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February 23, 2015

By Email and Federal Express

fergas@hq.doe.gov

Ms. Larine A. Moore Docket Room Manager U.S. Department of Energy FE-34 PO Box 44375 Washington, D.C. 20026-4375

Re: Application of Floridian Natural Gas Storage Company, LLC for Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations and Non-Free Trade Agreement Nations, FE Docket No. 15-38-LNG

Dear Ms. Moore:

Please accept for filing the accompanying Application of Floridian Natural Gas Storage Company, LLC (Floridian) for Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations and Non-Free Trade Agreement Nations (the Application) that is being transmitted to you on this date by email as indicated above. The Application is accompanied by a PDF of a check in the amount of \$50.00, made payable to the U.S. Department of Treasury, for the filing fee.

On this date, the undersigned is mailing to you at the address indicated above an original and three copies of the Application and the original check for the filing fee.

Please acknowledge receipt of this Application by email to <u>darbyj@dicksteinshapiro.com</u>. Should you have any questions, please do not hesitate to contact me at (202) 420-2745. Thank you for your assistance.

Sincerely,

/s/ Joan M. Darby

Joan M. Darby

UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

In the Matter of:)	
)	Docket No. 15LNG
Floridian Natural Gas Storage Company, LLC)	

APPLICATION FOR LONG-TERM MULTI-CONTRACT AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS TO FREE TRADE AGREEMENT NATIONS AND NON-FREE TRADE AGREEMENT NATIONS

Communications regarding this application should be directed to:

Joan M. Darby Beth L. Webb Dickstein Shapiro LLP 1825 Eye Street NW Washington, DC 20006

(202) 420-2200 (800) 621-6843

darbyj@dicksteinshapiro.com webbb@dicksteinshapiro.com David W. Sharp Floridian Natural Gas Storage Company, LLC 1000 Louisiana Street Suite 4300 Houston, TX 77002

dsharp@floridiangasstorage.com

UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

)	
In the Matter of:)	
)	Docket No. 15LNG
Floridian Natural Gas Storage Company, LLC)	
)	

APPLICATION FOR LONG-TERM MULTI-CONTRACT AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS TO FREE TRADE AGREEMENT NATIONS AND NON-FREE TRADE AGREEMENT NATIONS

Pursuant to Section 3 of the Natural Gas Act (NGA), 15 U.S.C. § 717b, and Part 590 of the regulations of the Department of Energy (DOE), 10 C.F.R. Part 590, Floridian Natural Gas Storage Company, LLC (Floridian) requests that the DOE's Office of Fossil Energy (DOE/FE) issue an order granting Floridian long-term, multi-contract authorization to export liquefied natural gas (LNG) produced at Floridian's liquefaction and storage facility to be constructed and operated in Martin County, Florida (the Facility). The Facility is subject to the jurisdiction of the Federal Energy Regulatory Commission (FERC or the Commission).

The volume for which this Application requests authorization is up to the maximum annual send-out capacity of gas in its liquefied state via the Facility's truck loading station, the equivalent of 14.6 billion cubic feet (Bcf) of natural gas per year, 1 less the portion of that volume

Floridian holds a certificate of public convenience and necessity issued by FERC under NGA § 7 that authorizes Floridian to build the Facility in two phases, each phase having a liquefaction capacity of 50 million cubic feet (MMcf)/day. *Floridian Natural Gas Storage Company, LLC*, 124 FERC ¶ 61,214 at P 4 (2008) (*Floridian FERC Certificate Order*). The FERC certificate authorizes a maximum delivery capacity at the Facility's truck loading station of an LNG volume equivalent to 40 MMcf/day (14.6 Bcf/year). *Floridian Natural Gas Storage Company, LLC*, 140 FERC ¶ 61,167 at P 6 (2012) (*Floridian FERC Amendment Order*). Floridian anticipates that initially it will construct one of the two 25 MMcf/d liquefaction trains certificated for Phase 1.

that may be under firm contract directly or indirectly to Carib Energy (USA) LLC (Carib).² Floridian seeks authorization to export on its own behalf and as agent for others, who, like Carib, may, for the purpose of exporting, contract for delivery of a volume of LNG produced and delivered by truck loading at the Facility.

