

## Department of Energy Washington, DC 20585

June 16, 2017

BY EMAIL

Terrence F. Durkin General Counsel Pentagon Energy, L.L.C. 1600 Ponce de Leon Boulevard, Suite 1208 Coral Gables, FL 33134

RE: Notice of Change in Control and Corporate Name Change

Pentagon Energy, L.L.C (formerly Wentworth Gas Marketing LLC)

FE Docket No. 14-63-CNG

Dear Mr. Durkin:

This correspondence constitutes the response of the Department of Energy (DOE), Office of Fossil Energy (FE), to your letter filed on January 25, 2017, on behalf of Pentagon Energy, L.L.C. (Pentagon Energy), formerly known as Wentworth Gas Marketing LLC (Wentworth Gas).<sup>1</sup> In the letter, you describe Pentagon Energy's acquisition of Wentworth Gas, as discussed below.

### I. BACKGROUND

On October 7, 2014, in DOE/FE Order No. 3515, DOE/FE issued an order authorizing Wentworth Gas to export compressed natural gas (CNG) from a proposed CNG compression and loading facility to be constructed, owned, and operated near the Port of Freeport, Texas, by its affiliate, Wentworth Compression LLC.<sup>2</sup>

Under the terms of that order, Wentworth Gas is authorized to export CNG produced from domestic sources in a volume equivalent to approximately 60 billion cubic feet per year of natural gas to any country with which the United States has, or in the future will have, a free trade agreement (FTA) requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (FTA countries).<sup>3</sup> Wentworth Gas is authorized to export

<sup>&</sup>lt;sup>1</sup> Letter from Terrance F. Durkin, General Counsel for Pentagon Energy, L.L.C., to Benjamin Nussdorf, Natural Gas Policy Analyst, DOE/FE, FE Docket No. 14-63-CNG (Jan. 25, 2017) [hereinafter Ltr.].

<sup>&</sup>lt;sup>2</sup> Wentworth Gas Marketing, LLC, DOE/FE Order No. 3515, FE Docket No. 14-63-CNG, Order Granting Long-Term, Multi-Contract Authorization to Export Compressed Natural Gas by Vessel From a Proposed CNG Compression and Loading Facility at the Port of Freeport, Texas, to Free Trade Agreement Nations (Oct. 7, 2014).
<sup>3</sup> The United States currently has FTAs requiring national treatment for trade in natural gas with Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco,

this CNG, on its own behalf or as agent for other entities, to FTA countries for a term of 20 years.<sup>4</sup>

## II. <u>DESCRIPTION OF REQUEST</u>

On January 25, 2017, Pentagon Energy filed a notice of change in control with DOE/FE in the above-referenced docket. Pentagon Energy states that, on March 27, 2015, Pentagon Energy purchased Wentworth Entities, including Wentworth Gas. Pentagon Energy asks DOE/FE to recognize this change in control. Additionally, in light of this acquisition and resulting name change, Pentagon Energy asks DOE/FE to recognize Pentagon Energy as the authorization holder of DOE/FE Order No. 3515, replacing Wentworth Gas.

Pentagon Energy states that it is a Delaware limited liability company with its principal place of business in Coral Gables, Florida.

### III. <u>DISCUSSION AND CONCLUSIONS</u>

DOE/FE's Procedures for Changes in Control provide that, upon receipt of a statement of change in control relating to existing FTA export authorizations, DOE will give immediate effect to the change in control and will take no further action.<sup>5</sup> Accordingly, Pentagon Energy's change in control has taken effect insofar as it relates to DOE/FE Order No. 3515 (FE Docket No. 14-63-CNG).

Additionally, the name of the authorization holder of DOE/FE Order No. 3515 is amended to Pentagon Energy. Pentagon Energy assumes all obligations under that Order. No further action is required. 10 C.F.R. § 590.405.

Sincerely,

John A. Anderson

Director, Office of Regulation and International Engagement

Office of Oil and Natural Gas

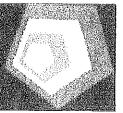
Office of Fossil Energy

Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore. FTAs with Israel and Costa Rica do not require national treatment for trade in natural gas.

<sup>&</sup>lt;sup>4</sup> See Wentworth Gas, DOE/FE Order No. 3515, at 9 (Ordering Para. A).

<sup>&</sup>lt;sup>5</sup> See U.S. Dep't of Energy, Procedures for Changes in Control Affecting Applications and Authorizations to Import or Export Natural Gas, 79 Fed. Reg. 65,541, 65,542 (Nov. 5, 2014).

# Pentagon Energy



January 25, 2017

Via Email

Mr. Benjamin Nussdorf
United States Department of Energy
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy
Forrestal Building, Room 3E-052
1000 Independence Avenue SW.,
Washington, DC 20505

Re: Change in Control of Permit Permit FE Doc. No. 14-63 CNG

Dear Mr. Nussdorf:

Pursuant to your November 12, 2016 email explaining the steps needed to be taken to have our Permit reflect Pentagon Energy as the owner/company in charge of the aforesaid Permit, please be advised of that Pentagon Energy, L.L.C, a Delaware Limited Liability Company (LLC) with offices at 1600 Ponce de Leon Blvd., Suite 1208 Coral Gables, FL 33134, purchased Wentworth Entities including Wentworth Gas Marketing, LLC, (FE Doc. No. 14-63-CNG) on 3/27/15. We are requesting that your office approval of the change in control and have the Permit reflect Pentagon Energy as the owner of the Permit.

Again, thank you for your assistance in this matter. Should you have any questions or need additional information feel free to contact me at 312-813-7366 or via email at <a href="mailto:tfdurkin@comcast.net">tfdurkin@comcast.net</a>

Sincerely,

TERRENCE F. DURKIN

General Counsel for Pentagon Energy

TFD/pd