

November 23, 2016

Ms. Larine A. Moore
Office of Fossil Energy
U.S. Department of Energy
FE-34
P.O. Box 44375
Washington, D.C. 20026-4375

RECEIVED

By Docket Room at 12:59 pm, Nov 23, 2016

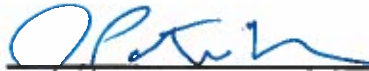
RE: Dominion Cove Point LNG, LP, FE Docket No. 16 - **205** - LNG
Application for Blanket Authorization to Export Liquefied Natural Gas

Dear Ms. Moore:

Dominion Cove Point LNG, LP (DCP) hereby submits for filing with the U.S. Department of Energy, Office of Fossil Energy, an original and three copies of an application for short-term, blanket authorization to export liquefied natural gas (LNG) in volumes up to the equivalent of 250 billion cubic feet of natural gas prior to the commencement of commercial operation of DCP's Liquefaction Project at its existing LNG import terminal in Calvert County, Maryland. DCP requests authorization to export its "Commissioning Volumes" over a period of up to two years commencing on the date of the initial export from the Cove Point terminal, which is expected to occur during the fourth quarter of 2017 and not later than six months thereafter, to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by U.S. law or policy, whether or not the country has a Free Trade Agreement with the United States requiring national treatment for trade in natural gas.

Enclosed is a check in the amount of \$50.00 as payment of the applicable filing fee as required in 10 C.F.R. § 590.207. DCP is submitting a photocopy of this check with the electronically-filed version of the Application: the original check will follow with the hard copies of the filing that are being mailed. Please contact me if you have any questions regarding this filing.

Respectfully submitted,



J. Patrick Nevins
Hogan Lovells US LLP
Partner

patrick.nevins@hoganlovells.com

D (202) 637-6441

Counsel to Dominion Cove Point LNG, LP

Enclosures

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

In the Matter of)
) FE Docket No. 16 - ____ - LNG
DOMINION COVE POINT LNG, LP)

APPLICATION OF DOMINION COVE POINT LNG, LP
FOR BLANKET AUTHORIZATION
TO EXPORT LIQUEFIED NATURAL GAS BY VESSEL
FROM THE COVE POINT TERMINAL IN CALVERT COUNTY, MARYLAND

Bill Allen
Chief LNG Advisor
Dominion Cove Point LNG, LP
701 East Cary Street
Richmond, VA 23219
(804) 771-4458
Bill.Allen@dom.com

Margaret H. Peters
Managing General Counsel
Dominion Resources Services, Inc.
120 Tredegar Street, RS-2
Richmond, VA 23219
(804) 819-2411
Margaret.h.peters@dom.com

J. Patrick Nevins
Hogan Lovells USA LLP
555 Thirteenth Street, NW
Washington, D.C. 20004
(202) 637-6441
Patrick.Nevins@hoganlovells.com

Filed: November 23, 2016

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

In the Matter of)
) **FE Docket No. 16- ____ -LNG**
DOMINION COVE POINT LNG, LP)

**APPLICATION OF DOMINION COVE POINT LNG, LP
FOR BLANKET AUTHORIZATION
TO EXPORT LIQUEFIED NATURAL GAS BY VESSEL
FROM THE COVE POINT TERMINAL IN CALVERT COUNTY, MARYLAND**

Pursuant to Section 3 of the Natural Gas Act (NGA) 1/ and Part 590 of the Department of Energy's (DOE) regulations, 2/ Dominion Cove Point LNG, LP (DCP) hereby files this application (Application) with the DOE Office of Fossil Energy (DOE/FE) for short-term, blanket authorization to export liquefied natural gas (LNG) in volumes up to the equivalent of 250 billion cubic feet of natural gas prior to the commencement of commercial operation of DCP's Liquefaction Project at its existing LNG import terminal in Calvert County, Maryland. DCP requests authorization to export its "Commissioning Volumes" over a period of up to two years commencing on the date of the initial export from the Cove Point terminal, which is expected to occur during the fourth quarter of 2017 and not later than six months thereafter, to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by U.S. law or policy, whether or not the country has a Free Trade Agreement (FTA) with the United States requiring national treatment for trade in natural gas. DCP intends to source its Commissioning Volumes either from domestically produced natural gas or from LNG previously imported by vessel at the Cove Point terminal from foreign sources, and requests authorization for export allowing for both possibilities. DCP requests this authorization both on its own behalf and when acting as agent on behalf of other entities who themselves hold title to the LNG, after registering each such entity with DOE/FE in according with the established procedures.