This Application requests authorization to export the LNG in cargo containers approved by the International Standards Organization (ISO containers) to any nation with which the United States has a Free Trade Agreement (FTA) requiring national treatment for trade in natural gas, as well as to any nation with which the United States does not have an FTA, in either case which has or in the future develops the capacity to import LNG and with which the trade is not prohibited by United States law or policy.

Floridian seeks this authorization for a term of twenty (20) years commencing on the earlier of the date of first export or the date five years from the date of the final order granting the requested authorization.

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DOE/FE has issued a final order authorizing Carib to export LNG from the Facility "at a volumetric rate not to exceed 14.6 Bcf/yr (0.04 Bcf/d) of natural gas, which is equivalent to the maximum daily send out capacity of natural gas in liquefied state via the FERC-authorized truck loading station at the Floridian Facility." *Carib Energy (USA) LLC*, DOE/FE Order No. 3487 at 2-3 (Sept. 10, 2014) (*Carib DOE/FE Order*). As of this date, Carib has not contracted with either Floridian or, to Floridian's knowledge, any Floridian customer holding capacity in the Facility for delivery of any volumes of LNG, on either a firm or interruptible basis. By excluding LNG volumes from the Facility that may come under firm contract to Carib, Floridian's requested authorization would be consistent, as applied to LNG deliveries via truck loading, with DOE/FE's policy not to authorize exports that exceed the liquefaction capacity at an LNG facility that will be used for the proposed export operations. See *Carib* at 18.

I. COMMUNICATIONS

Communications regarding this Application should be directed to:

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David W. Sharp Floridian Natural Gas Storage Company, LLC 1000 Louisiana Street Suite 4300 Houston, TX 77002 (800) 621-6843 dsharp@floridiangasstorage.com

II. APPLICANT

The exact legal name of Floridian is Floridian Natural Gas Storage Company, LLC. Floridian's principal place of business is 1000 Louisiana Street, Suite 4300, Houston, Texas 77002. Floridian is a limited liability company formed under the laws of the State of Delaware. The current ownership of Floridian is: 98% by Tesla Resources LLC (Tesla) and the remaining 2% by individual private investors. Tesla is a Delaware limited liability company and its principal place of business is 1000 Louisiana Street, Suite 4300, Houston, Texas 77002.

III. REQUESTED AUTHORIZATION

Floridian requests authorization to export to FTA nations and non-FTA nations, on its own behalf and as agent for others, LNG produced at Floridian's Facility and transported in approved ISO containers, up to the equivalent of 14.6 Bcf of natural gas per year, less the portion of that volume that may be under firm contract to Carib. It requests such authorization for a term

of twenty years commencing on the earlier of the date of first export or the date five years from the date of the final order granting the requested authorization, and continuing for the 20-year term.

IV. DESCRIPTION OF EXPORT PROPOSAL

In brief, all of the LNG proposed to be exported under the requested authorization will be produced by Floridian at the Facility for customers of Floridian that will hold liquefaction, storage and delivery capacity in the Facility. Those customers will hold title to the natural gas that they deliver to the Facility for liquefaction and to the LNG that they receive at the Facility's truck loading station.³ Floridian's customers (or their customers) will take delivery of LNG into ISO containers, which those customers will then transport by truck to the ports which will be the points of export.⁴

At the present time, a number of prospective customers that intend to export LNG are engaged in negotiations either to contract directly with Floridian for liquefaction and truck loading capacity at the Facility or to contract with those direct customers of Floridian for delivery of LNG produced at the Facility. In either case, these customers are looking to Floridian to act as their agent to export LNG produced at the Facility under the authorization requested herein. Floridian intends that, during the pendency of this application, it will identify to DOE/FE any such prospective customer that concludes negotiations and enters into an

At the present time, Floridian does not anticipate that Floridian itself will hold title to the LNG. Floridian is requesting authorization to export for itself in this Application in the event that a change in circumstances would lead to Floridian holding title to LNG that it would export.

