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February 11, 2022

Ms. Amy Sweeney
Office of Fuels Programs, Fossil Energy
U.S. Department of Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, DC 20585

**Re: CNG HOLDING 1 LLC
FE Docket No. 22-13-CNG
Application for Long-Term Multi-Contract Authorization to Export Compressed
Natural Gas to Free Trade Agreement Countries**

Dear Ms. Sweeney:

CNG HOLDING 1 LLC (“CNG Holding”) hereby submits for filing with the U.S. Department of Energy, Office of Fossil Energy (“DOE/FE”) its application (“Application”) seeking long-term, multi-contract authorization to export compressed natural gas (“CNG”) to any country with which the United States currently has, or in the future enters into, a free trade agreement requiring national treatment for trade in natural gas.

As set forth in greater detail in the attached Application, CNG Holding requests authorization to export the equivalent of approximately 0.14 billion cubic feet of natural gas per day (or approximately 53.14 trillion Btu per annum), which is approximately equivalent to 1.05 million metric tons per annum, of domestically produced CNG for a twenty-five (25) year period commencing on the earlier of the date of first export or five (5) years from the date the authorization requested in this Application is granted. CNG Holding requests this authorization both on its own behalf and as agent for others.

We also hereby submit an Opinion of Counsel pursuant to 10 C.F.R. § 590.202(c), attached as Exhibit A to the Application, and a Verification statement pursuant to 10 C.F.R. § 590.103(b),

attached as Exhibit B to the Application. Exhibit C to the Application is a copy of the Joint Development Agreement ("JDA") for the project site. CNG Holding respectfully requests confidential treatment of the JDA to the greatest extent permitted by law because it contains confidential and commercially sensitive information.

We also confirm that on February 10, 2022, CNG Holding electronically paid the \$50.00 filing fee required by 10 C.F.R. § 590.207.

Any questions regarding this correspondence or the Application, including the exhibits thereto, may be directed to the undersigned at (202) 778-9014 or at david.wochner@klgates.com.

Best regards,

A handwritten signature in black ink that reads "David L. Wochner". The signature is written in a cursive style with a large initial "D" and "W".

David L. Wochner
Counsel for CNG HOLDING 1 LLC

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

In the Matter of

CNG HOLDING 1 LLC

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FE Docket No. 22-13-CNG

**APPLICATION OF CNG HOLDING 1 LLC FOR LONG-TERM AUTHORIZATION
TO EXPORT COMPRESSED NATURAL GAS TO
FREE TRADE AGREEMENT COUNTRIES**

Pursuant to Section 3 of the Natural Gas Act (“NGA”)¹ and Part 590 of the Department of Energy’s (“DOE”) regulations,² CNG HOLDING 1 LLC (“CNG Holding”) hereby submits this application (“Application”) with the DOE Office of Fossil Energy (“DOE/FE”) for long-term, multi-contract authorization to export compressed natural gas (“CNG”) from the United States to free trade agreement (“FTA”) countries requiring national treatment for trade in natural gas. CNG Holding seeks this authorization to export the equivalent of approximately 0.14 billion cubic feet of natural gas per day (“Bcf/day”)³ (or approximately 53.14 trillion Btu per annum), which is approximately equivalent to 1.05 million metric tons per annum (“mtpa”), of domestically produced CNG for a twenty-five (25) year period commencing on the earlier of the date of first export or five (5) years from the date the authorization requested in this Application is granted. CNG Holding will export CNG using Department of Transportation-approved International Organization for Standardization (“ISO”) containers via ocean-going carrier from the Port of Plaquemines, Louisiana to any country with which the United States currently has, or in the future enters into, an FTA requiring national treatment for trade in natural gas. CNG Holding requests this authorization both on its own behalf and as agent for others.

¹ 15 U.S.C. § 717b (2018).

² 10 C.F.R. Part 590 (2021).

³ The annual Bcf equivalent is 51.75 Bcf/yr.

CNG Holding intends to construct, own, and operate a CNG compression and container loading facility (the “Facility”) in the Port of Plaquemines, Louisiana at a site on the Mississippi River. The Facility will receive natural gas from a FERC-jurisdictional interstate pipeline. CNG Holding will ensure that all requisite regulatory approvals are obtained for the CNG compression and loading facilities contemplated in this Application. The anticipated timing for completion of the Facility is approximately twenty-four (24) months from the date that CNG Holding obtains the final regulatory approvals required for construction.

