

U.S. Department of Energy
Categorical Exclusion Determination
Office of Fossil Energy and Carbon Management



MEXICO PACIFIC LIMITED LLC
DOCKET NO. 18-70-LNG

PROPOSED ACTION DESCRIPTION: Mexico Pacific Limited LLC (MPL) filed an application (Application) with the Office of Fossil Energy and Carbon Management (FECM) (formerly the Office of Fossil Energy)¹ on January 24, 2022. In DOE/FE Order No. 4312, MPL is currently authorized to re-export² U.S.-sourced natural gas in the form of liquefied natural gas (LNG) in a volume equivalent to 621 billion cubic feet per year (Bcf/yr) of natural gas by vessel from the proposed MPL Facility to be located in the State of Sonora, Mexico, directly south of the Arizona-Mexico border. MPL is authorized to re-export this LNG to any country with which the United States has not entered into 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 (non-FTA countries).³ In the Application, as relevant here, MPL asks DOE to extend its 20-year export term in Order No. 4312 to a term ending on December 31, 2050. MPL filed the Application under section 3 of the Natural Gas Act (NGA)⁴ and DOE’s policy statement entitled, “Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050.”⁵

The Application requests an amendment to an existing authorization in DOE/FE Order No. 4312. DOE’s proposed action is to authorize the requested amendment if DOE determines that extending the approved exports through December 31, 2050, is not inconsistent with the public interest. If granted, the authorization would extend the export term under DOE/FE Order No. 4312 through December 31, 2050, subject to the terms and conditions already set forth in that order.

CATEGORICAL EXCLUSION APPLIED: B5.7 - Export of natural gas and associated transportation by marine vessel

For the complete DOE National Environmental Policy Act regulations regarding categorical exclusions, including the full text of each categorical exclusion, see Subpart D of 10 CFR Part 1021.

Regulatory Requirements in 10 CFR 1021.410(b): (See full text in regulation)

[✓] The proposal fits within a class of actions that is listed in Appendix A or B to 10 CFR Part 1021, Subpart D.

To fit within the classes of actions listed in 10 CFR Part 1021, Subpart D, Appendix B, a proposal must be one that would not: (1) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, or similar requirements of DOE or Executive Orders; (2) require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators), but the

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

² For purposes of this Categorical Exclusion Determination, “re-export” means to ship or transmit U.S.-sourced natural gas in its various forms (gas, compressed, or liquefied) subject to DOE’s jurisdiction under the Natural Gas Act, 15 U.S.C. § 717b, from one foreign country (*i.e.*, a country other than the United States) to another foreign country.

³ *Mexico Pacific Limited LLC*, DOE/FE Order No. 4312, Docket No. 18-70-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export U.S.-Sourced Natural Gas by Pipeline to Mexico for Liquefaction and Re-Export in the Form of Liquefied Natural Gas to Non-Free Trade Agreement Countries (Dec. 14, 2018).

⁴ 15 U.S.C. § 717b.

⁵ U.S. Dep’t of Energy, Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050; Notice of Final Policy Statement and Response to Comments, 85 Fed Reg. 52,237 (Aug. 25, 2020).

proposal may include categorically excluded waste storage, disposal, recovery, or treatment actions or facilities; (3) disturb hazardous substances, pollutants, contaminants, or CERCLA-excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases; (4) have the potential to cause significant impacts on environmentally sensitive resources, including, but not limited to, those listed in paragraph B(4) of 10 CFR Part 1021, Subpart D, Appendix B; or (5) involve genetically engineered organisms, synthetic biology, governmentally designated noxious weeds, or invasive species, unless the proposed activity would be contained or confined in a manner designed and operated to prevent unauthorized release into the environment and conducted in accordance with applicable requirements, such as those listed in paragraph B(5) of 10 CFR Part 1021, Subpart D, Appendix B.

[✓] There are no extraordinary circumstances related to the proposal that may affect the significance of the environmental effects of the proposal.

[✓] The proposal has not been segmented to meet the definition of a categorical exclusion. This proposal is not connected to other actions with potentially significant impacts (40 CFR 1508.25(a)(1)), is not related to other actions with individually insignificant but cumulatively significant impacts (40 CFR 1508.27(b)(7)), and is not precluded by 40 CFR 1506.1 or 10 CFR 1021.211 concerning limitations on actions during preparation of an environmental impact statement.

Based on my review of the proposed action, as NEPA Compliance Officer, I have determined that the proposed action fits within the specified class(es) of action, the other regulatory requirements set forth above are met, and the proposed action is hereby categorically excluded from further NEPA review.

Signature: Brian D. Lavoie

Digitally signed by Brian D. Lavoie
Date: 2022.06.01 18:46:38 -04'00'

Date Determined: 6/1/22

Brian D. Lavoie, NEPA Compliance Officer, Office of Fossil Energy and Carbon Management