Floridian may also have customers serving domestic markets, receiving either LNG in ISO containers or transport trailers or re-vaporized LNG via pipeline.

agreement either for liquefaction and truck loading capacity at the Facility or for delivery by prospective holders of such capacity of LNG produced at the Facility; Floridian will also file the respective contract with DOE/FE within 30 days of its execution as required by DOE/FE regulations.

Floridian further intends that, once DOE/FE has granted the requested authorization, it will register with DOE/FE all customers for which Floridian expects to act as agent to export LNG produced at the Facility under the authorization.⁵ These registrants will include all customers that have executed an agreement either for liquefaction and truck loading capacity at the Facility or for delivery by holders of such capacity of LNG produced at the Facility, as well as all prospective customers that Floridian determines are engaged in serious, good faith negotiations advancing towards the conclusion of such an agreement, with the use of the authorization by Floridian as agent for any such prospective customer being subject to execution of an agreement.⁶

Floridian will not register Carib because Carib will use the authorization it was granted by DOE/FE for any exports by Carib of LNG produced at the Facility (see note 2 above). Floridian understands that any such use of the Carib authorization will, like use of the Floridian authorization, be subject to the execution (and the filing within 30 days of such execution) of long-term contracts associated with the long-term supply of LNG from the Facility.

Floridian will require that each customer agree, either in its executed agreement or, if a prospective customer, in a letter of intent, to supply Floridian with all information necessary to permit Floridian to register that person or entity with DOE/FE, including: (1) the Registrant's agreement to comply with the authorization granted to Floridian by DOE/FE and all applicable requirements of DOE/FE's regulations at 10 C.F.R. Part 590, including but not limited to destination restrictions; (2) the exact legal name of the Registrant, state/location of incorporation/registration, primary place of doing business, and the Registrant's ownership structure, including the ultimate parent entity if the Registrant is a subsidiary or affiliate of another entity; (3) the name, title, mailing address, e-mail address, and telephone number of a corporate officer or employee of the registrant to whom inquiries may be directed; and (4) within 30 days of execution, a copy of any long-term contracts associated with the long-term supply of LNG from the Facility not previously filed with DOE/FE. A letter of intent will also state the prospective customer's intent to negotiate and conclude a contract for delivery by Floridian, or by a holder of liquefaction and truck loading capacity at the Facility, of LNG produced at the

The Facility is subject to the jurisdiction of the FERC. In 2008, the Commission issued a certificate of public convenience and necessity that authorizes Floridian to build the Facility in two phases, each to comprise a 4 Bcf storage tank, liquefaction trains with a capacity of 50 MMcf/day and a vaporization system sized for 400 MMcf/day. Authorized Phase 1 facilities also include a set of two approximately four-mile pipelines to connect the Facility with the two nearby interstate pipelines and a dual two-bay truck loading station. The FERC certificate was preceded by a thorough environmental review of the Facility detailed in an Environmental Impact Statement (EIS).

On August 12, 2012, the Commission amended Floridian's certificate to authorize operation of the truck loading bays, not only in emergency circumstances as originally certificated, but also in the normal course of business. This certificate amendment was preceded by an Environmental Assessment (EA) of the proposed change. Presently, Floridian's application to amend the certificate to modify certain Phase 1 facilities is pending at FERC. Floridian now proposes to build, as Phase 1 of the Floridian Facility, a 1 Bcf storage tank and 100 MMcf/day of vaporization rather than a 4 Bcf tank and 400 MMcf/day of vaporization. It

Facility and acknowledge that use of the Floridian authorization will be subj

Facility and acknowledge that use of the Floridian authorization will be subject to the execution (and the filing with DOE/FE within 30 days of such execution) of long-term contracts associated with the long-term supply of LNG from the Facility.

