversely affect the price of domestic natural gas, thereby undermining efforts to achieve energy independence in the United States, a long-term, Administration-endorsed goal of this Nation.² This concern was underscored by a report recently released by the U.S. Energy Information Administration ("EIA") on the price effects of LNG exports in response to a U.S. Department of Energy Office of Fossil Energy ("DOE/FE") inquiry.³ The EIA Export Report concludes that exporting domestic LNG could significantly increase domestic natural gas prices.

The Carib application is of a different scale in terms of size and scope and also is not aiming to sell the product in global markets where cartel-driven oil prices affect the price of natural gas. Given these significant distinguishing characteristics, APGA believes the Carib application should be treated as *sui generis*. Granting or denying the Carib application (and others like it, should they be filed) should not affect the price of natural gas domestically, and thus the concerns expressed by APGA in its protests in the above-referenced export applications should not be a driver in the evaluation of the subject application.

Having said that, however, APGA stresses that DOE/FE should not, as to the large LNG export applications (listed in note 2 in the margin below) and future such applications, view them in isolation as the concerns regarding price impacts stem from the aggregate effect of such

² See APGA Protests in *Dominion Cove Point LNG, LP*, FE Docket No. 11-128-LNG; *Lake Charles Exports, LLC*, FE Docket No. 11-59-LNG; *Freeport LNG Expansion, LP and FLNG Liquefaction LLC*, FE Docket No. 10-161-LNG; and *Sabine Pass Liquefaction, LLC*, FE Docket No. 10-111-LNG.

³ Effect of Increased Natural Gas Exports on Domestic Energy Markets, U.S. Energy Information Administration (January 2012) ("EIA Export Report").

applications, as DOE/FE seems to tacitly have acknowledged in setting the parameters for the EIA Export Report.

IV. CONCLUSION

WHEREFORE, based on the foregoing, APGA respectfully requests that the DOE/FE (1) grant its motion to intervene in this proceeding with all rights appurtenant to that status, and (2) consider these comments in its ruling on the subject application.

Respectfully submitted,

AMERICAN PUBLIC GAS ASSOCIATION

By William T. Miller
William T. Miller

Justin R. Cockrell

Miller, Balis & O'Neil, P.C.

Twelfth Floor

1015 Fifteenth Street, N.W.

Washington, DC 20005

Its Attorneys

February 27, 2012

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VERIFICATION

WASHINGTON §
DISTRICT OF COLUMBIA §

Pursuant to C.F.R. § 590.103(b) (2011), William T. Miller, being duly sworn, affirms that he is authorized to execute this verification, that he has read the foregoing document, and that all facts stated herein are true and correct to the best of his knowledge, information, and belief.

William T. Miller

Miller, Balis & O'Neil, P.C.

Twelfth Floor

1015 Fifteenth Street, N.W. Washington, DC 20005

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Email: wtmiller@mbolaw.com

Subscribed and sworn to before me this 27th day of February, 2012.

Notary Public
My Commission Expires:

LESLIE K. NELSON-WALSKI

Notary Public, District of Columbia

My Commission Expires May 31, 2015

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CERTIFIED STATEMENT OF AUTHORIZED REPRESENTATIVE

Pursuant to C.F.R. § 590.103(b) (2011), I, William T. Miller, hereby certify that I am a duly authorized representative of the American Public Gas Association, and that I am authorized to sign and file with the Department of Energy, Office of Fossil Energy, on behalf of the American Public Gas Association, the foregoing document and in the above-captioned proceeding.

Dated at Washington, D.C., this 27th day of February, 2012.

William T. Miller

Miller, Balis & O'Neil, P.C.

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon on the applicant and on DOE/FE for inclusion in the FE docket in the proceeding in accordance with 10 C.F.R. § 590.107(b) (2011).

Dated at Washington, D.C., this 27th day of February, 2012.

By:

Justin R. Cockrell

Miller, Balis & O'Neil, P.C.

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1015 Fifteenth Street, N.W.

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