This Application requests authority to export CNG only to countries with which the United States currently has or in the future enters into an FTA requiring national treatment for trade in natural gas. This Application, therefore, is subject to review pursuant to the standards established in the Energy Policy Act of 1992 and Section 3(c) of the NGA which requires that applications for authorization to export CNG to FTA countries shall be “deemed to be consistent with the public interest” and “granted without modification or delay.”⁴

In support of this Application, CNG Holding respectfully states the following:

I. COMMUNICATIONS AND CORRESPONDENCE

Correspondence and communications regarding this Application should be addressed to the following and those with an (*) should be designated as the agent for service for CNG Holding:

Pedro Santos
Michael Adams
CNG Holding 1 LLC
12333 Sowden Rd. Suite B
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⁴ 15 U.S.C. § 717b(c) (2018).

II. DESCRIPTION OF THE APPLICANT

The exact legal name of the applicant is CNG HOLDING 1 LLC, a limited liability company organized under the laws of Delaware. CNG Holding's principal place of business is 12333 Sowden Road, Suite B, PMB 21613, Houston, Texas 77080. CNG Holding will engage in the sale of CNG to export markets in the Caribbean and the eastern coast of Central America and Mexico. CNG Holding is a special purpose entity owned by Nearshore Natural Gas, LLC ("Nearshore"), HBG Investment, LLC, and Capital Ventures Worldwide, S.A. ("CVW"). Nearshore is a limited liability company organized under the laws of Delaware that engages in the development of natural gas compression technology, and is an owner of Andalusian Energy, LLC ("Andalusian"), the developer of a similar CNG export project which received DOE/FE authorization to export to FTA nations on November 2, 2020.⁵ HBG Investment, LLC, is a limited liability company organized under the laws of Delaware that engages in investments in technology and infrastructure development. CVW is a company organized under the laws of the country of Panama that engages in investments in technology and infrastructure development.⁶

III. DESCRIPTION OF THE PROPOSED EXPORT FACILITY

CNG Holding seeks long-term, multi-contract authorization to export domestically produced CNG from the Facility that it will construct, own, and operate in Plaquemines Parish, Louisiana. CNG Holding plans to construct the Facility on an approximately five-acre⁷ inland site located within the Port of Plaquemines, consistent with the Plaquemines Port Harbor and Terminal

⁵ *Andalusian Energy, LLC*, DOE/FE Order No. 4616, FE Docket No. 20-73-CNG (Nov. 20, 2020).

⁶ Through their ownership interests in HBG, CVW, and Nearshore, the person who holds an ownership interest in CNG Holding of 10% or more is Pedro Santos (43%). CNG Holding has a five (5) member Board of Managers. HBG and CVW appoint one member each and Nearshore appoints two (2) members and the fifth member is a mutually agreed upon independent manager.

⁷ The Facility will occupy approximately five acres in size; however CNG Holding has a 50-acre lease for the site, with an option to expand the lease to 150 acres.

District (“PPHTD”) master plan for the construction, development, and operation of a common user container facility port facility along the Mississippi River. CNG Holding has entered into a joint development agreement (“JDA”) with Louisiana 23 Development Company (“LA23 DevCo”), the sole fee title owner of the inland site, for the purposes of owning, developing, installing, constructing, operating, and maintaining a natural gas processing facility and related facilities and infrastructure, all as further described hereto at Attachment C. Pursuant to the terms of the JDA, CNG Holding and LA23 DevCo will negotiate and finalize a Ground Lease Agreement for the inland site. CNG Holding respectfully requests confidential treatment of the JDA to the greatest extent permitted by law because it contains confidential and commercially sensitive information.