1/ 15 U.S.C. § 717 (b) (2012).

2/ 10 C.F.R. Part 590 (2017).

In support of this Application, DCP respectfully shows as follows:

I. DESCRIPTION OF THE APPLICANT

The exact legal name of DCP is Dominion Cove Point LNG, LP. DCP is a limited partnership organized and existing under the laws of the State of Delaware with its principal place of business at 2100 Cove Point Road, Lusby, Maryland, 20657, and offices at 707 East Main Street, Richmond, Virginia, 23219. DCP is an indirect subsidiary of Dominion Resources, Inc. (DRI), one of the Nation’s largest producers and transporters of energy. DRI is a corporation organized and existing under the laws of the Commonwealth of Virginia with its principal place of business at 100 Tredegar Street, Richmond, Virginia, 23219. DCP owns the Cove Point LNG Terminal in Calvert County, Maryland (the “Terminal”), as well as an 88-mile gas pipeline connecting the Terminal to the interstate pipeline grid.

II. COMMUNICATIONS AND CORRESPONDENCE

The names, titles and mailing addresses of the persons to whom correspondence and communications concerning this Application, including all service of pleadings and notices, are to be addressed are:

Bill Allen
Chief LNG Advisor
Dominion Cove Point LNG, LP
701 East Cary Street
Richmond, VA 23219
(804) 771-4458
Bill.Allen@dom.com

Margaret Peters
Managing General Counsel
Dominion Resources Services, Inc.
120 Tredegar Street, RS-2
Richmond, VA 23219
(804) 819-2411
Margaret.H.Peters@dom.com

J. Patrick Nevins
Hogan Lovells USA LLP
555 Thirteenth Street, NW
Washington, D.C. 20004
(202) 637-6441
Patrick.Nevins@hoganlovells.com

These persons are designated to receive service and should be placed on the official service list for this proceeding.

III. BACKGROUND AND EXISTING EXPORT AUTHORIZATIONS

DCP is in the process of constructing new facilities at its existing Terminal to provide gas liquefaction and LNG export services to customers that will provide their own gas supply. Following the construction of this Liquefaction Project, the Terminal will be operated as a bi-directional facility. The Terminal then can be used both to export and import LNG which allows for flexibility to respond to market conditions and comports with DOE policy favoring the trade of natural gas on a market-competitive basis.

The Federal Energy Regulatory Commission (FERC) authorized DCP, pursuant to section 3 of the NGA, to site, construct, and operate the Liquefaction Project at the Terminal. *Dominion Cove Point LNG, LP*, 148 FERC ¶ 61,244 (2014), *reh 'g denied*, 151 FERC ¶ 61,095 (2015), *petition for review denied sub nom. Earth Reports, Inc. v. FERC*, No. 15-1127 (D.C. Cir. 2016). The Liquefaction Project includes one liquefaction train with nameplate capacity of up to 5.75 million metric tonnes per annum (MTPA) of LNG, as well as other related facilities, as fully explained in the FERC orders. As of the end of October, 2016, engineering and procurement for the Terminal portion of the Liquefaction Project was essentially complete and construction was over 60% complete. ^{3/}

In DOE/FE Order No. 3019, issued on October 7, 2011, DOE/FE authorized DCP to export domestically produced LNG by vessel from the Terminal to countries with which the United States has, or in the future enters into, a FTA requiring national treatment for trade in natural gas (“FTA countries”) in a volume up to the equivalent of 365 Bcf per year. In DOE/FE Order No. 3331, issued on September 11, 2013, DOE/FE conditionally granted DCP’s application for long-term, multi-contract authority to export domestically produced LNG by vessel from the Terminal to nations with which the United States has not entered into such an FTA (“non-FTA countries). Order No. 3331 authorized the export of LNG in volumes equivalent to 281 Bcf per year or approximately 5.75 MTPA, the proposed liquefaction capacity

^{3/} Pursuant to the requirements of the FERC authorization of the Liquefaction Project, DCP submits monthly status and progress reports to FERC. The completion status set forth above was provided in DCP’s Monthly Status Report filed in FERC Docket No. CP13-113 on October 27, 2016. FERC Accession No. 20161027-5113.

of the Liquefaction Project. The volumes authorized in Order No. 3019 and No. 3331 are *not* additive. DOE/FE authorized DCP to export the LNG solely as agent for other entities that will hold title to the LNG pursuant to one or more long-term (greater than two year) contracts, after registering each such entity with DOE/FE.