Floridian FERC Certificate Order at P 4. By letter order dated August 11, 2014 in FERC Docket No. CP08-13-000, Floridian was granted an extension of time to August 29, 2015 for completing construction of the Floridian Facility.

⁸ Floridian Natural Gas Storage Company, LLC, FERC Docket No. CP08-13-000 (July 11, 2008).

⁹ Floridian Natural Gas Storage Company, LLC, 140 FERC ¶ 61,167 (2012).

Floridian Natural Gas Storage Company, LLC, FERC Docket No. CP12-100-000 (June 29, 2012).

Floridian Natural Gas Storage Company, LLC, FERC Docket No. CP13-541-000 (Sept. 4, 2013).

will build the truck loading station as it was originally proposed for Phase 1. Floridian expects that it will construct both of the two 25 MMcf/d liquefaction trains certificated for Phase 1, but it plans initially to construct one. FERC's environmental review of the proposed modifications is in progress: Floridian expects that FERC will issue an EA in the near future, to be followed by a second certificate amendment. Floridian anticipates constructing the modified Phase 1 facilities promptly after FERC issues the requested certificate amendment.

Floridian's customers will have access to multiple diverse natural gas sources via the competitive domestic national market in natural gas. They will be able to transport natural gas from any point connected to the interstate pipeline grid and deliver it via either of the two existing interstate pipeline systems to which the Facility will be connected (and potentially via a third interstate pipeline currently proposed to be constructed to Martin County). Export customers of Floridian will transport LNG away from the Facility via truck in ISO containers. Under normal operational conditions, approximately 48 trucks could be loaded and dispatched in one day, which means that the maximum daily send-out capacity of gas in its liquefied state via the truck loading station would be equivalent of approximately 0.04 Bcf/day (14.6 Bcf/yr). ¹² Floridian's customers will be responsible for assuring compliance of their ISO containers and the truck transportation with all applicable permitting requirements and the U.S. Department of Transportation regulations.

Exports of LNG produced at the Facility will be from existing container terminals located in ports in the Southeast United States, primarily those in Florida such as Port of Palm Beach (the closest at about 35 miles distant), Port Everglades, Port of Miami, Port Canaveral, Port of Tampa, Port Manatee and the Port of Jacksonville (the farthest at about 265 miles

¹² Floridian Amendment Order, 140 FERC ¶ 61,167 at P 6 (2012).

distant). Upon arrival by truck at the point of export, pier facilities for loading all cargo containers will be utilized to load the ISO containers of LNG onto the ocean-going marine vessels, which will then transport the LNG exports to the destination countries. No additional infrastructure will be required at existing container terminals for the proposed exports.

Floridian will comply with all DOE/FE reporting requirements. Floridian commits to filing, or causing to be filed, executed long-term commercial agreements related to the LNG that is produced at the Facility and exported under the requested authorization, including agreements associated with the long-term supply of natural gas, Floridian service agreements and LNG sale and export agreements.¹³

V. APPLICABLE PUBLIC INTEREST STANDARD

Floridian seeks an order authorizing LNG exports under NGA Section 3(a), which sets forth a statutory directive that DOE/FE "issue such order upon application, unless, after opportunity for hearing, [it] finds that the proposed exportation ... will not be consistent with the public interest." The portion of the Application concerning exports to FTA nations is also

NGA Section 3(a), 15 U.S.C. § 717b(a), provides in pertinent part:

secured an order of the [Secretary of Energy] authorizing it to do so. The [Secretary] shall issue such order upon application, unless, after opportunity for hearing, it finds that the proposed exportation or importation will not be consistent with the public interest.