The Facility is anticipated to include natural gas compression facilities with a production capacity of up to approximately 0.14 Bcf/d, a truck loading facility, and an interconnect with an interstate natural gas pipeline. The Facility will be capable of storing CNG in the ISO Container fill piping in an amount equal to approximately 1.5 times the daily production capacity (approximately 0.23 Bcf). The Facility site also will be able to store up to three hundred (300) stacked CNG containers for a period of up to one (1) week. Under the current design, the Facility would receive natural gas by pipeline to be compressed and loaded into ISO containers that will be transported by truck to a nearby loading dock on the Mississippi River that is affiliated with the Port of Plaquemines and loaded onto and shipped via vessel to various destinations. CNG Holding will obtain all requisite regulatory approvals for the Facility. CNG Holding anticipates that the timing for completion of the Facility will be approximately twenty-four (24) months from the date on which CNG Holding receives final approval of all regulatory authorizations required to commence construction.

As previously described, CNG Holding anticipates selling CNG to export markets in FTA countries in the Caribbean and on the eastern coast of Central America and Mexico. CNG Holding has entered into a Memorandum of Understanding for the sale of CNG to a Central American textile manufacturer. As set forth in Section IV of this Application, CNG Holding will file with DOE/FE copies of any future executed, binding sales agreements. CNG Holding also reserves the right to seek DOE/FE authorization to export CNG to countries with which the United States does not have a Free Trade Agreement (“Non-FTA countries”) at the time such opportunities arise. CNG Holding notes that the annual equivalent of the 0.14 Bcf/d export volume requested herein, would qualify for DOE/FE’s 51.75 Bcf/yr small scale exception (the “Small-Scale Export Rule”). Pursuant to the Small-Scale Export Rule, small-scale exports to Non-FTA countries up to and including 51.75 Bcf/yr are deemed to be consistent with the public interest under NGA section 3(a).⁸

IV. AUTHORIZATION REQUESTED

CNG Holding requests authorization to export up to the equivalent of approximately 0.14 Bcf/day (or approximately 53.14 trillion Btu per annum) of domestically produced CNG for export by ISO container from Louisiana to any country with which the United States currently has, or in the future enters into, an FTA requiring national treatment for trade in natural gas. CNG Holding requests a long-term authorization for a period of twenty-five (25) years, commencing on the earlier of the date of first export or five (5) years from the date DOE/FE grants the authorization requested in this Application.

CNG Holding requests this authorization both on its own behalf and as agent for others. To ensure all exports are permitted and lawful under United States laws and policies, CNG Holding

⁸ 10 C.F.R. § 590.208 (2021).

will comply with all DOE requirements for an exporter or agent, including but not limited to, registering with DOE/FE each CNG titleholder for whom CNG Holding seeks to export CNG and providing the requisite acknowledgements.⁹ While DOE/FE regulations require applicants to submit information on the terms of such export agreements, as well as long-term natural gas supply agreements,¹⁰ DOE/FE has found that an applicant need not submit this information with the original application if no contracts have been executed at such time.¹¹ In such instances, DOE/FE has permitted applicants to submit such information within thirty (30) days of the execution of such contracts, which DOE/FE has found conforms to the requirement in its regulations that such information be submitted “when practicable.”¹² CNG Holding requests that DOE/FE make the same finding in this proceeding and commits that, within thirty (30) days of execution, it will file a copy of such contracts with DOE/FE, including to the extent required, a confidential, non-redacted version and a publicly available, redacted version or contract summary.

V. EXPORT SOURCES

CNG Holding seeks authorization to export natural gas available from the United States natural gas pipeline supply and transmission system. The CNG Holding Facility will interconnect with a FERC-regulated interstate natural gas pipeline, which will provide CNG Holding with access to the national natural gas pipeline system, providing CNG Holding and its potential customers with a variety of stable and economic supply options.

VI. PUBLIC INTEREST

Pursuant to Section 3(c) of the NGA, applications for authorization to export natural gas, including CNG, to nations with which the United States has in effect an FTA requiring national

⁹ See, e.g., *Freeport LNG Development, L.P.*, DOE/FE Order No. 2913 (2011).

¹⁰ 10 C.F.R. § 590.202(b) (2021).

¹¹ See, e.g., *Blue Water Fuels, LLC*, DOE/FE Order No. 4202 (2018).

¹² *Id.*

treatment for trade in natural gas are “deemed to be consistent with the public interest” and must be granted “without modification or delay.”¹³ In this Application, CNG Holding requests authorization to export CNG only to countries with which the United States currently has or in the future enters into an FTA requiring national treatment for trade in natural gas, such that this Application clearly falls within the scope of NGA Section 3(c). CNG Holding, therefore, respectfully requests that DOE/FE promptly grant its request for authorization to export CNG to FTA countries consistent with this statutory presumption.

