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February 10, 2016

Benjamin Nussdorf
Senior Regulatory Advisor
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

16 - 22 - CGL

Dear Mr. Nussdorf:

The following is in response to the additional questions you posed during our recent telephone discussion. As you are aware, SeaOne is currently authorized to ship Compressed Gas Liquid ("CGL[®]") containing up to 1.5 Bcf/d of methane from the United States to FTA countries in the Caribbean and bordering the Gulf of Mexico. The pending application would authorize SeaOne to ship methane contained in CGL to customers in similarly situated non-FTA countries.

1. Description and Capacity of the Storage Facilities at the Plant Site. SeaOne's Gulfport facility will produce CGL specially formulated in a hydrocarbon solvated blend that meets specific customer requirements. In other words, CGL is prepared for immediate shipment as it is produced for the customer. Hence, the CGL storage at SeaOne Gulfport's CGL production facility will be used as production buffer storage of 300 MMscf of CGL. An illustration of the plant's buffer storage building is provided at Attachment 1.

2. Detailed Description of the Berthing Facility. The berthing facility will consist of an existing dock at Terminal 4 in the existing Port of Gulfport, depicted at Attachment 2. The berthing facility will utilize a CGL Loading System, illustrated at Attachment 3, which will receive CGL from a pipeline extending from the plant. At the dock, CGL is loaded aboard a purpose-built articulated tug and barge ("AT/B") for delivery to the customer.

3. CGL Production Capacity. The Phase 1 production capacity of the Gulfport export facility will be 400 MMscf/day of CGL, expandable to four phases each having a CGL production capacity of 400 MMscf/day resulting in a maximum capacity of 1,600 MMscf/day of CGL (See attachment 4). Therefore, SeaOne's pending application to export methane contained in CGL to NFTA countries is not intended to suggest that SeaOne will be exporting quantities of methane beyond those envisioned in the company's current FTA export authorization (See Point 4 below), but

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rather to provide SeaOne the flexibility to export to either/or both FTA and non-FTA customers from the same SeaOne Gulfport facilities. As described in SeaOne's application, NFTA authorization is especially critical to facilitate SeaOne's role in supporting the U.S. Caribbean Energy Security Initiative, for example through exports to Jamaica.

4. Anticipated Amount of Natural Gas in the CGL. The methane content of CGL will not exceed 77 % by volume at the end point of the production process. Prior to loading at the shipping facility, methane content will be levelled at 60% per loaded cargo. Thus, the maximum amount of methane that could be contained in the CGL exported by the full four phase capacity of the SeaOne Gulfport facility will necessarily be well below the 1.5 Bcf/day which SeaOne is currently authorized to export to FTA countries. Accordingly, the granting of SeaOne's pending application will not result in exports containing methane beyond the quantity which is currently authorized.

As you know, it is SeaOne's position that CGL with a HHV content of greater than 1,200 BTU/scf is not "natural gas" and may be exported without authorization from DOE/FE. SeaOne filed the pending application out of an abundance of caution in order to assure compliance with all possible interpretations of the Natural Gas Act.

5. Source of the Natural Gas. The SeaOne Gulfport facility will be supplied with rich gas and natural gas liquids by a short intrastate pipeline (owned and operated by an existing pipeline operator) connected to existing regional pipelines, such as, Gulf South (NG) and Tri State (NGL) pipelines, as depicted at Attachment 5.

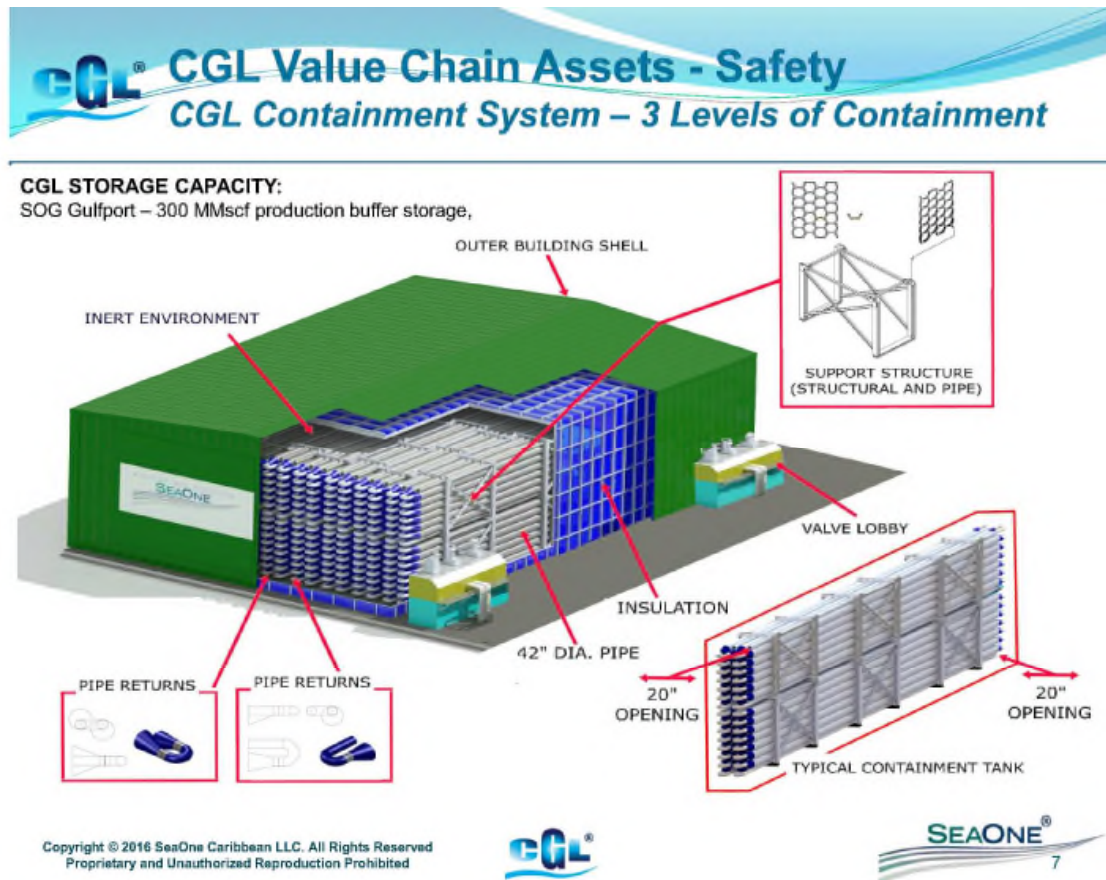
We hope and trust that this information will permit DOE/FE to take immediate steps to grant SeaOne's application to ship natural gas contained in CGL to end users in NFTA countries in the Caribbean and bordering the Gulf of Mexico as well as to those in the FTA countries to which exports have been previously authorized. The grant of this authorization will not increase exports beyond the existing authorization. On the other hand, failure to grant the requested authorization would contravene commitments which our Government has made to these low lying countries and small island nations and would make it necessary for those nations to continue their current dependence on coal, heavy fuel oil, diesel and similar fossil fuel products. We urge immediate action on SeaOne's application.

