



Department of Energy
Washington, DC 20585

May 24, 2024

J. Patrick Nevins
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Washington, D.C. 20004

RE: Notification of Change in Ownership Structure

Venture Global Calcasieu Pass, LLC, Docket Nos. 13-69-LNG, 14-88-LNG, 15-25-LNG
Venture Global Plaquemines LNG, LLC, Docket No. 16-28-LNG
Venture Global CP2 LNG, LLC, Docket No. 21-131-LNG

Dear Mr. Nevins:

This correspondence constitutes the response of the Department of Energy (DOE), Office of Fossil Energy and Carbon Management (FECM),¹ to the Notification of Change in Ownership Structure filed by Venture Global LNG, Inc. (Venture Global) on October 24, 2023 (Notification),² and supplemented on November 2, 2023 (Supplement).³ In the Notification, as supplemented, Venture Global provides notice of a corporate reorganization affecting the ownership of its three subsidiaries and authorization holders—Venture Global Calcasieu Pass, LLC (Calcasieu Pass), Venture Global Plaquemines LNG, LLC (Plaquemines LNG), and Venture Global CP2 LNG, LLC (CP2 LNG) (collectively, Authorization Holders)—in light of DOE’s Change in Control (or CIC) Procedures.⁴

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

² Venture Global Calcasieu Pass, LLC, *et al.*, Notification of Change in Ownership Structure, Docket Nos. 13-69-LNG *et al.* (Oct. 24, 2023), <https://www.energy.gov/sites/default/files/2023-10/10.24.23.Venture%20Global%20LNG%20DOE%20notification%20re.%20Corp%20Reorganization.pdf> [hereinafter Notification].

³ Venture Global Calcasieu Pass, LLC, *et al.*, Supplement to Notification of Change in Ownership Structure, Docket Nos. 13-69-LNG *et al.* (Nov. 2, 2023), https://www.energy.gov/sites/default/files/2023-11/Supplement%20to%20NOCC%2011.02.2023_0.pdf [hereinafter Supp.].

⁴ 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].

I. BACKGROUND

Each of the Authorization Holders are authorized and/or have applied for long-term authority to export domestically produced liquefied natural gas (LNG) under section 3 of the Natural Gas Act (NGA)⁵ as set forth below.

Calcasieu Pass

- Under Order Nos. 3345,⁶ 3520,⁷ and 3662,⁸ as amended, Calcasieu Pass is authorized to export LNG 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), in a total volume equivalent to 640.666 billion cubic feet per year (Bcf/yr) of natural gas for a term extending through December 31, 2050, under NGA section 3(c).⁹
- Under Order No. 4346,¹⁰ as amended, Calcasieu Pass is authorized to export LNG to any other country with which trade is not prohibited by U.S. law or policy (non-FTA countries), in a volume equivalent to 620 Bcf/yr of natural gas for a term extending through December 31, 2050, under NGA section 3(a).¹¹ This non-FTA volume is not additive to Calcasieu Pass's approved FTA export volume.

⁵ 15 U.S.C. § 717b. The authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA has been delegated to the Assistant Secretary for FECM in Redelegation Order No. S4-DEL-FE1-2023, issued on April 10, 2023.

⁶ *Venture Global Calcasieu Pass, LLC*, DOE/FE Order No. 3345, Docket No. 13-69-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Venture Global LNG Project in Cameron Parish, Louisiana, to Free Trade Agreement Nations (Sept. 27, 2013), *amended by* DOE/FE Order No. 3345-A (Oct. 21, 2020) (extending export term).

⁷ *Venture Global Calcasieu Pass, LLC*, DOE/FE Order No. 3520, Docket No. 14-88-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Venture Global LNG Project in Cameron Parish, Louisiana, to Free Trade Agreement Nations (Oct. 10, 2014), *amended by* DOE/FE Order No. 3520-A (Oct. 21, 2020) (extending export term).

⁸ *Venture Global Calcasieu Pass, LLC*, DOE/FE Order No. 3662, Docket No. 15-25-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Venture Global Calcasieu Pass LNG Project in Cameron Parish, Louisiana, to Free Trade Agreement Nations (June 17, 2015), *amended by* DOE/FE Order No. 3662-A (Oct. 21, 2020) (extending export term), *further amended by* DOE/FECM Order No. 3662-B (Apr. 22, 2022) (increasing export volume).

