



Department of Energy
Washington, DC 20585

June 16, 2022

Via Email

David L. Wochner
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RE: Statement and Notice of Change in Control
Andalusian Energy, LLC
Docket No. 20-73-CNG

Dear Mr. Wochner:

This correspondence constitutes the response of the Department of Energy (DOE), Office of Fossil Energy and Carbon Management (FECM),¹ to the Statement and Notice of Change in Control filed on behalf of your client, Andalusian Energy, LLC (Andalusian), on April 1, 2022.² Andalusian provides notice of a change in its ownership, in light of DOE's Change in Control Procedures.³

I. BACKGROUND

Andalusian is a limited liability company organized under the laws of Nevada with its principal place of business in Houston, Texas. On November 2, 2020, in DOE/FE Order No. 4616, DOE authorized Andalusian to export domestically produced compressed natural gas (CNG) to countries with which the United States currently has, or in the future will have, a free trade agreement (FTA) requiring national treatment for trade in natural gas (FTA countries),⁴ under section 3(c) of the Natural Gas Act (NGA).⁵ Andalusian is authorized to export this CNG from a

¹ The Office of Fossil Energy changed its name to the Office of Fossil Energy and Carbon Management on July 4, 2021.

² Andalusian Energy, LLC, Statement and Notice of Change in Control, Docket No. 20-73-CNG (Apr. 1, 2022), <https://www.energy.gov/sites/default/files/2022-04/Andalusian%20Energy%20%28DOE-FE%20Dkt.%2020-73%29%20Change%20in%20Control%20Letter.pdf> [hereinafter Statement].

³ 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 (Nov. 5, 2014) [hereinafter DOE Change in Control Procedures].

⁴ *Andalusian Energy, LLC*, DOE/FE Order No. 4616, Docket No. 20-73-CNG, Order Granting Long-Term Authorization to Export Compressed Natural Gas to Free Trade Agreement Nations (Nov. 2, 2020).

⁵ 15 U.S.C. § 717b(c). 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,

proposed CNG compression and container loading facility to be located within the Port of Brownsville, Texas, for a 25-year term.⁶

II. DESCRIPTION OF CHANGE IN CORPORATE OWNERSHIP

Andalusian states that, prior to October 21, 2021, it was owned by NBR Global, LLC (NBR), a Texas limited liability company; and Nearshore Natural Gas, LLC (Nearshore), a Delaware limited liability company.⁷ Andalusian states that, effective October 21, 2021, Nearshore acquired 100% of the voting rights in Andalusian. Andalusian acknowledges that, because Nearshore “is now the sole owner of Andalusian,” a change in control has occurred.⁸

III. DISCUSSION AND CONCLUSIONS

DOE construes a change in control to mean a change, directly or indirectly, of the power to direct the management or policies of an entity whether such power is exercised through one or more intermediary companies or pursuant to an agreement, written or oral, and whether such power is established through ownership or voting of securities, or common directors, officers, or stockholders, or voting trusts, holding trusts, or debt holdings, or contract, or any other direct or indirect means.⁹ A rebuttable presumption that control exists will arise from the ownership or the power to vote, directly or indirectly, 10% or more of the voting securities of such entity.¹⁰

DOE’s Change in Control Procedures provide that, upon receipt of a statement of change in control relating to an existing long-term FTA authorization, DOE will give immediate effect to the change in control and will take no further action.¹¹ Accordingly, the change in control described above has taken effect insofar as it relates to Andalusian’s FTA authorization, DOE/FE Order No. 4616. No further action is required.

Sincerely,

Amy R. Sweeney
Director, Office of Regulation, Analysis, and Engagement
Office of Resource Sustainability

Mexico, Morocco, 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.

⁶ See *Andalusian Energy, LLC*, DOE/FE Order No. 4616, at 9 (Ordering Para. A).

⁷ Statement at 2; see also *Andalusian Energy, LLC*, DOE/FE Order No. 4616, at 3.

⁸ Statement at 2.

⁹ See DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

¹⁰ See *id.*

¹¹ See *Id.*