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June 15, 2015

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, Room 3E-042 1000 Independence Avenue, S.W. Washington, DC 20585

#### Re: In the Matter of Bear Head LNG Corporation and Bear Head LNG (USA), LLC FE Docket 15-33-LNG Motion of Northeast Energy Solutions, Inc. to Intervene

Dear Mr. Anderson:

Enclosed for filing on behalf of Northeast Energy Solutions, Inc. ("NEES"), please find NEES's motion to intervene in the above-referenced matter. Please call if you have any questions or concerns.

My very best,

Devits

Vincent DeVito

VD:

Enclosure cc:

\*Bar Admissions: District of Columbia - Commonwealth of Massachusetts - State of New York

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# UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

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In the Matter of

Bear Head LNG Corporation Bear Head LNG (USA), LLC FE Docket 15-33-LNG

## MOTION OF NORTHEAST ENERGY SOLUTIONS, INC. TO INTERVENE

Northeast Energy Solutions, Inc. ("NEES") hereby moves to intervene as a full participant, pursuant to Section 590.303(b) of the Administrative Procedures with Respect to the Import and Export of Natural Gas, in the Application for Authorization to Export Natural Gas To Canada and to Export Liquefied Natural Gas from Canada to Free Trade Agreement and Non-Free Trade Agreement Nations filed by Bear Head LNG Corporation ("Bear Head Corp.") and Bear Head LNG (USA), LLC ("Bear Head USA," collectively "Bear Head LNG"). For the reasons stated herein, NEES respectfully requests that the Department of Energy, Office of Fossil Energy (the "DOE/FE") grant NEES's motion to intervene in full in the proceeding.

#### I. COMMUNICATIONS

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

Vincent DeVito, Esq. Bowditch & Dewey, LLP 300 New Jersey Avenue NW, Suite 900 Washington, DC 20001 <u>vdevito@bowditch.com</u> 202.465.8785

#### II. INTERVENTION

A. In support of this motion, NEES states, as follows: The exact legal name of movant is Northeast Energy Solutions, Inc.

B. NEES is a nonprofit corporation compromised of energy, land, environmental, end-user, and related economic interests.

C. NEES is an educational resource and advocacy group (before state and federal government officials) that works to ensure that economically viable and environmentally responsible energy projects account for its member's collective and respective interests.

D. NEES is currently a formal intervener before the FERC, Maine PUC, and MA DPU with regards to supply, capacity, and infrastructure proposals in the Northeast.

E. On February 25, 2015, Bear Head LNG filed an application for long-term, multi-contract authorization to export domestically produced natural gas as follows: (i) to export the natural gas by pipeline to Canada at the United States-Canada border on the Maritimes & Northeast ("M&NP") Pipeline in a volume of 440 billion cubic feet per year (Bcf/yr), or approximately 1.2 Bcf per day (Bcf/d); (ii) to use approximately 42.4 Bcf/yr of the U.S.-sourced natural gas as feedstock in a Canadian natural gas liquefaction and export facility currently being developed by Bear Head (the "Project"); and (iii) to export a portion of the U.S.-sourced natural gas in the form of LNG in a volume equivalent to approximately 397.6 Bcf/yr of natural gas (1.1 Bcf/d) by vessel from Nova Scotia, Canada, to one or more countries with which the United States does not have a free trade agreement ("FTA") (collectively, the "Application"). On April 16, 2015, DOE/FE issued a Notice of Application and set a deadline of June 15, 2015 for petitions for leave to intervene in the proceeding.

F. On page 4 of its application, Bear Head LNG provides that the "proposed natural gas and LNG exports do not involve the construction of any U.S. facilities giving rise to cognizable environmental effects under NEPA." However, Bear Head LNG contradicts itself as it sets forth on page 5 that it intends to "interconnect with the Project's proposed pipeline" by the "potential modification and expansion of the M&NP system." Bear Head LNG continues to contradict itself, and goes on to set forth, in the Application, natural gas pipeline facility expansion plans in the northeast that potentially support Bear Head LNG's Application. In fact, Bear Head LNG states that its Application will potentially meet access, transport, and storage needs from those proposed projects.

G. In view of the aforementioned, NEES has interests that will be directly affected by the outcome of this proceeding. NEES' interests cannot be adequately represented or protected by any other party. NEES has a direct and substantial interest in this proceeding that cannot be adequately represented by any other party. NEES respectfully submits that good cause exists to grant its motion to intervene.