⁹ 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, 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.

¹⁰ *Venture Global Calcasieu Pass, LLC*, DOE/FE Order No. 4346, Docket Nos. 13-69-LNG, 14-88-LNG, and 15-25-LNG (Consolidated), Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Mar. 5, 2019), *amended by* DOE/FE Order No. 4346-A (Oct. 21, 2020) (extending export term).

¹¹ 15 U.S.C. § 717b(a).

- The non-FTA portion of Calcasieu Pass’s Amendment Application, asking DOE to amend Order No. 4346 to increase its approved non-FTA export volume from 620 Bcf/yr to 640.666 Bcf/yr of natural gas, is still pending.¹²

Plaquemines LNG

- Under DOE/FE Order No. 3866,¹³ as amended, Plaquemines LNG is authorized to export LNG to FTA countries in a volume equivalent to 1,405.33 Bcf/yr of natural gas for a term extending through December 31, 2050.
- Under DOE/FE Order No. 4446,¹⁴ as amended, Plaquemines LNG is authorized to export LNG to non-FTA countries in a volume equivalent to 1,240 Bcf/yr of natural gas for a term extending through December 31, 2050. This non-FTA volume is not additive to Plaquemines LNG’s approved FTA export volume.
- The non-FTA portion of Plaquemines LNG’s Amendment Application, asking DOE to amend Order No. 4446 to increase its approved non-FTA export volume from 1240 Bcf/yr to 1405.33 Bcf/yr of natural gas, is still pending.¹⁵

CP2 LNG

- Under DOE/FE Order No. 4812,¹⁶ CP2 LNG is authorized to export LNG to FTA countries in a volume equivalent to 1,446 Bcf/yr of natural gas for a term extending through December 31, 2050.
- The non-FTA portion of CP2 LNG’s Application, seeking to export the same volume of LNG on a non-additive basis to non-FTA countries, remains pending.¹⁷

¹² Venture Global Calcasieu Pass, LLC, Application for Limited Amendment to Existing Long-Term, Multi-Contract Authorizations to Export LNG to Free Trade and Non-Free Trade Agreement Nations, Docket Nos. 13-69-LNG, 14-88-LNG, and 15-25-LNG (Dec. 3, 2021). DOE previously granted the FTA portion of this application, as reflected above.

¹³ *Venture Global Plaquemines LNG, LLC*, DOE/FE Order No. 3866, Docket No. 16-28-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Plaquemines LNG Terminal in Plaquemines Parish, Louisiana, to Free Trade Agreement Nations (July 21, 2016), *amended by* DOE/FE Order No. 3866-A (Oct. 21, 2020) (extending export term), *further amended by* DOE/FECM Order No. 3866-B (June 13, 2022) (increasing export volume).

¹⁴ *Venture Global Plaquemines LNG, LLC*, DOE/FE Order No. 4446, Docket No. 16-28-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Oct. 16, 2019), *amended by* DOE/FE Order No. 4446-A (Oct. 21, 2020) (extending export term).

¹⁵ Venture Global Plaquemines LNG, LLC, Application for Limited Amendment to Existing Long-Term, Multi-Contract Authorizations to Export Liquefied Natural Gas to Free Trade and Non-Free Trade Agreement Nations, Docket No. 16-28-LNG (Mar. 11, 2022). DOE previously granted the FTA portion of this application, as reflected above.

¹⁶ *Venture Global CP2 LNG, LLC*, DOE/FE Order No. 4812, Docket No. 21-131-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations (Apr. 22, 2022).

¹⁷ Venture Global CP2 LNG, LLC, Application for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas to Free Trade Agreement and Non-Free Trade Agreement Nations, Docket No. 21-131-LNG (Dec. 2, 2021).

