



**Department of Energy**  
Washington, DC 20585

April 18, 2023

**Via Email**

Marcia Hook  
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**RE: Notice of Change in Control**  
Hudson Energy Services, LLC, Docket No. 21-53-NG  
Just Energy New York Corp., Docket No. 21-73-NG  
Just Energy Ontario L.P., Docket No. 21-59-NG

Dear Ms. Hook:

This correspondence constitutes the response of the Department of Energy (DOE), Office of Fossil Energy and Carbon Management (FECM),<sup>1</sup> to the Notice of Change in Control filed on behalf of your clients, Hudson Energy Services, LLC, Just Energy New York Corp., and Just Energy Ontario L.P. (collectively, the Just Energy Entities), on January 13, 2023.<sup>2</sup> The Just Energy Entities provide notice of a change in their ownership, in light of DOE's Change in Control Procedures.<sup>3</sup>

**I. BACKGROUND**

Under section 3(c) of the Natural Gas Act (NGA),<sup>4</sup> DOE has authorized each of the Just Energy Entities to import and export natural gas from and to Canada, a nation with which there is in effect a free trade agreement (FTA) requiring national treatment for trade in natural gas, pursuant to transactions that have terms of not greater than two years, as set forth below:<sup>5</sup>

- Hudson Energy Services, LLC (Hudson Energy Services) is a limited liability company organized under the laws of New Jersey with its principal place of business in Houston,

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

<sup>2</sup> Hudson Energy Services, LLC, *et al.*, Notice of Change in Control, Docket Nos. 21-53-NG, *et al.* (Jan. 13, 2023), <https://www.energy.gov/sites/default/files/2023-01/IE%20-%20DOE%20Notice%20%281.13.23%29.pdf> [hereinafter Notice].

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

<sup>4</sup> 15 U.S.C. § 717b(c).

<sup>5</sup> See also Notice at 1-2.

Texas. Under DOE/FE Order No. 4705, Hudson Energy Services is authorized to import and export a combined total of 200 billion cubic feet (Bcf) of natural gas from and to Canada for a two-year term that began on July 15, 2021, and extends through July 14, 2023.<sup>6</sup>

- Just Energy New York Corp. (Just Energy New York) is a corporation organized under the laws of Delaware with its principal place of business in Mississauga, Ontario, Canada. Under DOE/FECM Order No. 4724, Just Energy New York is authorized to import and export a combined total of 100 Bcf of natural gas from and to Canada for a two-year term that began on October 26, 2021, and extends through October 25, 2023.<sup>7</sup>
- Just Energy Ontario L.P. (Just Energy Ontario) is a limited partnership organized under the laws of Canada with its principal place of business in Mississauga, Ontario, Canada. Under DOE/FE Order No. 4710, Just Energy Ontario is authorized to import and export a combined total of 200 Bcf of natural gas from and to Canada, for a two-year term that began on August 28, 2021, and extends through August 27, 2023.<sup>8</sup>

## **II. DESCRIPTION OF CHANGE IN CORPORATE OWNERSHIP**

The Just Energy Entities state that, at the time they filed their applications in the referenced dockets, they were owned by Just Energy Group Inc. (JEGI).<sup>9</sup> On December 16, 2022, five entities, LVS III SPE XV LP, TOCU XVII LLC, HVS XVI LLC, OC II LVS XIV LP, and OC III LFE I LP, increased their aggregate voting equity interest in Just Energy (U.S.) Corp (JEUS) from approximately 28.9% to 100%.<sup>10</sup> The Just Energy Entities state that this transaction resulted in a change to their ownership structure. Specifically, JEUS is now the parent company of all the Just Energy entities (including the above-named Just Energy Entities), and the former parent company, JEGI, is now a subsidiary of JEUS.<sup>11</sup> The Just Energy Entities state that, in light of these changes, they are no longer owned by JEGI.<sup>12</sup>

The Just Energy Entities further note that, although DOE's Change in Control Procedures apply explicitly to long-term FTA natural gas import and export authorizations,<sup>13</sup> DOE has applied these Procedures to short-term (or "blanket") FTA import or export authorizations having terms of less than two years.<sup>14</sup> The Just Energy Entities ask DOE to "provide the same treatment" to their short-term import and export authorizations identified above.<sup>15</sup>

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<sup>6</sup> *Hudson Energy Servs., LLC*, DOE/FE Order No. 4705, Docket No. 21-53-NG, Order Granting Blanket Authorization to Import and Export Natural Gas from and to Canada (May 27, 2021).

<sup>7</sup> *Just Energy New York Corp.*, DOE/FECM Order No. 4724, Docket No. 21-73-NG, Order Granting Blanket Authorization to Import and Export Natural Gas from and to Canada (Aug. 12, 2021).

<sup>8</sup> *Just Energy Ontario L.P.*, DOE/FE Order No. 4710, Docket No. 21-59-NG, Order Granting Blanket Authorization to Import and Export Natural Gas from and to Canada (June 8, 2021).

<sup>9</sup> Notice at 2.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

<sup>14</sup> See Notice at 3 & n.7 (citing *Cameron LNG, LLC, et al.*, DOE/FECM Order No. 4815, Docket Nos. 11-145-LNG, *et al.*, Ordering Approving Change in Control, at 7 (May 3, 2022)).

<sup>15</sup> *Id.* at 3.

### 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.<sup>16</sup> 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.<sup>17</sup>

DOE's Change in Control Procedures provide that, upon receipt of a statement of change in control relating to an existing FTA authorization, DOE will give immediate effect to the change in control and will take no further action.<sup>18</sup> Accordingly, the change in control described above has taken effect insofar as it relates to the Just Energy Entities' FTA authorizations (Order Nos. 4705, 4710, and 4724).

Sincerely,

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

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<sup>16</sup> See DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

<sup>17</sup> See *id.*

<sup>18</sup> See *id.*