DOE/FE Order No. 3331 was conditioned on the satisfactory completion of the environmental review process in FERC Docket No. CP13-113 and the issuance by DOE/FE of a finding of no significant impact or a record of decision pursuant to the National Environmental Policy Act (NEPA). On May 15, 2014, FERC placed the Environmental Assessment (EA) for the Liquefaction Project on the public record and, on September 29, 2014, FERC issued the above referenced authorization order for the Project. On November 5, 2014, after its own independent review, DOE/FE adopted the EA and issued a Finding of No Significant Impact.

The environmental condition having been satisfied, DOE/FE issued its final order, DOE/FE Order No. 3331-A, authorizing DCP to export LNG to non-FTA countries on May 7, 2015. Order No. 3331-A authorizes DCP for a term of twenty years to export up to 281 Bcf per year to non-FTA countries, while acting as an agent for others pursuant to long-term contracts, commencing on the earlier of the date of first commercial export or seven years from the date of order issuance (*i.e.*, May 7, 2022). The twenty-year authorization period will commence when DCP begins *commercial* export of domestically sourced LNG from the Cove Point Terminal.

DOE/FE explained in Order No. 3331-A that DCP may export Commissioning Volumes (which it defined as volumes of LNG produced and exported during the initial start-up of an LNG train before the train has reached its full steady-state capacity and begun commercial exports pursuant to long-term contracts) pursuant to a separate short-term export authorization. Order No. 3331-A at page 101, 107, and Ordering Paragraph B. DOE/FE noted that the Commissioning Volumes will not be counted against the maximum volumes previously authorized for export by DCP to either FTA or non-FTA countries. *Id.*

IV. AUTHORIZATION REQUESTED

As contemplated in Order No. 3331, DCP respectfully requests authorization to export Commissioning Volumes – that is, the volumes of LNG produced prior to the start of full commercial operations -- pursuant to a short-term blanket authorization. DCP requests that the blanket authorization commence upon the first export of LNG from the Cove Point Terminal. While the date of first export cannot be known with certainty at this time, DCP expects that it will occur during the fourth quarter of 2017 and no later than six months after that quarter.

DCP requests blanket authorization, for a term of two years, to export Commissioning Volumes (1) to any country which has, or in the future develops, the capacity to import LNG via ocean-going carriers and with which the U.S. has, or in the future enters into, an FTA requiring the national treatment for trade in natural gas or is otherwise deemed by the United States as being treated as an FTA nation, and (2) to any country with the capacity to import LNG via ocean-going carriers and with which the United States does not have such an FTA but with which trade is not prohibited by United States law or policy. In other words, DCP seeks authorization to export Commissioning Volumes to both FTA and non-FTA countries.

DCP requests this blanket authorization for volumes of up to 250 Bcf of natural gas in total over the two-year period that the blanket authorization will apply. DCP commits that the volumes authorized under the blanket certificate, when added to any volumes exported under DCP's long-term export authorizations, will not exceed 250 Bcf in any annual (12 consecutive month) period, so that the quantity exported in any year shall not exceed the level previously authorized by DOE/FE.

The source of the gas supplies to be utilized for the Commissioning of the Liquefaction Project is unknown at this time, but will likely be procured in the very large and liquid U.S. natural gas market. The Cove Point terminal is connected by DCP's own pipeline to three major interstate pipelines that provide access to abundant and diverse domestic supplies through the integrated interstate pipeline grid. Therefore, the domestically-produced gas used for commissioning may be sourced from both conventional and non-conventional production in a wide variety of regions. DCP also is considering the

possibility -- depending on the timing of its need for gas, the availability of pipeline capacity, and market conditions -- of utilizing LNG imported at the terminal as part of its commissioning process. In that event, previously imported LNG would be first regasified and then liquefied at the Terminal, and some of the resulting volumes (likely combined with domestically produced gas received by pipeline) could subsequently be exported as Commissioning Volumes. Given this possibility, DCP respectfully requests that the blanket authorization issued here allow for the export of both domestically produced gas and gas that was previously imported as LNG from foreign sources.