DOE/FE has found that the submission of agreements within 30 days of their execution is compliant with the requirements in Section 590.202(b) of DOE/FE's regulations for submission, "to the extent practicable," of specific information on the transactions associated with the proposed exports. *LNG Development Company, LLC (d/b/a Oregon LNG)*, DOE/FE Order No. 3465 (July 31, 2014).

[[]N]o person shall export any natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having

governed by NGA Section 3(c) and, as such, is entitled to the statutory presumption that such exports are "deemed to be within the public interest" and is subject to the statutory imperative that such applications "shall be granted without modification or delay." DOE/FE has consistently found that this provision overrides otherwise applicable regulatory requirements such as public notice and has acted to approve LNG exports to FTA nations without engaging in an analysis of factors affecting the public interest. It should do likewise for Floridian's request for authorization to export LNG to FTA nations.

The portion of Floridian's Application requesting authorization for exports to non-FTA nations is subject to a public interest analysis. In the pair of final orders issued last September 10 authorizing LNG exports to non-FTA nations by Carib and Cameron LNG, ¹⁶

DOE/FE acknowledged its longstanding position that Section 3(a) "creates a rebuttable presumption that a proposed export of natural gas is in the public interest" and "DOE/FE must grant such an application unless opponents of the application overcome that presumption by making an affirmative showing of inconsistency with the public interest." Also in those orders, DOE/FE stated that its review is guided by the longstanding principles of the DOE's Policy

The Secretary of Energy's authority (established by the DOE Organization Act transferring jurisdiction from the Federal Power Commission) is delegated to DOE/FE pursuant to Redelegation Order No. 00-002.04E (Apr. 29, 2011).

For purposes of [Section 3(a)], ... the exportation of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, shall be deemed to be consistent with the public interest, and applications for such ... exportation shall be granted without modification or delay.

¹⁵ NGA Section 3(c), 15 U.S.C. § 717b(c), provides in pertinent part:

Carib DOE/FE Order; Cameron LNG, LLC, DOE/FE Order No. 3391-A (Sept. 10, 2014) (Cameron DOE/FE Order).

Carib DOE/FE Order at 3; Cameron DOE/FE Order at 8 (citations omitted).

Guidelines¹⁸ and by the instructions of DOE Delegation Order No. 0204-111 and hence DOE/FE "has continued to focus on (i) the domestic need for the natural gas proposed to be exported, (ii) whether the proposed exports pose a threat to the security of domestic natural gas supplies, (iii) whether the arrangement is consistent with DOE/FE's policy of promoting market competition, and (iv) any other factor bearing on the public interest described herein."¹⁹

VI. CONSISTENCY WITH THE PUBLIC INTEREST

From each identified regulatory perspective, the LNG export authorization sought by Floridian is wholly consistent with the public interest standard as articulated and applied by DOE/FE. Indeed, DOE/FE has already found that LNG exports by Carib from the Facility in an amount equal to the maximum annual send-out capacity of the Facility's truck loading station will not be inconsistent with the public interest. Exports of LNG from the Facility by direct or indirect Floridian customers (for which Floridian would be authorized to act as agent) -- not duplicative of or additive to any exports by Carib of LNG from the Facility because the latter are carved out of the requested authorization – are accordingly not inconsistent with the public interest.

Ample natural gas supplies exist to serve this country's domestic gas needs and to accommodate LNG exports. The proposed exports of LNG from Floridian's Facility are minor relative to the exports that DOE/FE has approved from large LNG terminal projects. For

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Policy Guidelines and Delegation Orders Relating to the Regulation of Imported Natural Gas, 49 Fed. Reg. 6684 (Feb. 22, 1984) (*DOE Policy Guidelines*).

Carib DOE/FE Order at 5; Cameron DOE/FE Order at 29.