VII. ENVIRONMENTAL IMPACT

In addition to the authorization from DOE/FE sought in this Application, CNG Holding will seek the necessary permits from and consultations with other federal, state, and local agencies to ensure compliance with all environmental laws and regulations.

VIII. APPENDICES

The following appendices are included with this Application:

Appendix A	Opinion of Counsel
Appendix B	Verification
Appendix C	Joint Development Agreement (filed privileged & confidential)

IX. CONCLUSION

For the reasons set forth above, CNG Holding respectfully requests that DOE/FE issue an order granting CNG Holding authorization to export up to approximately 0.14 Bcf/day (or approximately 53.14 trillion Btu per annum), which is approximately equivalent to 1.05 mtpa of domestically produced CNG, to any country with which the United States has, or in the future may have, an FTA requiring national treatment for trade in natural gas for a twenty-five (25) year

¹³ 15 U.S.C. § 717b(c) (2018).

period. CNG Holding requests this authorization on its own behalf and as agent for others. As demonstrated herein, the requested authorization is consistent with the public interest and should be granted without modification or delay.

Dated: February 11, 2022

Respectfully submitted,

/s/ David L. Wochner

David L. Wochner

Timothy J. Furdyna

K&L Gates, LLP

1601 K Street NW

Washington, DC 20006

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Counsel for CNG HOLDING I LLC

APPENDIX A
OPINION OF COUNSEL

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February 11, 2022

Ms. Amy Sweeney
Office of Fuels Programs, Fossil Energy
U.S. Department of Energy
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Washington, DC 20585

**Re: CNG HOLDING 1 LLC
FE Docket No. 22-13-CNG
Application for Long-Term Multi-Contract Authorization to Export Compressed
Natural Gas to Free Trade Agreement Countries - Opinion of Counsel**

Dear Ms. Sweeney:

This opinion of counsel is submitted pursuant to Section 590.202(c) of the regulations of the United States Department of Energy, 10 C.F.R. § 590.202(c) (2021), in connection with the application of CNG HOLDING 1 LLC (“CNG Holding”) for long-term authorization to export compressed natural gas to Free Trade Agreement countries. I am counsel to CNG Holding. I have reviewed and relied upon the organizational documents of CNG Holding, and it is my opinion that the proposed export of natural gas as described in the application filed by CNG Holding, to which this Opinion of Counsel is attached as Appendix A, is within the company powers of CNG Holding.

Any questions regarding this correspondence or the Application, including the exhibits thereto, may be directed to me at (202) 778-9014 or at david.wochner@klgates.com.

Best regards,



David L. Wochner
Counsel for CNG HOLDING 1 LLC

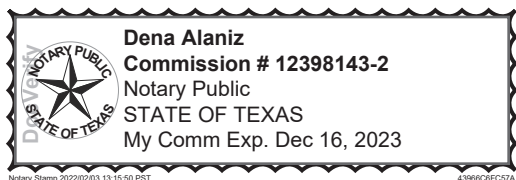
**APPENDIX B
VERIFICATION**

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

In the Matter of)
)
CNG HOLDING 1 LLC) **FE Docket No. 22-____-CNG**

VERIFICATION

The undersigned, being duly sworn, states that he is the authorized representative of CNG HOLDING 1 LLC; that he is duly authorized to make this Verification; that he has read the foregoing application and is familiar with the contents therein; 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 this application with the United States Department of Energy.



Notarial act performed by audio-visual communication

Pedro Tomas Santos
Signed on 2022/02/03 12:15:50 -8:00

Pedro Santos
Manager
CNG HOLDING 1 LLC

Sworn to and subscribed to me this 3rd day of February, 2022.

Signed on 2022/02/03 13:15:50 -8:00

Notary Public
for the State of Texas

6F28B328-9E31-48B8-9910-536A6884947D --- 2022/02/03 11:57:45 -8:00 --- Remote Notary



APPENDIX C
JOINT DEVELOPMENT AGREEMENT

(Filed Privileged & Confidential)