II. DESCRIPTION OF CHANGE IN CORPORATE OWNERSHIP

Venture Global’s Notification and Supplement describe a series of reorganization transactions effective as of September 25, 2023 (Transactions). Venture Global states that, prior to the Transactions, 63.54% of the common equity in Venture Global was owned by Venture Global Partners, LLC (VG Partners), which in turn was 50% owned and controlled by each of Robert B. Pender and Michael A. Sabel (Principals).¹⁸ The remaining 36.46% of the common equity in Venture Global was collectively owned by a group of institutional investors, with no single institutional investor holding 10% or more.¹⁹

Venture Global states that, following the consummation of the Transactions, it became a wholly-owned subsidiary of a new Delaware corporation named Venture Global Holdings, Inc. (VG Holdings), which has the same principal place of business as Venture Global.²⁰ Venture Global further states that “the Principals [now] own approximately 84% of the common equity and voting power of VG Holdings”²¹ (specifically, 83.79%),²² resulting in an increase in their ownership share of Venture Global and the Authorization Holders.²³

Additionally, Venture Global states that the Principals’ ownership and control “moved up a level in the corporate structure.”²⁴ The Principals now hold their ownership interest in a new entity named Venture Global Partners II, LLC, which is a Delaware limited liability company with the same principal place of business as Venture Global.²⁵ Venture Global states that, like the former VG Partners, Venture Global Partners II, LLC is 50% owned and controlled by each of the two Principals. Thus, “after the reorganization, the Principals hold their ownership in Venture Global indirectly, through VG Holdings, which owns 100% of Venture Global, and they hold it in [the] newly substituted entity”—Venture Global Partners II, LLC.²⁶

Following the Transactions, the institutional investors now own a total of 16.21% of the common equity in VG Holdings,²⁷ with funds managed and/or controlled by Pacific Investment

¹⁸ Notification at 3; *see also* Supp. (Mar. 11, 2022 Corporate Organizational Chart).

¹⁹ *Id.*

²⁰ Notification at 6.

²¹ *Id.* at 7.

²² *See* Supp. (Oct. 31, 2023 Corporate Organizational Chart).

²³ Notification at 7.

²⁴ *Id.* at 6.

²⁵ *Id.*

²⁶ *See id.* at 7 & n.22. The internal corporate reorganization involving the new entity Venture Global Partners II, LLC is described for completeness only and is not subject to this Response. DOE has previously found that the Change in Control Procedures apply only to external transfers or assignments, not to internal corporate reorganizations. *See, e.g., Port Arthur LNG, LLC*, Notice of Internal Corporate Reorganization, Docket Nos. 15-53-LNG, *et al.* (Apr. 11, 2019) (noting that DOE’s Change in Control Procedures, 79 Fed. Reg. at 65,541, focus on “ownership or management of the exporting entity chang[ing] hands, resulting in a change in control”).

²⁷ *See* Supp. (Oct. 31, 2023 Corporate Organizational Chart).

Management LLC (PIMCO) owning 15.10%,²⁸ and other passive institutional investors together owning the remaining 1.11%.²⁹

Venture Global further states that, after the Transactions, the Principals continue to retain the sole right to control and direct the management and policies of Venture Global and thus each of the Authorization Holders (other than Stonepeak's rights described *supra* note 27).³⁰

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.³¹ 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.³²

As set forth herein, we review only the portion of the Notification related to the institutional investors, with PIMCO now owning “approximately 15.10% of the common equity in VG Holdings.”³³ Venture Global contends that, “[t]he PIMCO ownership interest creates a rebuttal presumption of control under the CIC Procedures, but that presumption should be deemed rebutted here because of the entirely passive nature of PIMCO’s investment in Venture Global.”³⁴ Venture Global further asserts that “PIMCO has no power to direct the management or policies of VG Holdings, Venture Global, or any of their project company subsidiaries holding export authorizations, and plays no role in such management.”³⁵ Nonetheless, we find that this Transaction constitutes a change in control under DOE’s Change in Control Procedures because PIMCO has acquired approximately 15.10% of the common equity and voting power of VG Holdings.³⁶

²⁸ See *id.*; see also Notification at 7. Venture Global states that, as a result of this 15.10% interest in VG Holdings, PIMCO indirectly owns the same 15.10% ownership in the equity of each of the Authorization Holders—Calcasieu Pass, Plaquemines LNG, and CP2 LNG—though its ownership of Calcasieu Pass will be reduced to approximately 11.56% when Stonepeak Partners LP’s (Stonepeak) preferred interests in Calcasieu Pass Holdings, LLC convert into common units upon the commercial operation date of the Calcasieu Pass Project. See Notification at 7. Calcasieu Pass previously described this Stonepeak interest in a change of control filing submitted on September 6, 2019, to which DOE responded on March 17, 2020. See Docket Nos. 13-69-LNG, *et al.*

²⁹ See Supp. (Oct. 31, 2023 Corporate Organizational Chart); see also, *e.g.*, Notification at 7.

