

US LNG Exports: March Madness and the Road to the Final Four Projects

Sweet 16 *	Elite Eight	Final Four	Championship	Winners
<p>(1) Freeport LNG Expansion, L.P. &amp; FLNG Liquefaction, LLC (1.4 Bcf/d)</p> <p>Freeport filed its DOE application on 12/17/2010, soon after Cheniere filed for Sabine Pass. With eager Japanese buyers (Osaka Gas Co and Chubu Electric Power Co.), Freeport has been impatiently waiting. The DOE's approval of at least this project would have the added benefit of relieving some of the political pressure on the White House to approve exports to Japan.</p>	(1) Freeport LNG Expansion			
(16) Pangea LNG (North America) Holdings, LLC (1.09 Bcf/d)			(1) Freeport LNG Expansion	
(8) Cheniere Marketing, LLC (2.1 Bdf/d)	(8) Cheniere - Corpus Christi			
(9) Excelerate Liquefaction Solutions J, LLC (1.38 Bcf/d)				
(5) Cameron LNG, LLC (1.7 Bcf/d)	(5) Cameron		(1) Freeport	
(12) Southern LNG Company, L.L.C. (0.5 Bcf/d)		(5) Cameron		Sabine Pass Liquefaction
(4) Freeport LNG Expansion L.P. & FLNG Liquefaction, LLC (1.4 Bcf/d)	(13) Gulf LNG			<p>In this hard fought battle of projects, Cheniere's Sabine Pass is the hands down winner being the first to identify the opportunity to export and the first to obtain DOE approval to export to non-FTA countries. But, Cheniere has had the first mover advantage before so let's hope it goes better this time around.</p>
(13) Gulf LNG Liquefaction Company, LLC (1.5 Bdf/d)				
(6) Jordan Cove Energy Project, L.P. (1.2 Bcf/d: FTA, 0.8 Bcf/d: non-FTA)	(11) Gulf Coast			Freeport LNG Expansion
(11) Gulf Coast LNG Export, LLC (2.8 Bcf/d)				<p>Rulemaking? While all four of the Final Four are solid projects, I predict it is only a matter of time before the Sierra Club and/or the manufacturers file a Petition for Rulemaking with the DOE.</p> <p>What's this? In this context, it would be a Petition requesting DOE to clarify it's policies and procedures regarding the approval process for LNG exports. Since the process is no doubt unclear, I suspect DOE would have to grant the Petition. This would delay the approval process even further and require public comment periods. At best, DOE might approve Freeport before the Petition is filed and possibly Lake Charles at the same time.</p>
(3) Dominion Cove Point LNG, LP (1.0 Bcf/d)	(3) Dominion		(3) Dominion	
(14) CE FLNG, LLC (1.07 Bcf/d)				WILDCARD: ALASKA LNG Project
(7) LNG Development Company, LLC (d/b/a Oregon LNG) (1.25 Bdf/d)	(10) Carib Energy		(2) Lake Charles	<p>The Alaska LNG Project is my Wildcard pick of projects.</p> <p>ExxonMobil, ConocoPhillips, BP and TransCanada are assessing a \$45-60 billion,, 15-18 mtpa LNG export project that includes a gas treatment plant on Alaska's North Slope, a roughly 800-mile pipeline, and a liquefaction plant at a site TBD. While still in the early stages, this project is close to key Asia-Pacific markets if the price and timing is right. This project falls under a different regulatory process and requires a "Presidential permit" to be issued before exports are allowed. This permit may turn out to be easier to get than the DOE/FE permit for non-FTA countries.</p>
(10) Carib Energy (USA) LLC (0.03 Bcf/d: FTA, 0.01 Bdf/d: non-FTA)		(2)Lake Charles Exports		
(2) Lake Charles Exports, LLC (2.0 Bcf/d)	(2) Lake Charles Exports			
(15) Golden Pass Products LLC				

\* Sweet 16: The DOE has indicated it will process export applications in the order that the applicant received FERC Approval to begin the pre-filing process. What about the rest of the projects? It's not quite clear but presumably, the DOE will decide these AFTER ruling on the Sweet 16.