DCP anticipates that it will act as agent for others that will hold title to the Commissioning Volumes of LNG, just as it will for long-term exports. To ensure flexibility in how the Commissioning Volumes are exported, however, DCP requests authorization to export its Commissioning Volumes both on its own behalf and when acting as agent for entities with which it would contract that hold title to the LNG at the time of export. DCP will comply fully with all applicable DOE/FE requirements for both exporters and their agents, including the registration requirements specified in Order No. 3331 and 3331-A, and further explained in the Freeport LNG Development, L.P. and Gulf Coast LNG Export LLC orders.^{4/} When acting as an agent, DCP will register with DOE each LNG title holder for which it seeks to export LNG as agent, and will provide the DOE/FE a written statement by the title holder that acknowledges and agrees to (1) comply with all requirements in DCP's export authorization, and (2) include those requirements in any subsequent purchase or sale agreement entered into by the title holder.

V. CONSISTENCY WITH THE PUBLIC INTEREST

Section 3(c) of the NGA, as amended by § 201 of the Energy Policy Act of 1992, requires that applications to authorize exports of natural gas, including LNG, to a nation with which there is in effect a FTA requiring national treatment for trade of natural gas be "deemed to be consistent with the public

^{4/} *Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC*, FE Order No. 2913 (Feb. 10, 2011)(establishing the criteria for exports for agents subsequently adopted in a number of orders); *Gulf Coast LNG Export LLC*, DOE/FE Order No. 3163 at 7-8 (Oct. 16, 2012)(reiterating agency policy).

interest” and “granted without modification or delay.” ^{5/} In addition, DOE/FE has held that the statutory requirement for granting such FTA applications without delay or modification overrides otherwise applicable regulatory requirements for public notice and other procedures set forth in 10 C.F.R. Part 590. Under this statutory structure, the portion of this Application that seeks to export Commissioning Volumes from the DCP Terminal to FTA countries should be granted without modification or delay, consistent with DOE/FE’s established practice.

With respect to exports to non-FTA countries, Section 3(a) of the NGA, 15 USC 717b(a), sets forth the following statutory standard:

[N]o person shall export natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having secured an order of the [Secretary of Energy ^{6/}] authorizing it to do so. The [Secretary] shall issue such order upon application, unless after opportunity for hearing, [he] finds that the proposed exportation or importation will not be consistent with the public interest. The [Secretary] may by [the Secretary’s] order grant such application, in whole or in part, with such modification and upon such terms and conditions as the [Secretary] may find necessary or appropriate.

This statutory language creates a presumption that the proposed export of natural gas is in the public interest. DOE/FE has consistently held that it must grant export applications unless opponents of the application overcome this presumption by making an affirmative demonstration that the proposed export is inconsistent with the public interest. ^{7/}

Furthermore, the Policy Guidelines developed by DOE/FE to implement NGA Section 3 (which are applicable to exports as well as imports) ^{8/} promote the free and open trade of natural gas. ^{9/} The

^{5/} 15 U.S.C. § 717b(c) (2012).

^{6/} The Secretary’s authority was established by the DOE Organization Act of 1977, which transferred jurisdiction over gas import and export authorizations from the Federal Power Commission.

^{7/} *E.g., Philips Alaska Natural Gas Corp. and Marathon Oil Co.*, DOE/FE Order No. 1473 at 13 (April 2, 1999); *Sabine Pass Liquefaction, LLC*, DEO/FE Order No. 2961 at 28 (May 20, 2011); *Dominion Cove Point LNG, LP*, DOE/FE Order No. 3331 at page 7 (Sept. 11, 2013).

^{8/} *E.g., Philips Alaska*, DOE/FE Order No. 1473 at 14; *Yukon Pacific Corp.*, DOE/FE Order No. 350, 1 FE ¶ 70,259 at 71,128 (1989); *Dominion Cove Point LNG, LP*, DOE/FE Order No. 3331 at page 8 (Sept. 11, 2013).

