NOT YET SCHEDULED FOR ORAL ARGUMENT

No. 20-1503

UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

SIERRA CLUB, Petitioner,

v.

UNITED STATES DEPARTMENT OF ENERGY, Respondent.

On Petition for Review of an Order of the U.S. Department of Energy

STATUS REPORT FOR RESPONDENT UNITED STATES DEPARTMENT OF ENERGY

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On June 30, 2021, this Court issued an order granting a motion by Respondent U.S. Department of Energy ("DOE") to hold this petition for review in abeyance in light of a rehearing proceeding pending before DOE. This Court directed DOE to file status reports in 60-day intervals. This is DOE's first report.

Petitioner Sierra Club challenges an August 2020 order issued by DOE's Office of Fossil Energy (now the Office of Fossil Energy and Carbon Management) that authorizes the Alaska LNG Project LLC to export liquefied natural gas ("LNG") from a proposed project to be located in Alaska ("Alaska LNG Project"). In a Rehearing Order issued on April 15, 2021, DOE announced plans to conduct two environmental studies to evaluate potential impacts associated with the proposed LNG exports, to hold an associated public comment proceeding, and to issue an order at the conclusion of the proceeding. On June 28, 2021, DOE issued a Notice of Intent to Prepare a Supplemental Environmental Impact Statement for the Alaska LNG Project to conduct the studies consistent with the National Environmental Policy Act ("NEPA"). See 86 Fed. Reg. 35,280 (July 2, 2021) (available at: https://www.energy.gov/sites/default/files/2021-07/2021-14188 FE NOI%20Alaska%20LNG.pdf). Depending on the findings from the supplemental environmental impact statement ("SEIS") and input from the associated public process, DOE may decide to modify, set aside, or affirm the challenged authorization order. See 15 U.S.C. §§ 717b(a), 717r(a).

DOE's National Energy Technology Laboratory is preparing the SEIS and has begun work on the studies. On August 24, 2021, DOE published a Notice of Schedule for completing key milestones in the SEIS and rehearing process (attached). Under the projected schedule, DOE will:

- (1) publish a notice of availability of the draft SEIS by May 2, 2022;
- (2) publish a notice of availability of the final SEIS by September 15, 2022; and
- (3) publish a final order and NEPA record of decision by December 14, 2022.

If any changes to this projected schedule become necessary, DOE will publish a notice in its public docket for this case (DOE/FECM Docket No. 14-96-LNG), in addition to the status reports to be provided to this Court.

Respectfully submitted,

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August 30, 2021 DJ No. 90-13-5-16242 /s/ John L. Smeltzer

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UNITED STATES OF AMERICA DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

)	DOCKET NO. 14-96-LNG
)

NOTICE OF SCHEDULE FOR SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT

AUGUST 24, 2021

On June 28, 2021, the Department of Energy's (DOE) Office of Fossil Energy (now the Office of Fossil Energy and Carbon Management¹) issued a Notice of Intent to Prepare a Supplemental Environmental Impact Statement for the Alaska LNG Project (NOI).² DOE published the NOI in the *Federal Register* on July 2, 2021.³ As set forth in the NOI, DOE is preparing a supplemental environmental impact statement (SEIS) for the Alaska environmental study proceeding (DOE/EIS-0512-S1), consistent with the National Environmental Policy Act (NEPA).⁴ The NOI describes two Alaska-specific studies that together comprise the SEIS: (i) an upstream analysis of potential environmental impacts associated with natural gas production on the North Slope of Alaska, and (ii) a life cycle analysis (LCA) that will calculate the greenhouse gas (GHG) emissions for liquefied natural gas (LNG) exported from the proposed Alaska LNG Project, taking into account unique issues relating to production, pipeline transportation, and liquefaction in Alaska, among other considerations.⁵ DOE's National Energy Technology Laboratory (NETL) is conducting both studies.

DOE has explained that, based on the findings from the SEIS—including the associated public process—DOE intends to issue an order under section 3(a) of the Natural Gas Act

⁵ See NOI, 86 Fed. Reg. at 35,281 (describing studies).

¹ On July 4, 2021, DOE's Office of Fossil Energy (FE) became the Office of Fossil Energy and Carbon Management (FECM).

² U.S. Dep't of Energy, Notice of Intent to Prepare a Supplemental Environmental Impact Statement for the Alaska LNG Project, Docket No. 14-96-LNG (June 28, 2021) (pre-publication version).

³ U.S. Dep't of Energy, Notice of Intent to Prepare a Supplemental Environmental Impact Statement for the Alaska LNG Project, 86 Fed. Reg. 35,280 (July 2, 2021), *available at:* https://www.energy.gov/sites/default/files/2021-07/2021-14188 FE NOI%20Alaska%20LNG.pdf [hereinafter NOI].

⁴ See id. For more information about this proceeding and DOE's rationale for conducting the SEIS, see *Alaska LNG Project LLC*, DOE/FE Order No. 3643-B, Docket 14-96-LNG, Order on Rehearing (Apr. 15, 2021), available at: https://www.energy.gov/sites/default/files/2021-04/ord3643b.pdf [hereinafter Order on Rehearing].

(NGA)⁶ in which DOE presents its findings and conclusions.⁷ DOE may decide to modify, set aside, or affirm the Alaska LNG Order (Order No. 3643-A),⁸ in whole or in part.⁹

DOE's projected schedule for key milestones in this process are as follows:

Notice of Availability of Draft SEIS May 2, 2022

Notice of Availability of Final SEIS September 15, 2022

Final Order and NEPA Record of December 14, 2022

Decision

If any changes to these dates become necessary, DOE will provide additional notice.

Issued in Washington, D.C., on August 24, 2021.

Amy R. Digitally signed by Amy R. Sweeney
Date: 2021.08.24
15:30:28 -04'00'

Amy R. Sweeney Director, Office of Regulation, Analysis and Engagement Office of Oil and Natural Gas

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⁶ 15 U.S.C. § 717b(a).

⁷ See Order on Rehearing at 15.

⁸ Alaska LNG Project LLC, DOE/FE Order No. 3643-A, Docket 14-96-LNG, Final Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Aug. 20, 2020), available at: https://www.energy.gov/sites/default/files/2020/08/f77/ord3643a.pdf.

⁹ See Order on Rehearing at 15 (citing 15 U.S.C. § 717r(a)); see also id. at 18. DOE notes that Sierra Club's legal challenge to the Alaska LNG Order in the U.S. Court of Appeals for the District of Columbia Circuit is currently being held in abeyance. See Sierra Club v. U.S. Dep't of Energy, No. 20-1503, Order (D.C. Cir. June 30, 2021).