²⁰ Carib DOE/FE Order at 14.

example, the requested volume, based on the 0.04 Bcf/day truck loading capacity of the Facility, is less than two and half percent of the volume DOE/FE approved to be exported from the Cameron LNG terminal.²¹ As noted, DOE/FE authorized the Carib and the Cameron exports on the same day. In the *Cameron DOE/FE Order*, DOE/FE not only acknowledged that the conclusions of the LNG Export Study²² regarding domestic supply remain sound, but added that "EIA's most recent projections, set forth in AEO 2014, continue to show market conditions that will accommodate increased exports of natural gas."²³ And, in the *Carib DOE/FE Order*, DOE/FE recognized that the maximum LNG truck send-out capacity of Floridian's Facility is "of a different magnitude" and "unlikely to have a significant impact on domestic natural gas markets or on the domestic economy generally."²⁴ Thus, DOE/FE has essentially found that the exports for which authorization is requested by this Application will not pose any threat to the security of domestic natural gas supplies.

To the contrary, this export proposal is a market-driven response to this availability of abundant domestic supply in the United States and the need for access to more and cleaner energy alternatives in neighboring countries. Arrangements for Floridian's services, as well as for Floridian's customers' sales of LNG from the Facility and any subsequent sales of LNG to customers in non-FTA countries, will be freely negotiated. Thus, the proposed LNG exports would be consistent with DOE/FE's policy of promoting market competition and issuing the

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²¹ *Cameron DOE/FE Order* at 96.

DOE/FE engaged the U.S. Energy Information Administration (EIA) and NERA Economic Consulting (NERA) to conduct a two-part study of the economic impacts of LNG exports. Together the EIA analysis and the NERA analysis comprise the two parts of the 2012 LNG Export Study and are available at http://energy.gov/fe/downloads/lng-export-study-related-documents.

²³ Cameron DOE/FE Order at 84.

²⁴ Carib DOE/FE Order at 14.

requested authorization would meet the goal of the *DOE Policy Guidelines* to "minimiz[e] regulatory impediments to a freely operating market."²⁵ In short, LNG exports from Floridian's Facility will promote market competition.

Finally, while the proposed LNG exports are relatively small, they will result in economic benefits, particularly in the economically depressed communities surrounding the Facility. And, exports of LNG from the Facility will enable hemispheric neighbors to switch from oil or coal to cleaner natural gas with its environmental benefits, while providing some positive international trade impacts for the United States.

VII.

ENVIRONMENTAL IMPACT

As described above, prior to the *Floridian FERC Certificate Order*, FERC issued an EIS addressing the construction and operation of the Facility²⁶ and, prior to the *Floridian FERC Amendment Order* authorizing truck loading of LNG in the normal course of business, FERC issued an EA addressing truck operations.²⁷ Currently, Floridian's application to amend its certificate to permit a modification of the Phase 1 facilities is pending. It proposes to downsize the Phase 1 storage tank and the associated vaporization and to modify certain facilities appurtenant to the liquefiers; Phase 1 continues, however, to include the two liquefaction trains and the truck loading station. The modified facilities are located within the same footprint on the same site as the originally certificated facilities. It can be anticipated that the EA issued at the

DOE Policy Guidelines at 6685; see note 13 above.

Floridian Natural Gas Storage Company, LLC, FERC Docket No. CP08-13-000 (July 11, 2008).

Floridian Natural Gas Storage Company, LLC, FERC Docket No. CP12-100-000 (June 29, 2012).

conclusion of FERC's environmental review will reflect a finding that the downsizing of the facilities will result, if anything, in fewer environmental impacts than Phase 1 of the Facility as originally proposed and approved.