Policy Guidelines were “designed to establish natural gas trade on a market-competitive basis and to provide immediate as well as long-term benefits to the American economy from this trade.” ^{10/}

Moreover, the Guidelines provide that:

The market, not government, should determine the price and other contract terms of imported [or exported] gas. U.S. buyers [sellers] should have full freedom – along with the responsibility – for negotiating the terms of trade arrangements with foreign sellers [buyers]....

* * *

The policy cornerstone of the public interest standard [of NGA Section 3] is competition. Competitive import [export] arrangements are an essential element of the public interest, and natural gas imported [exported] under arrangements that provide for the sale of gas in volumes and at prices responsive to market demands largely meets the public interest test....^{11/}

In its series of recent orders authorizing non-FTA LNG exports (including those for DCP), DOE/FE has repeatedly explained that it “continues to subscribe to the principle set forth in our 1984 Policy Guidelines that, under most circumstances, the market is the most efficient means of allocating natural gas supplies.”^{12/} The agency has promoted the competitive, free-trade policies embodied in the Policy Guidelines by authorizing LNG exports to non-FTA nations in each of these recent decisions concerning non-FTA exports, and it should continue to follow this course here.

^{9/} *Policy Guidelines and Delegation Orders Relating to the Regulation of Imported Natural Gas*, 49 Fed. Reg. 6,684 (Feb. 22, 1984).

^{10/} *Id.* at 6,684.

^{11/} *Id.* at 6685 and 6687. The parenthetical references to exports are added in the above quotation to reflect the applicability of the Policy Guidelines to exports. See note 8, *supra*.

^{12/} *Freeport LNG Expansion, L.P.*, Order No. 3282 at 112 (May 17, 2013); *Lake Charles Exports*, Order No. 3324 at 125 (Aug. 7, 2013); *Dominion Cove Point LNG, LP*, Order No. 3331 at 141 (Sept. 11, 2013); *Freeport LNG*, Order No. 3357 at 154 (Nov. 15, 2013); *Cameron LNG, LLC*, DOE/FE Order No. 3391 at 132 (Feb. 11, 2014); *Jordan Cove Energy Project, L.P.*, Order No. 3413 at 143 (March 24, 2014); *Oregon LNG*, Order No. 3465 at 141 (July 31, 2014); *Cheniere Marketing, LLC*, Order No. 3638 at 205 (May 12, 2015); *Sabine Pass Liquefaction, LLC*, Order No. 3669 at 210 (June 26, 2015); *Pieridae Energy (USA), LTD.*, Order No. 3768 at 216 (Feb. 5, 2016); *Bear Head LNG Corp.*, Order No. 3770 at 176 (Feb. 5, 2016).

Most importantly here, DOE/FE has already engaged in a robust and thorough analysis of the public interest in LNG exports by DCP from the Terminal. To the extent necessary, DCP incorporates by reference and relies upon here the public interest analysis that DOE/FE conducted in Order Nos. 3331 and 3331-A. That analysis fully justifies the short-term blanket authorization for export of the Commissioning Volumes requested here. As DOE/FE concluded when issuing a blanket authorization for commissioning volumes for other projects in a similar context, provided that the volumes proposed for export on a short-term basis, when added to volumes exported under the long-term authorizations for the same facility, do not exceed the quantity authorized in the long-term authorization on an annual basis, the public interest impacts of the total exports will not increase as a consequence of approval of the short-term authorization. ^{13/} “Consequently, no additional public interest review beyond that conducted in the earlier non-FTA export proceedings is warranted.” ^{14/}

Furthermore, in the event that additional analysis were found warranted, two recent studies released by DOE/FE, and subject to public comment, continue to show that LNG exports will provide net economic benefits to the United States and will have minimal impacts on domestic gas prices. The first, *Effect of Increased Levels of Liquefied Natural Gas Exports on U.S. Energy Markets*, was performed by the Energy Information Administration (EIA) and published in October 2014 (2014 EIA Study). ^{15/} The 2014 EIA Study assessed how specified scenarios of increased natural gas exports from 12 to 20 Bcf per day could affect domestic energy markets, and served as an update of EIA’s January 2012 study of LNG export scenarios using baseline cases from EIA’s 2014 Annual Energy Outlook (AEO 2014). The key results of the 2014 EIA Study include the following: ^{16/}

^{13/} *Sabine Pass Liquefaction, LLC*, Order No. 3767 at page 10 (Jan. 13, 2016); *Cameron LNG, LLC*, DOE/FE Order No. 3904 at pages 8-9 (Oct. 3, 2016).

