UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

	)	
STROM, INC.	)	**CP14-121-000**
	)	

RESPONSE TO MOTION OF FLORIDIAN NATURAL GAS STORAGE, LLC.

FOR LEAVE TO INTERVENE

I.
BACKGROUND

On March 24, 2014, Strom, Inc. ("Strom") submitted its petition for declaratory ("Motion") order regarding the Federal Energy Regulatory Commission ("Commission") jurisdiction over LNG in a Box ('LNG/B") or similar portable LNG unit by General Electric Corporation and/or others ("MicroLNG"). Strom requested the Commission clarify whether MicroLNG systems are intended to be regulated as an "LNG terminal" since it is not a "facility" or "facilities" as defined by federal law pursuant to 42 USCS §5122. Strom's intends to utilize MicroLNG systems for small natural gas liquefaction primarily for export purposes to Free Trade Agreement countries and/or Non-Free Trade Agreement countries.

Further, Strom contends that its Motion would promote investments in MicroLNG systems that meets or exceeds environmental and compliance regulations as intended by the Natural Gas Act ("NGA"). Strom argues that granting FGS's motion to intervene would set a precedent and inhibit research and development if MicroLNG systems. With technological advances in fracking, small and large corporations are seeking innovative and environmentally methods to efficiently produce LNG. The bottleneck that would be created by granting FGS's intervention will ultimately overwhelm the commission as hundreds and possibly thousands of systems may be presented to the commission for a ruling.

On a lesser note, regulating MicroLNG would ultimately result in monopolies and antitrust issues with larger LNG companies essentially monopolizing the LNG industry, as appears in the FGS filing. Strom's Motion would allow Strom to deploy the MicroLNG system to Commission regulated gas pipeline locations or "LNG facilities" that has an excess natural gas supply for sale. When capacity is no longer available, Strom can cost effectively and environmentally soundly relocate to other pipeline location with an available excess capacity for sale.

On March 27th, 2014, the Commission issued a Notice of Petition for Declaratory Order ("Notice") requesting "any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR385.211, 385.214)" to file comments or motion to leave and intervene ("MLI") prior to the deadline.[1]

On April 18, 2014 Floridian Natural Gas Storage Company, LLC ("FGS") submitted an MLI Pursuant to Rule 214 of the Rules of Practice and Procedure of the Commission, 18 C.F.R. § 385.214 (2014).

II.
COMMUNICATIONS

Strom designates the following individuals to receive service of all filings made in this proceeding:

Dean M. Wallace
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III.
ABOUT INTERVENOR

FGS states that "Floridian Natural Gas Storage Company, LLC, a Delaware limited liability company, has its principal place of business located at 1000 Louisiana Street, Suite 4300, Houston, TX

[1] https://s3.amazonaws.com/public-inspection.federalregister.gov/2014-07495.pdf

77002. FGS holds a certificate of public convenience and necessity under NGA Section 7 (c) issued in Commission Docket No. 08-13-000 on August 29, 2008 and amended in Docket No. CP12-100-000 on August 31, 2012. That certificate authorizes FGS to construct and operate a new natural gas liquefaction, storage, vaporization and truck loading facility near Indiantown in Martin County, Florida."