Sincerely,



J. Gordon Arbuckle
Squire Patton Boggs (US) LLP

Attachment 1



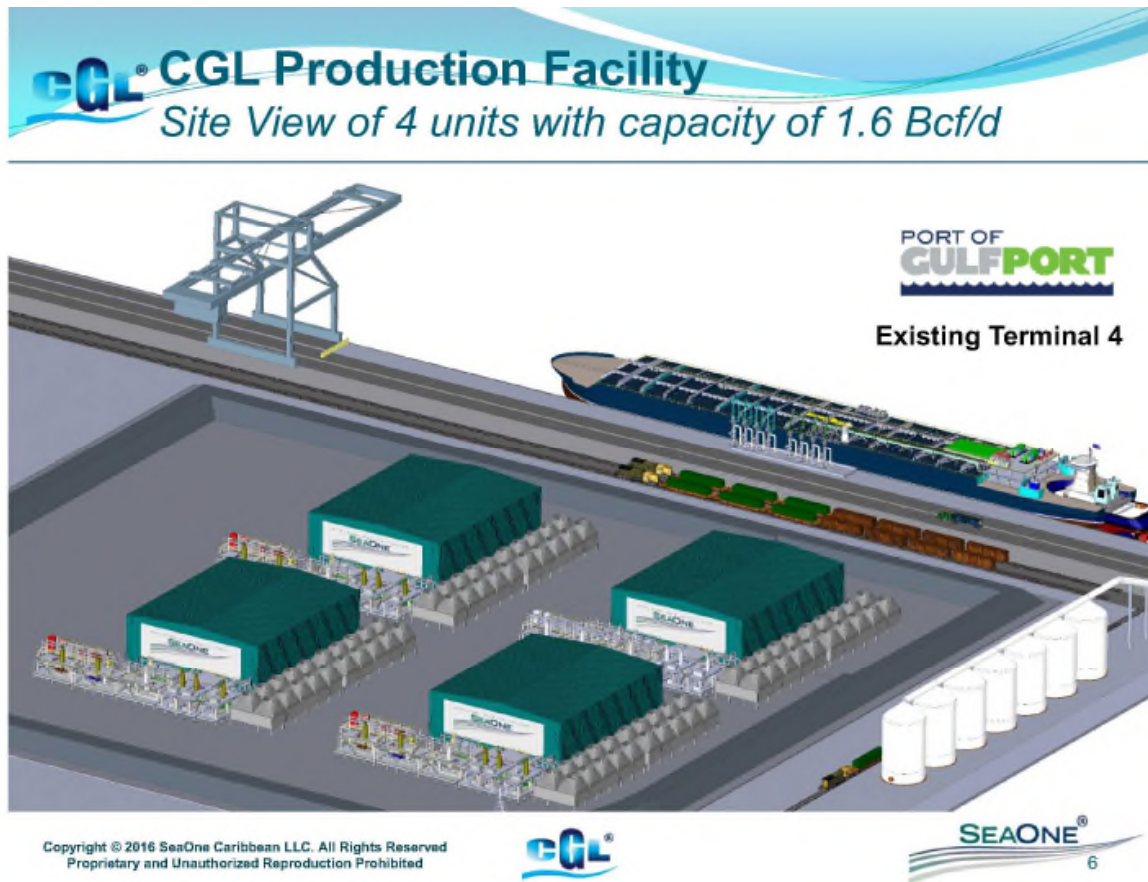
Attachment 2



Attachment 3



Attachment 4



Attachment 5