^{14/} *Id.*

^{15/} U.S. Energy Information Administration, *Effect of Increased Levels of Liquefied Natural Gas Exports on U.S. Energy Markets* (Oct. 2014), available at: <https://www.eia.gov/analysis/requests/fe/pdf/lng.pdf>.

^{16/} *Id.* These key results are set forth in the Summary of Results at pages 12-13 of the study.

- Projected average residential natural gas prices are projected to increase by from 2% in the 12 Bcf/d scenario to 5% in the 20 Bcf/d scenario, compared to the base projections over the 2015-40 period, with a slower, more realistic ramp-up scenario resulting in lower price impacts;
- Increased natural gas production is projected to satisfy 61% to 84% of the increase in natural gas demand from LNG exports;
- Natural gas bills paid by end-use consumers are projected to increase by 1 to 8%, and electricity bills for end-use consumers increase by 0 to 3%, over the comparable baseline cases depending on the scenario; and
- LNG exports will result in higher economic output, with economic gains (measured as changes in the level of GDP relative to the baseline), ranging from 0.05 to 0.17%, generally increasing with greater LNG exports: EIA notes that these estimates do not address several key economic linkages that may increase economic benefits.

The second study, *The Macroeconomic Impact of Increasing U.S. LNG Exports*, was performed jointly by the Center for Energy Studies at Rice University's Baker Institute and Oxford Economics under contract to DOE/FE and published in October (2015 Study). ^{17/} The 2015 Study is a scenario-based assessment of the macroeconomic impact of levels of U.S. LNG exports through 2040, sourced from the lower-48 states in volumes ranging from 12 to 20 Bcf/d of natural gas under a range of assumptions, including U.S. resource endowment, U.S. natural gas demand, international LNG market dynamics, and other factors. The 2015 Study concludes that higher LNG exports will have positive macroeconomic impacts, regardless of the assumptions about the U.S. gas markets. The study estimates that increasing LNG exports from 12 Bcf/d to 20 Bcf/d would result in a positive impact on gross domestic product of \$7-20 billion annually over the years 2026-2040 (in today's prices).

^{17/} Center for Energy Studies at Rice University Baker Institute and Oxford Economics, *The Macroeconomic Impact of Increasing U.S. LNG Exports* (Oct. 29, 2015), available at: http://energy.gov/sites/prod/files/2015/12/f27/20151113_macro_impact_of_lng_exports_0.pdf.

Based on these studies and additional analysis, DOE/FE has consistently found that proposed LNG exports are consistent with the public interest, with express findings that there is ample supply of natural gas available to support the proposed exports without affecting the availability of natural gas to meet domestic demand and with only a nominal effect on domestic gas prices. The DOE/FE orders further find that LNG exports will generate net economic benefits for the United States. In a recent order authorizing LNG exports, DOE/FE also explained that the latest EIA data, from AEO 2016, foresees market conditions that would be even more supportive of LNG exports, including higher production and demand coupled with lower prices, compared to the data utilized in the 2014 Study. 18/

The DOE/FE orders highlighted above, as well as the referenced market studies, all concern the export of domestically produced LNG. Here, DCP also seeks authorization to export LNG that was previously imported from foreign sources. DOE/FE also has authorized exports of previously imported LNG in prior orders, including for DCP. 19/ Exporting previously imported LNG, of course, does not reduce the availability of domestically produced gas. In many cases, such exports might still affect the domestic market because the exports reduce the volume of natural gas potentially available for domestic consumption. 20/ In these circumstances, however, DCP will have imported the LNG expressly for the purposes of commissioning its Liquefaction Project and the LNG otherwise would not have been imported and made available for domestic consumption. In any event, export of previously imported LNG certainly cannot have any greater impact on the domestic market than exports of domestically produced natural gas, which, as detailed above, is consistent with the public interest.

For all of these reasons, especially the full public interest analysis that DOE/FE has already conducted regarding LNG exports from the DCP Terminal, the authorization requested here for blanket authorization to export Commissioning Volumes should be granted as consistent with the public interest.

18/ *Lake Charles Exports, LLC*, DOE/FE Order No. 3324 at pages 123-125 (July 29, 2016).