Subsequent to FERC's issuances of the EIS and the EA for the Facility and prior to Floridian's filing the currently pending amendment application with FERC, Carib amended its then-pending application to DOE/FE for non-FTA LNG export authorization to identify Floridian's Facility as the source of the LNG to be exported.²⁸ In the course of its consideration of Carib's application, DOE/FE issued Categorical Exclusion Determination, ²⁹ based on its finding that the contemplated construction and operations reviewed by FERC would not be changed due to action on Carib's application. ³⁰ DOE/FE determined that the Carib application was therefore exempt from further review under the National Environmental Policy Act (NEPA).³¹ The construction and operations reviewed by FERC will not be changed by DOE/FE action granting the requested authorization and it would be similarly appropriate for DOE/FE to issue a categorical exclusion under NEPA for Floridian's Application.

VIII.

APPENDICES

Appendix A: Verification

Appendix B: Opinion of Counsel

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Carib Energy (USA) LLC, FE Docket No. 11-141-LNG (Dec. 12, 2012 and May 6, 2013).

Carib Energy (USA) LLC, FE Docket No. 11-141-LNG (May 30, 2014).

³⁰ Carib DOE/FE Order at 10.

³¹ Id.

IX.

CONCLUSION

Eloridian respectfully requests that DOE/FE find that the proposed exportation of LNG to FTA nations and to non-FTA nations is not inconsistent with the public interest and grant Floridian's request, as more fully described herein, for long-term, multi-contract authorization to export, on its own behalf and as agent for others, LNG, produced at the Facility and transported in approved ISO containers, up to the equivalent of 14.6 Bcf of natural gas per year for a 20-year term, commencing on the earlier of the date of first export or the date five years from the date the requested authorization is granted, both to any nation with which the United States has an FTA requiring national treatment for trade in natural gas and to any nation with which the United States does not have such an FTA, and in either case which has or in the future develops the capacity to import LNG and with which the trade is not prohibited by United States law or policy. For purposes of this Application, the undersigned certifies that she is a duly authorized representative of Floridian. A verification is attached.

Dated: February 23, 2015 Respectfully submitted,

By: ___/s/ Joan M. Darby_

Joan M. Darby Beth L. Webb Dickstein Shapiro LLP 1825 Eye Street, N.W. Washington, DC 20006 (202) 420-2200

Attorneys for

Floridian Natural Gas Storage Company, LLC

APPENDIX A

VERIFICATION

VERIFICATION

DISTRICT OF COLUMBIA

I, Joan M. Darby, being duly sworn on oath, hereby affirm that: I am a duly authorized representative of Floridian Natural Gas Storage Company, LLC; I am familiar with the contents of the Floridian's Application for Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations and Non-Free Trade Agreement Nations; and, the matters set forth in the Application are true and correct to the best of my knowledge, information and belief.

Joan M. Darby

Sworn to and subscribed before me,

a Notary Public in and for the

District of Columbia on

this 23 day of February, 2015

Notary Public

MARINA M. LAUZIERE NOTARY PUBLIC DISTRICT OF COLUMBIA My Commission Expires April 30, 2018

APPENDIX B

OPINION OF COUNSEL

King & Spalding

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February 20, 2015

Mr. John A. Anderson
Manager, Natural Gas Regulatory Activities
Office of Natural Gas & Petroleum Import &
Export Activities
Office of Fossil Energy
U.S. Department of Energy
1000 Independence Avenue SW
Washington, D.C. 20585

Re: Floridian Natural Gas Storage Company, LLC - Application for Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations and Non-Free Trade Agreement Nations

Dear Mr. Anderson.

This opinion is furnished to you pursuant to Section 590.202(c) of the Department of Energy Regulations, 10 C.F.R. §590.202(c) and the Application of Floridian Natural Gas Storage Company, LLC ("Floridian") for Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations and Non-Free Trade Agreement Nations. I am counsel to Floridian, a limited liability company organized under the laws of the State of Delaware. I have reviewed and relied upon the corporate documents of Floridian, and it is my opinion that the proposed exports as described in the Application are within the limited liability company powers of Floridian.

Very truly yours,

Kenneth S. Culotta

Partner

KSC:ir

cc: Dave Sharp