### III. DOE/FE Should Suspend LNG Export Reviews To Non-FTA Nations

In October 2014, the Energy Information Administration ("EIA") issued an updated report: *Effect of Increased Levels of Liquefied Natural Gas Exports on U.S. Energy Markets*. However, said report used the National Energy Modeling System ("NEMS") which, by EIA's own admission, is not a system that uses a world energy model and does not address the interaction between the potential for additional U.S. natural gas exports and developments in world natural gas markets. As such, the report cannot and does not account for interactions between U.S. energy prices and the global economy. Bear Head LNG cites this EIA report, as well as other outdated and unreliable research material, including DOE's 1984 *Policy Guidelines* 

and its own commissioned reports and analyses. Therefore, NEES submits that, under these circumstances, DOE/FE should suspend any further LNG export approvals to non-FTA nations until EIA is enabled to provide more accurate information which DOE/FE can use to determine if additional LNG exports to non-FTA Nations are in the public interest.

# IV. 'DOE/FE Should Authorize Additional Procedures or Grant NEES' Motion for Additional Procedures

DOE/FE, under Section 590.206, should direct additional procedures concerning Bear Head LNG's application consisting of the filing of supplemental written comments, written interrogatories and/or other discovery procedures, a conference, verbal presentation, and/or adjudication. Alternatively, NEES, under Section 590.310, requests an opportunity to submit and receive answers to written interrogatories.

NEES believes that there are numerous unanswered questions in Bear Head LNG's application. Specifically, the vagueness with respect to the underlying purpose of Bear Head LNG's application, the full extent of its relationship with the Project as well as other pipelines expansion projects, including M&NP and the Algonquin Pipeline, and its inclusion of unspecified foreign markets in its project scope. Such a lack of information does not allow for and, in fact, hinders the viability of a thoroughly deliberative process in this matter. NEES firmly believes that with the opportunity for additional procedures, including interrogatories, DOE/FE will be better enabled to make a determination in this matter.

NEES also reserves all rights appurtenant to status as an Intervenor.

#### V. CONCLUSION

WHEREFORE, based on the foregoing, NEES respectfully requests that the DOE/FE (1) grant its motion to intervene in this proceeding with all rights appurtenant to that status, and (2) provide for additional procedures in this matter or, grant NEES' motion for additional procedures, and (3) either (a) suspend consideration of the subject application or (b) deny, as inconsistent with the public interest, with respect to Bear Head LNG's application for authorization to import natural gas from, for subsequent export to, Canada.

Respectfully Submitted,

NORTHEAST ENERGY SOLUTIONS, INC.

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BY: Vincent DeVito, Esq. Bowditch & Dewey, LLP 300 New Jersey Avenue NW, Suite 900 Washington, DC 20001 vdevito@bowditch.com 202.465.8785

Dated: June 15, 2015

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

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In the Matter of

Bear Head LNG Corporation Bear Head LNG (USA), LLC FE Docket 15-33-LNG

#### VERFICATION

BOSTON, MASSACHUSETTS

Pursuant to 10 C.F.R. § 590.103 (b) (2014), Vincent DeVito, 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.

Vincent DeVito, Esq. Bowditch & Dewey, LLP 300 New Jersey Avenue NW, Suite 900 Washington, DC 20001 <u>vdevito@bowditch.com</u> 202.465.8785

Subscribed and sworn to before me this 15<sup>th</sup> day of June, 2015.

Notary Public

My Commission Expires: September 26, 2019

(seal)

CAROLINE V. DEBARROS Notary Public Commonwealth of Massachusetts My Commission Expires September 26, 2019

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Bear Head LNG Corporation Bear Head LNG (USA), LLC FE Docket 15-33-LNG

#### CERTIFIED STATEMENT OF AUTHORIZED REPRESENTATIVE

Pursuant to 10 C.F.R. § 590.103(b) (2014), I, Vincent DeVito, hereby certify that I am a duly authorized representative of Northeast Energy Solutions, and that I am authorized to sign and file with the Department of Energy, Office of Fossil Energy, on behalf of the Northeast Energy Solutions, the foregoing document and in the above-captioned proceeding.

Dated at Boston, MA, this 15<sup>th</sup> day of June, 2015.

Vincent DeVito, Esq. Bowditch & Dewey, LLP 300 New Jersey Avenue NW, Suite 900 Washington, DC 20001 vdevito@bowditch.com 202.465.8785•

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Bear Head LNG Corporation Bear Head LNG (USA), LLC FE Docket 15-33-LNG

# **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).

Dated at Boston, MA, this 15<sup>th</sup> day of June, 2015

By:

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Vincent DeVito, Esq. Bowditch & Dewey, LLP 300 New Jersey Avenue NW, Suite 900 Washington, DC 20001 vdevito@bowditch.com 202.465.8785