19/ *Dominion Cove Point LNG, LP*, DOE/FE Order No. 3055 (Jan. 9, 2012). This previously issued Blanket Authorization for DCP to export previously imported LNG is not currently effective.

20/ *See id.* at page 8.

VI. ENVIRONMENTAL IMPACT

As previously noted, FERC completed its environmental review of DCP's Liquefaction Project, satisfying the obligations of NEPA, in FERC Docket No. CP13-113, and DOE independently reviewed and adopted that environmental analysis in DOE/FE Order No. 3331-A. The FERC order included extensive environmental conditions related to the Liquefaction Project with which DCP is required to comply.

The export of the Commissioning Volumes will not require the construction of any new or additional facilities, nor any modification of the facilities previously authorized by the FERC. DOE regulations at 10 CFR Part 1021, Subpart D, Appendix B5, provide a list of categorical exclusions from the preparation of an environmental analysis or environmental impact statement under NEPA. Specifically, categorical exclusion B5.7 provides for an exclusion where approvals of authorizations to import or export natural gas under NGA section 3 involve minor operational changes but no new construction. DCP's export of Commissioning Volumes falls within this categorical exclusion and no further environmental analysis is required.

Therefore, the proposal does not constitute a major federal action significantly affecting the quality of the human environment, within the meaning of the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321, *et seq.*).

VII. APPENDICES

The following appendices are attached to this Application:

Appendix A: Verification

Appendix B: Opinion of Counsel

VIII. CONCLUSION

Based on the reasons set forth above, DCP respectfully requests that the DOE/FE grant DCP short-term, blanket authorization to export up to the equivalent of 250 Bcf of natural gas, produced either from domestic sources or from previously imported LNG, prior to the commencement of commercial operation of DCP's Liquefaction Project at its existing LNG import terminal in Calvert County, Maryland, over a period of up to two years commencing on the date of the initial export, which is expected to occur during the fourth quarter of 2017 and not later than six months thereafter, to any country with the capacity to import LNG via ocean-going carrier and with which trade is not prohibited by U.S. law or policy, whether or not the country has a Free Trade Agreement (FTA) with the United States requiring national treatment for trade in natural gas.

Margaret H. Peters
Managing General Counsel
DOMINION RESOURCES SERVICES, INC.
120 Tredegar Street, RS-2
Richmond, VA 23219
(804) 819-2411
margaret.h.peters@dom.com

Respectfully submitted,



J. Patrick Nevins
HOGAN LOVELLS US LLP
555 Thirteenth Street, NW
Washington, D.C. 20004
(202) 637-6441
patrick.nevins@hoganlovells.com

Counsel for
Dominion Cove Point LNG, LP

Dated: November 23, 2016

Appendix A

Verification

STATE OF VIRGINIA)

) SS:

CITY OF RICHMOND)

Bill Allen, being first duly sworn on his oath deposes and says: that he is Chief LNG Advisor for Dominion Cove Point LNG, LP.; that he is duly authorized to make this Verification; that he has read the foregoing submittal and is familiar with the contents thereof; that all the statements and matters contained therein are true and correct to the best of his information, knowledge and belief; and that he is authorized to execute and file the same with the U.S. Department of Energy.



Bill Allen
Chief LNG Advisor

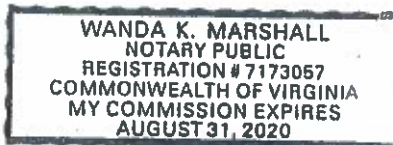
Sworn to and subscribed before me this 23rd day of November, 2016.



Notary Public
In and For said City

My Commission Expires:

August 31, 2020



Appendix E

OPINION OF COUNSEL

Appendix E

OPINION OF COUNSEL

Opinion of Counsel

This opinion is submitted pursuant to 10 C.F.R. 590.202(c) of the Department of Energy administrative procedures. The undersigned is counsel to Dominion Cove Point LNG, LP.

I have reviewed the corporate documents and it is my opinion that the proposed export of domestically produced natural gas is within the company's corporate powers.

Respectfully submitted.



Margaret H. Peters
Managing General Counsel
DOMINION RESOURCES SERVICES, INC.
120 Tredegar Street, RS-2
Richmond, VA 23219
(804) 819-2411