³⁰ Notification at 8.

³¹ See DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

³² *Id.*

³³ See Notification at 7; see also Supp. (Oct. 31, 2023 Corporate Organizational Chart).

³⁴ Notification at 7.

³⁵ *Id.* at 8.

³⁶ See DOE Change in Control Procedures, 79 Fed. Reg. at 65,542; see also Notification at 7 (stating that, “[f]ollowing this corporate reorganization, the Principals own approximately 84% of the common equity and voting power of VG Holdings,” and PIMCO “now owns approximately 15.1% of the common equity in VG Holdings”).

A. FTA Export Authorizations

DOE's Change in Control Procedures 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.³⁷ Accordingly, the change in control described above has taken effect insofar as it relates to the FTA authorizations identified above—specifically, Order Nos. 3345, 3520, 3662 (Calcasieu Pass); Order No. 3866 (Plaquemines LNG); and Order No. 4812 (CP2 LNG), and any amendments to these orders, as applicable.

B. Non-FTA Export Authorizations

DOE's Change in Control Procedures state that, with respect to existing non-FTA authorizations, DOE will give effect to the change in control and will publish a notice of the change in the *Federal Register*.³⁸ If no interested person protests the change in control and DOE takes no action on its own motion, the amendment to the existing non-FTA authorization will be deemed granted 30 days after publication in the *Federal Register*.³⁹

Consistent with these procedures, DOE published a notice of the Notification and Supplement in the *Federal Register* on December 18, 2023 (Notice).⁴⁰ DOE invited protests, motions to intervene, and written comments to be filed no later than January 2, 2024.⁴¹ DOE received no filings in response to the Notice. Because more than 30 days have passed since the Notice was published in the *Federal Register*, the change in control with respect to the non-FTA authorizations held by Calcasieu Pass (Order No. 4346, as amended) and Plaquemines LNG (Order No. 4446, as amended) are deemed granted.

C. Pending Non-FTA Export Applications

DOE has not yet issued a final order on the non-FTA portion of the applications pending in Docket Nos. 13-69-LNG, 14-88-LNG, 15-25-LNG (consolidated) (Calcasieu Pass); Docket No. 16-28-LNG (Plaquemines LNG); and Docket No. 21-131-LNG (CP2 LNG), respectively.⁴² The Change in Control Procedures state that, with respect to “pending non-FTA export applications, *i.e.*, proceedings in which DOE has not yet issued a final order,” applicants may amend their applications to reflect a change in control by submitting notice of the amendment to DOE and serving that notice on other parties in the proceeding.⁴³

Under the Change in Control Procedures, DOE will give immediate effect to the amendment to each of these applications, but it will accept and consider answers to the notice of amendment

³⁷ See DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

³⁸ See *id.*

³⁹ *Id.*

⁴⁰ U.S. Dep't of Energy, Change in Control; Venture Global Calcasieu Pass, LLC, *et. al.*, 88 Fed. Reg. 87,418 (Dec. 18, 2023).

⁴¹ See *id.*

⁴² See *supra* at 3.

⁴³ DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

received within 15 days of service of the applicant's pleading.⁴⁴ DOE will address the issues raised in any answers to the amendment in its final order on the pending applications.⁴⁵

Venture Global complied with the service requirements of the Change in Control Procedures on behalf of its subsidiaries, the Authorization Holders, when it served the Notification and Supplement. The change in control applicable to the non-FTA portion of the applications identified above has thus taken effect. More than 15 days have passed since Venture Global served both the Notification and Supplement, and DOE has not received any answers. Accordingly, the change in control continues in effect for each application. No further action is required.

Sincerely,

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

⁴⁴ *Id.*

⁴⁵ *Id.*