IV.
FGS's STATED INTERESTS

In its MLI, FGS stated that, "as the developer of a Commission- regulated natural gas liquefaction facility located in Indiantown, FL, has a substantial interest that may be affected by the outcome of this proceeding. FGS's interest cannot be adequately represented or protected by any other party. FGS's participation in this proceeding is therefore in the public interest." However and regardless of FGS's intensions, Rule 214 (b) (2) ("Rules") requires specific detail prior to granting motions for intervention. The Rule explicitly states, in relevant parts, that a motion to intervene "must show in *sufficient detail* that the movant has or represents an interest which may be directly affected by the outcome of the proceeding or participation is in the public interest". Strom contends that a simple filing of a motion to intervene does not meet the *sufficient detail* requirement(s), and that Strom is not aware of FGS's plans to utilize portable MicroLNG systems. Strom also contends that FGS' plant, equipment, construction schedule, permit (Federal, State or local), and specific location will not be *directly* impacted. Strom further contends that there may be a financial consideration by FGS. FGS is fully aware that with advancements in technology, the commission will continue to evaluate its rules and regulations and deliberate the benefits of MicroLNG systems in the overall LNG supply chain. A favorable ruling on Strom's Motion will result in a more competitive LNG market for smaller LNG exporters and improved environmental benefits. Ultimately, consumers and innovative corporations will benefit from a favorable Commission finding.

V.
FGS'S PRECEDENT SETTING MOTION TO INTERVENE

FGS and its partners are very large corporation with unlimited resources which continuously present obstacles to small MicroLNG systems such as their filing in CP14-114 (Emera). Although the commission customarily grants motion to intervene, the commission has noted in previous rulings that motions to intervene that are for the primary purpose of setting precedence are of concern to the commission. If there were ever an MLI with a precedent setting goal, look no further than FGS's MLI. Should this MLI be granted, it is inevitable the each most, if not all, of the commission's regulated businesses will intervene in a future motion for MicroLNG, CNG, or other systems that may lead to more efficient delivery of natural gas.

It is clear in FGS's MLI that FGS is engaged in the operation of "LNG Terminal" as defined by the NGA, not MicroLNG. FGS has not demonstrated a direct or any interest in the type of MicroLNG system(s) as described in Strom's Motion. Strom understands FGS's legal right to submit an MLI to Strom's Motion and we respect their motivation. However, Strom is cognizant that the Commission has the exclusive right to grant FGS's MLI. The Commission's Rules are the basis for which Strom is opposing FGS's motion to intervene along with the precedent that this MLI would set. We humbly disagree with FGS argument and offer that the real result of granting the MLI would be setting precedence.

Additionally, granting MLI to FGS would disadvantage Strom. As noted, Strom is not aware of any filing by FGS to the Commission or DOE requesting authorization to utilize MicroLNG systems. Further, Strom is a small business compared to FGS, any unnecessary delays in the process will result in Strom's ability to complete contractual agreements currently in discussions in FTA and Non-FTA countries, including U.S. Possessions.

Finally, and as noted earlier, if the Commission grants FGS's MLI, it would set a precedence that corporations or individuals wishing to intervene may be granted "intervener status" regardless of whether they satisfy the commission's rules and regulations. In this event, the commission would become beholden to granting all such future motions to intervene thereby limiting the commission's authority. No

doubt any individual or corporations not granted a similar motion to intervene in any filing to the commission seeking approval of MicroLNG, CNG or other technological advances will be mired in court appeals by those not granted intervention. This could strain the scarce resources of small businesses like Strom. Strom contends that the Commission is capable of forming a fair and unbiased resolution of Strom's Motion without granting intervention to FGS. Finally, granting MLI in this case could create irreparable harm to Strom and strain the scarce resources of Commission in addition to violating the commission's own rules and regulations.

VI.
CONCLUSION

WHEREFORE, for the foregoing reasons, Strom respectfully requests that the Commission deny FGS's intervention in this proceeding making it a party for all purposes.

Respectfully submitted,

/S/ Dean M. Wallace

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Dean M. Wallace, Strom, Inc.

1228 East 7th Ave, Suite 200

Tampa, FL 33605

Dated: April 30th, 2014

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing "Answer to Motion for Leave to Intervene" upon each person designated on the official service list compiled by the Secretary in these proceedings, in accordance with Rule 2010 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2014).

Respectfully,

Dated at Tampa, Florida this 30th day of April, 2014.

/S/ Dean M. Wallace

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Dean M. Wallace, Strom, Inc.

1228 East 7th Ave, Suite 200

Tampa, FL 33605